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**建業地產股份有限公司\***  
**Central China Real Estate Limited**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 0832)

**ANNOUNCEMENT OF INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

**FINANCIAL HIGHLIGHTS**

- Revenue for the six months ended 30 June 2021 amounted to RMB20,357 million, an increase of 56.4% compared with the corresponding period in 2020.
- Gross profit margin for the period was 17.9%, a decrease of 5.8 percentage points compared with 23.7% for the corresponding period in 2020.
- Profit attributable to equity shareholders of the Company for the period amounted to RMB729 million, an increase of 0.3% compared with the corresponding period in 2020.
- Profit for the period was RMB1,025 million, representing an increase of 30.4% compared with the corresponding period in 2020.
- Net profit margin for the period was 5.0%, a decrease of 1.0 percentage point compared with 6.0% for the corresponding period in 2020.
- Basic earnings per share for the period was RMB25.63 cents, a decrease of 3.0% compared with the corresponding period in 2020.
- Declaration of an interim dividend of HK14.75 cents per share for the six months ended 30 June 2021.

## INTERIM RESULTS

The board (the “Board”) of directors (the “Directors” and each a “Director”) of Central China Real Estate Limited (the “Company”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2021, together with the relevant comparative figures in 2020 as follows:

### CONSOLIDATED INCOME STATEMENT

for the six months ended 30 June 2021 – unaudited

(Expressed in Renminbi)

		Six months ended 30 June	
		2021	2020
	Note	RMB'000	RMB'000
<b>Revenue</b>	3	<b>20,356,906</b>	13,018,858
Cost of sales		<u>(16,719,102)</u>	<u>(9,930,084)</u>
<b>Gross profit</b>		<b>3,637,804</b>	3,088,774
Other revenue	4	<b>130,800</b>	170,131
Other net income	4	<b>190,137</b>	522,151
Selling and marketing expenses		<b>(773,087)</b>	(907,309)
General and administrative expenses		<b>(788,693)</b>	(822,815)
Impairment losses on trade and other receivables and contract assets	5	<u><b>(35,110)</b></u>	<u>(95,498)</u>
		<b>2,361,851</b>	1,955,434
Finance costs	5	<b>(464,356)</b>	(369,524)
Share of profits less losses of associates		<b>817</b>	(2,557)
Share of profits less losses of joint ventures		<u><b>68,874</b></u>	<u>(41,259)</u>
<b>Profit before change in fair value of investment property and income tax</b>		<b>1,967,186</b>	1,542,094
Net valuation gains/(losses) on investment property		<u><b>96,886</b></u>	<u>(84,789)</u>
<b>Profit before taxation</b>	5	<b>2,064,072</b>	1,457,305
Income tax	6	<u><b>(1,038,859)</b></u>	<u>(671,148)</u>
<b>Profit for the period</b>		<u><b>1,025,213</b></u>	<u>786,157</u>

## CONSOLIDATED INCOME STATEMENT

for the six months ended 30 June 2021 – unaudited (Continued)

(Expressed in Renminbi)

		Six months ended 30 June	
		2021	2020
	Note	RMB'000	RMB'000
<b>Attributable to:</b>			
Equity shareholders of the Company		729,124	726,982
Non-controlling interests		<u>296,089</u>	<u>59,175</u>
<b>Profit for the period</b>		<u>1,025,213</u>	<u>786,157</u>
<b>Earnings per share</b>	7		
– Basic (RMB cents)		<u>25.63</u>	<u>26.43</u>
– Diluted (RMB cents)		<u>25.54</u>	<u>25.93</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2021 – unaudited

(Expressed in Renminbi)

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
<b>Profit for the period</b>	<b>1,025,213</b>	<b>786,157</b>
<b>Other comprehensive income for the period (after tax and reclassification adjustments)</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling)	9,459	456
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on:		
– translation of financial statements to the presentation currency	62,029	(120,184)
– arising on a monetary item that forms part of net investment in foreign operations	78,868	(99,355)
<b>Other comprehensive income for the period</b>	<b>150,356</b>	<b>(219,083)</b>
<b>Total comprehensive income for the period</b>	<b>1,175,569</b>	<b>567,074</b>
<b>Attributable to:</b>		
Equity shareholders of the Company	879,484	510,927
Non-controlling interests	296,085	56,147
<b>Total comprehensive income for the period</b>	<b>1,175,569</b>	<b>567,074</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2021 – unaudited

(Expressed in Renminbi)

		At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
	<i>Note</i>		
<b>Non-current assets</b>			
Property, plant and equipment		8,945,966	7,232,353
Investment property		4,388,700	4,080,100
Intangible assets		74,664	–
Goodwill		1,045,660	1,045,660
Biological assets		201,907	218,001
Interests in associates	8	184,308	215,648
Interests in joint ventures	9	7,151,758	5,480,835
Other financial assets		582,307	567,409
Deferred tax assets		311,459	376,490
		<u>22,886,729</u>	<u>19,216,496</u>
<b>Current assets</b>			
Trading securities		58,437	62,059
Biological assets		46,300	42,400
Inventories and other contract costs	10	94,029,659	89,430,850
Contract assets		24,616	242,608
Trade and other receivables	11	6,837,115	5,160,062
Deposits and prepayments	12	17,303,152	17,583,158
Tax recoverable		3,661,836	2,836,267
Restricted bank deposits		5,608,010	6,707,913
Cash and cash equivalents		10,872,215	22,618,964
		<u>138,441,340</u>	<u>144,684,281</u>
<b>Current liabilities</b>			
Bank loans	13	(2,879,337)	(3,612,904)
Other loans	14	(1,557,534)	(1,443,900)
Trade and other payables	15	(54,969,853)	(50,728,425)
Contract liabilities		(61,332,607)	(63,298,581)
Corporate bonds	17	(1,500,000)	(2,999,970)
Senior notes	16	(2,588,896)	(7,201,463)
Lease liabilities		(125,676)	(130,096)
Taxation payable		(1,484,108)	(1,223,219)
		<u>(126,438,011)</u>	<u>(130,638,558)</u>
<b>Net current assets</b>		<u>12,003,329</u>	<u>14,045,723</u>
<b>Total assets less current liabilities</b>		<u>34,890,058</u>	<u>33,262,219</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*at 30 June 2021 – unaudited (Continued)*

*(Expressed in Renminbi)*

		At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
	<i>Note</i>		
<b>Non-current liabilities</b>			
Bank loans	<i>13</i>	(3,556,850)	(1,888,125)
Other loans	<i>14</i>	(420,000)	(1,163,000)
Senior notes	<i>16</i>	(15,790,604)	(12,994,360)
Lease liabilities		(707,525)	(756,882)
Deferred tax liabilities		(1,663,417)	(1,877,817)
		<u>(22,138,396)</u>	<u>(18,680,184)</u>
<b>NET ASSETS</b>		<u>12,751,662</u>	<u>14,582,035</u>
<b>CAPITAL AND RESERVES</b>			
Share capital		260,364	258,195
Reserves		9,434,479	11,118,459
<b>Total equity attributable to equity shareholders of the Company</b>		<b>9,694,843</b>	11,376,654
<b>Non-controlling interests</b>		<u>3,056,819</u>	<u>3,205,381</u>
<b>TOTAL EQUITY</b>		<u><u>12,751,662</u></u>	<u><u>14,582,035</u></u>

## NOTES:

Central China Real Estate Limited (“the Company”) is a limited liability company incorporated in the Cayman Islands on 15 November 2007. Its principal place of business is at Room 7701B–7702A, 77th Floor, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong and its registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. This interim financial report as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interests in associates and joint ventures. The principal activity of the Company is investment holding and the Group are principally engaged in property development, property leasing and hotel operations in Henan Province in the People’s Republic of China (“the PRC”).

### 1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (HKAS) 34, Interim financial reporting, issued by the Hong Kong Institute of Certified Public Accountants (HKICPA). It was authorised for issue on 18 August 2021.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2020 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2021 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2020 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRSs.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA.

## 2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim financial report.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 3 REVENUE AND SEGMENT REPORTING

### (a) Revenue

The principal activities of the Group are property development, property leasing and hotel operations. Revenue of the Group for the period is analysed as follows:

#### (i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
<b>Revenue from contracts with customers within the scope of HKFRS15</b>		
Disaggregation by major products or service lines		
– Sales of properties	19,417,567	12,364,883
– Revenue from hotel operations	165,599	92,495
– Revenue from project management service	566,363	462,048
– Others	115,626	41,954
	<u>20,265,155</u>	<u>12,961,380</u>
<b>Revenue from other sources</b>		
– Rental income from investment properties	70,078	38,317
– Rental income from properties for sale	21,673	19,161
	<u>91,751</u>	<u>57,478</u>
	<u><u>20,356,906</u></u>	<u><u>13,018,858</u></u>



Disaggregation of revenue from contracts with customers by timing of revenue recognition is as follows:

	<b>Six months ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Point in time</b>		
– Sales of properties	<b>17,012,882</b>	7,763,374
– Revenue from hotel operations	<b>165,599</b>	92,495
– Others	<b>115,626</b>	41,954
	<u><b>17,294,107</b></u>	<u>7,897,823</u>
<b>Over time</b>		
– Sales of properties	<b>2,404,685</b>	4,601,509
– Revenue from project management service	<b>566,363</b>	462,048
– Rental income from investment properties	<b>70,078</b>	38,317
– Rental income from properties for sale	<b>21,673</b>	19,161
	<u><b>3,062,799</b></u>	<u>5,121,035</u>
	<u><b>20,356,906</b></u>	<u>13,018,858</u>

**(b) Segment reporting**

**(i) *Products and services from which reportable segments derive their revenue***

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is more focused on the Group as a whole, as all of the Group's activities are considered to be primarily dependent on the performance on property development. Resources are allocated based on what is beneficial for the Group in enhancing its property development activities as a whole rather than any specific service. Performance assessment is based on the results of the Group as a whole. Therefore, management considers there to be only one operating segment under the requirements of HKFRS 8, Operating segments.

**(ii) *Geographic information***

No geographical information is shown as the revenue and profit from operations of the Group is substantially derived from activities in the PRC.

#### 4 OTHER REVENUE AND OTHER NET INCOME

	Six months ended 30 June	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Other revenue</b>		
Interest income	109,167	154,583
Dividend income from equity securities	3,900	6,734
Government grants	7,630	3,059
Others	10,103	5,755
	<u>130,800</u>	<u>170,131</u>
<b>Other net income</b>		
Net realised and unrealised loss on trading securities	(2,925)	(3,782)
Inventory write-down	(251,381)	(289,411)
Net loss on disposals of property, plant and equipment	(12)	(2,228)
Net gain on deemed disposals and disposals of joint ventures	36,134	894,029
Net gain on deemed disposals and disposals of subsidiaries	380,135	21,439
Net gain on deemed disposals and disposals of associates	8,486	8,399
Net exchange gain/(loss)	56,305	(23,768)
Others	(36,605)	(82,527)
	<u>190,137</u>	<u>522,151</u>

## 5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	<b>Six months ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>(a) Finance costs</b>		
Interest on bank loans and other borrowings	<b>1,158,334</b>	1,338,450
Interest on lease liabilities	<b>19,608</b>	21,752
	<hr/>	<hr/>
Total interest expense on financial liabilities not at fair value through profit or loss	<b>1,177,942</b>	1,360,202
Interest accrued on advance payments from customers	<b>1,214,418</b>	1,398,281
Less: interest expense capitalised into properties under development	<b>(2,057,639)</b>	(2,303,675)
	<hr/>	<hr/>
	<b>334,721</b>	454,808
Net change in fair value of derivatives	<b>129,635</b>	(85,284)
	<hr/>	<hr/>
	<b>464,356</b>	369,524
	<hr/> <hr/>	<hr/> <hr/>
<b>(b) Other items</b>		
Amortisation	<b>4,861</b>	–
Depreciation charge		
– owned property, plant and equipment	<b>108,635</b>	126,601
– right-of-use assets	<b>41,828</b>	29,836
Impairment losses on trade and other receivables and contract assets	<b>35,110</b>	95,498
Cost of properties sold	<b>16,371,267</b>	9,755,390
Advertising and promotion expenses to football club	<b>2,000</b>	225,000
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**6 INCOME TAX**

	<b>Six months ended 30 June</b>	
	<b>2021</b>	2020
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Current tax</b>		
PRC Corporate Income Tax	<b>817,393</b>	515,134
PRC Land Appreciation Tax	<b>292,096</b>	210,950
Withholding tax	<b>113,562</b>	50,000
	<u><b>1,223,051</b></u>	<u>776,084</u>
<b>Deferred tax</b>		
PRC Corporate Income Tax	<b>(131,009)</b>	(129,281)
PRC Land Appreciation Tax	<b>(53,183)</b>	24,345
	<u><b>(184,192)</b></u>	<u>(104,936)</u>
	<u><b>1,038,859</b></u>	<u>671,148</u>

- (a) Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands.
- (b) No Hong Kong Profits Tax has been provided for as the Group has no estimated assessable profits in Hong Kong.

**(c) PRC Corporate Income Tax (“CIT”)**

The provision for CIT is based on the respective applicable rates on the estimated assessable profits of the Company’s subsidiaries in the PRC (“PRC subsidiaries”) as determined in accordance with the relevant income tax rules and regulations of the PRC.

The PRC subsidiaries were subject to the actual taxation method, charged CIT at a rate of 25% (2020: 25%) on the estimated assessable profits for the period.

**(d) Land Appreciation Tax (“LAT”)**

All income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation of land value, with an exemption provided for property sales of ordinary residential properties (普通標準住宅) if their appreciation of land value do not exceed 20% of the sum of the total deductible items.

**(e) Withholding tax**

Withholding taxes are levied on the Company’s subsidiaries in Hong Kong (“Hong Kong subsidiaries”) in respect of dividend distributions arising from profit of PRC subsidiaries earned after 1 January 2008 and interest on inter-company balance received by Hong Kong subsidiaries from PRC subsidiaries ranged from 5% to 10%.

**7 EARNINGS PER SHARE**

**(a) Basic earnings per share**

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB729,124,000 (2020: RMB726,982,000) and the weighted average of 2,844,797,169 ordinary shares (2020: 2,750,284,882 shares) in issue during the interim period.

(b) **Diluted earnings per share**

The calculation of diluted earnings per share was based on the profit attributable to ordinary equity shareholders of the Company of RMB729,124,000 (2020: RMB726,982,000) and the weighted average number of ordinary shares of 2,854,966,974 (2020: 2,803,809,403 shares).

(i) ***Profit attributable to ordinary equity shareholders of the Company (diluted)***

	<b>Six months ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Profit attributable to equity shareholders (diluted)	<b><u>729,124</u></b>	<b><u>726,982</u></b>

(ii) ***Weighted average number of ordinary shares (diluted)***

	<b>Six months ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
Weighted average number of ordinary shares at 30 June	<b>2,844,797,169</b>	2,750,284,882
Effect of deemed issue of ordinary shares under the Company's share option scheme and share award scheme	<b><u>10,169,805</u></b>	<u>53,524,521</u>
Weighted average number of ordinary shares at 30 June (diluted)	<b><u>2,854,966,974</u></b>	<b><u>2,803,809,403</u></b>

## 8 INTEREST IN ASSOCIATES

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Share of net assets	140,374	156,043
Amounts due from associates	<u>43,934</u>	<u>59,605</u>
	<b><u>184,308</u></b>	<b><u>215,648</u></b>

## 9 INTEREST IN JOINT VENTURES

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Share of net assets	1,958,692	1,821,366
Amounts due from joint ventures	<u>5,193,066</u>	<u>3,659,469</u>
	<b><u>7,151,758</u></b>	<b><u>5,480,835</u></b>

### (a) Deemed disposal of joint ventures in step acquisitions

During the six months ended 30 June 2021, the Group entered into equity transfer agreements with respective joint venturers to acquire additional equity interests. Upon completion of the above transactions, these joint ventures became subsidiaries of the Group.

The net gain of RMB36,134,000 (2020: RMB894,029,000) on deemed disposals of these joint ventures was recognised in profit or loss during the period, by remeasuring the Group's previously held equity interests in these entities at the acquisition date fair value.

### (b) Amounts due from joint ventures

Amounts due from joint ventures included amount of RMB1,107,125,000 (31 December 2020: RMB1,210,396,000) which are interest-bearing at 10% – 12% per annum, unsecured and have no fixed terms of payment. The remaining amounts due from joint ventures are unsecured, interest-free and have no fixed terms of payment. They are expected to be recovered after more than one year.

## 10 INVENTORIES AND OTHER CONTRACT COSTS

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
<b>Inventories</b>		
Properties held for future development and under development for sale	<b>84,033,918</b>	82,552,774
Completed properties held for sale	<b>9,695,194</b>	6,585,147
Others	<b>22,080</b>	21,240
	<b>93,751,192</b>	89,159,161
<b>Other contract costs</b>	<b>278,467</b>	271,689
	<b>94,029,659</b>	89,430,850

As at 30 June 2021, the Group's inventories of RMB5,582,919,000 (31 December 2020: RMB5,774,503,000) were pledged as securities of joint ventures' loans.



## 11 TRADE AND OTHER RECEIVABLES

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Trade debtors and bills receivable, net of loss allowance	114,935	216,702
Other debtors	2,018,040	1,684,228
Amounts due from joint ventures	272,280	222,526
Amounts due from associates	5,217	5,920
Amounts due from entities controlled		
by the ultimate controlling shareholder	101,630	102,563
Amounts due from entities jointly controlled by a close family		
member of the ultimate controlling shareholder	4,520	2,607
Amounts due from joint venturers	530,222	–
Amounts due from non-controlling interests	<u>3,754,445</u>	<u>2,890,330</u>
Financial assets measured at amortised cost	6,801,289	5,124,876
Derivative financial instruments		
– redemption call options embedded in senior notes	<u>35,826</u>	<u>35,186</u>
	<u><b>6,837,115</b></u>	<u><b>5,160,062</b></u>

Amounts due from joint ventures and non-controlling interests are unsecured, interest-free and has no fixed terms of repayment.

Amounts due from entities controlled by the ultimate controlling shareholder mainly represented amounts in relation to the lease, hotel and other miscellaneous services provided by the Group, which are unsecured and to be settled according to the contract terms.

Amounts due from joint venturers are unsecured, interest-bearing at 8%-12% per annum and expected to be repaid within one year.

**(a) Aging analysis**

The ageing analysis of bills and trade receivables, based on the invoice date (or date of revenue recognition, if earlier) and net of loss allowance, is as follows:

	At <b>30 June</b> <b>2021</b> <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Within 1 month		
1 to 3 months	<b>83,735</b>	151,005
3 to 6 months	<b>11,211</b>	35,557
6 to 12 months	<b>17,393</b>	21,259
Over 1 year	<b>2,596</b>	8,881
	<b>114,935</b>	216,702

Trade debtors and bills receivable are due upon the invoicing.

**12 DEPOSITS AND PREPAYMENTS**

At 30 June 2021, the balance included deposits and prepayments for leasehold land for development purpose of RMB13,493,409,000 (31 December 2020: RMB14,392,292,000), which will be transferred to inventory upon the registration of the ownership interest in the land.

## 13 BANK LOANS

(a) At 30 June 2021, bank loans were repayable as follows:

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Within 1 year or on demand	2,879,337	3,612,904
After 1 year but within 2 years	1,700,870	751,655
After 2 years but within 5 years	1,630,980	889,375
After 5 years	225,000	247,095
	<u>3,556,850</u>	<u>1,888,125</u>
	<u><b>6,436,187</b></u>	<u><b>5,501,029</b></u>

(b) At 30 June 2021, the bank loans were secured as follows:

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Bank loans		
– secured	5,465,850	4,620,658
– unsecured	970,337	880,371
	<u>6,436,187</u>	<u>5,501,029</u>

- (c) As at 30 June 2021, the secured bank loans are secured over equity interest in subsidiaries of the Group and other assets as follows:

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Properties for sale	6,809,260	5,587,034
Property, plant and equipment	747,146	777,786
Investment property	–	509,000
Restricted bank deposits	–	395,866
	<u>7,556,406</u>	<u>7,269,686</u>

#### 14 OTHER LOANS

- (a) At 30 June 2021, other loans were repayable as follows:

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Within 1 year or on demand	1,557,534	1,443,900
After 1 year but within 2 years	420,000	1,163,000
	<u>1,977,534</u>	<u>2,606,900</u>

- (b) At 30 June 2021, the other loans were secured as follows:

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Other loans		
– secured	1,857,000	1,877,901
– unsecured	120,534	728,999
	<u>1,977,534</u>	<u>2,606,900</u>

(c) As at 30 June 2021, the secured other loans are secured over interests in subsidiaries of the Group and other assets as follows:

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Properties for sale	3,554,484	3,990,655
Property, plant and equipment	141,097	–
Loan deposit	3,600	–
	<u>3,699,181</u>	<u>3,990,655</u>

## 15 TRADE AND OTHER PAYABLES

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Trade creditors and bills payable	33,497,955	29,186,718
Other creditors and accrued charges	7,181,964	5,740,703
Amounts due to joint ventures	6,483,590	5,713,558
Amounts due to associates	124,367	191,441
Amounts due to entities controlled by the ultimate controlling shareholder	697,521	1,074,120
Amounts due to non-controlling interests	4,221,254	4,720,541
Financial liabilities measured at amortised cost	<u>52,206,651</u>	<u>46,627,081</u>
Other tax payables	2,376,418	3,622,450
Derivative financial instruments		
– foreign exchange rate swap contract	91,514	77,473
– foreign exchange forward contracts and option contracts	295,270	401,421
	<u>2,763,202</u>	<u>4,101,344</u>
	<u>54,969,853</u>	<u>50,728,425</u>

Amounts due to joint ventures and associates are unsecured, interest-free and have no fixed terms of payment.

Amounts due to entities controlled by the ultimate controlling shareholder mainly included amount due to Central China New Life Limited 建業新生活有限公司 (“Central China New Life”) together with its subsidiaries of RMB554,884,000 (31 December 2020: RMB763,677,000) and amount due to DIT Group Limited 築友智造科技集團有限公司 (“Drawin Intelligent Manufacture”) together with its subsidiaries of RMB130,988,000 (31 December 2020: RMB112,722,000), for receiving services from these entities which are interest free, unsecured and to be settled according to the contract terms.

Amounts due to non-controlling interests included amount of RMB122,472,000 (31 December 2020: RMB80,243,000) which are unsecured, interest bearing at 12% (31 December 2020: 12%) per annum and repayable within 1 year. The remaining amounts due to non-controlling interests are unsecured, interest-free and have no fixed terms of payment.

The amount of financial guarantees issued expected to be recognised as income after more than one year is RMB11,123,000 (31 December 2020: RMB13,274,000).

**(a) Aging analysis**

As of the end of the reporting period, the ageing analysis of trade creditors and bills payables based on the invoice date is as follows:

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Within 3 month	<b>23,520,495</b>	21,406,358
3 – 6 months	<b>3,994,521</b>	3,347,934
6 – 12 months	<b>2,845,313</b>	1,348,088
Over 12 months	<b>3,137,626</b>	3,084,338
	<b><u>33,497,955</u></b>	<b><u>29,186,718</u></b>

## 16 SENIOR NOTES

### Liability component of the Senior Notes:

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
US\$400 million due in 2021	–	2,623,292
US\$300 million due in 2021	–	1,969,342
US\$400 million due in 2021	<b>2,588,896</b>	2,608,829
US\$500 million due in 2022	<b>3,195,591</b>	1,942,754
US\$300 million due in 2023	<b>1,927,997</b>	1,945,253
US\$200 million due in 2023	<b>1,286,216</b>	1,298,701
US\$400 million due in 2023	<b>2,577,968</b>	2,603,686
US\$200 million due in 2024	<b>1,286,676</b>	1,299,765
US\$300 million due in 2024	<b>1,930,023</b>	1,949,725
US\$300 million due in 2024	<b>1,934,270</b>	1,954,476
US\$260 million due in 2025	<b>1,651,863</b>	–
	<b>18,379,500</b>	20,195,823
Representing:		
– Current	<b>2,588,896</b>	7,201,463
– Non-current	<b>15,790,604</b>	12,994,360
	<b>18,379,500</b>	20,195,823

During six months ended 30 June 2021, the Company redeemed in full the outstanding senior notes in the principle amount of US\$400,000,000 and US\$300,000,000 due in 2021 at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest and issued senior notes in the principal amount of US\$200,000,000 due in 2022, US\$260,000,000 due in 2025.

## 17 CORPORATE BONDS

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
At the beginning of the period/year	2,999,970	2,989,478
Redemption	(1,500,000)	–
Interest and transaction costs amortised	<u>30</u>	<u>10,492</u>
	<u><b>1,500,000</b></u>	<u><b>2,999,970</b></u>
Representing:		
– Current	1,500,000	2,999,970
– Non-current	<u>–</u>	<u>–</u>
	<u><b>1,500,000</b></u>	<u><b>2,999,970</b></u>

## 18 DIVIDENDS

Dividends payable to equity shareholders attributable to the interim period

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Interim dividend declared after the interim period of HK\$14.75 cents (equivalent to RMB12.27 cents) (2020 interim: HK\$11.0 cents (equivalent to RMB10.1 cents)) per ordinary share	<u><b>364,168</b></u>	<u><b>279,157</b></u>

The interim dividend has not been recognised as a liability at the end of the reporting period.



## 19 COMMITMENTS

Capital commitments outstanding at 30 June 2021 not provided for in the interim financial report

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Capital commitment for property development		
– Authorised but not provided for	57,657,415	49,438,965
– Contracted for	<u>36,822,500</u>	<u>37,088,271</u>
	<u><u>94,479,915</u></u>	<u><u>86,527,236</u></u>

## 20 FINANCIAL GUARANTEE

### (a) Guarantees given to financial institutions for mortgage facilities granted to buyers of the Group's, joint ventures' and associates' properties

The Group, joint ventures and associates provide guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by buyers of properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these buyers, the Group, joint ventures and associates are responsible to repay the outstanding mortgage loans together with any accrued interests and penalties owed by the defaulted buyers to banks. The Group's, joint ventures' and associates' guarantee periods commence from the dates of grants of the relevant mortgage loans and end after the buyers obtain the individual property ownership certificates of the properties purchased. The amount of guarantees given to banks for mortgage facilities granted to the buyers of the properties at 30 June 2021 are as follows:

	At 30 June 2021 <i>RMB'000</i>	At 31 December 2020 <i>RMB'000</i>
Guarantees given to banks for mortgage facilities granted to buyers of:		
– the Group's properties	47,665,042	43,090,654
– the joint ventures' and associates' properties (the Group's shared portion)	<u>4,134,386</u>	<u>5,131,020</u>
	<u><u>51,799,428</u></u>	<u><u>48,221,674</u></u>

The directors do not consider it is probable that the Group, joint ventures and associates will sustain a loss under these guarantees during the periods under guarantees as the Group, joint ventures and associates have not applied for individual property ownership certificates for these buyers and can take over the ownership of the related properties and sell the properties to recover any amounts paid by the Group, joint ventures and associates to the banks. The Group, joint ventures and associates have not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the directors. The directors also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the Group, joint ventures and associates in the event that the buyers default payments to the banks.

**(b) Guarantees given to financial institutions for bank loans and other loans granted to joint ventures and associates:**

The Group provided guarantees to bank loans and other loans of joint ventures and associates amounting to RMB6,824,182,000 as at 30 June 2021 (31 December 2020: RMB8,332,487,000). The Group closely monitors the repayment progress of the relevant loans by those joint ventures and associates. At the end of the reporting period, the directors do not consider it is probable that claims will be made against the Group under these guarantees.

**(c) Guarantee given to Henan Hongdao and Jiayao Global**

On 24 December 2019 and 7 May 2020, the Group entered into two arrangements to provide guarantee to Henan Hongdao Business Information Consultancy Co., Ltd. 河南弘道商務信息諮詢有限公司 (“Henan Hongdao”) and Jiayao Global Investments Limited 嘉耀(國際)投資有限公司 (“Jiayao Global”), the entities controlled by Mr. Wu Po Sum, in respect of Henan Hongdao five-year bank loan amounting to RMB500,000,000, with annual guarantee fee at 1% of the principal amount outstanding and in respect of Jiayao Global bonds issued amounting to US\$203,000,000 due in 2021, with annual guarantee fee at 1.5% of the principal amount of the bond, respectively.

During the six months ended 30 June 2021, financial guarantee income of RMB10,103,000 was recognised (2020: RMB5,755,000).

## 21 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

- (a) On 23 July 2021, the Group has redeemed outstanding corporate bonds due in 2021 upon maturity with principal amount of RMB1,490,000,000 and nominal interest rate of 7.5% at the predetermined redemption price.
- (b) Following the outbreak of flood in Zhengzhou and other cities of Henan Province in July 2021, all cities have consistently carried out rescue and reconstruction activities and introduced relevant policies to support enterprises. For example, qualified enterprises would be allowed to delay the payments of three social insurance premiums. The negative impact brought upon by the flood in the short term affected the business and economic activities of the Group to a certain extent. Due to the uncertainties on the future development and relevant government policies in relation to the flood, the Group is still assessing the influence in operations and the financial impact of the abovementioned. Based on the information currently available, the management estimated that the flood will not have a significant impact on the Group's financial position and operation results for the six months ended 30 June 2021. The Group will continue to monitor, evaluate and take all possible effective measures to mitigate the impact on the Group's operations.
- (c) After the end of the reporting period, the board of directors of the Company declared an interim dividend. Further details are disclosed in note 18.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### *Overall performance*

The Group is pleased to announce a growth in contracted sales of heavy assets amounting to RMB31,053 million for the six months ended 30 June 2021, representing a year-on-year increase of approximately 3.5%. The cash and cash equivalents and restricted bank deposits of the Group in total amounted to approximately RMB16,480 million as at 30 June 2021.

The Group has persisted in a prudent principle in financial management, and maintained a reasonable level of borrowings. As at 30 June 2021, net borrowings in total amounted to approximately RMB11,813 million with net debt ratio of approximately 92.6%. Among them, the interest-bearing liabilities was approximately RMB28,293 million as at 30 June 2021, representing a decrease of 9.6% from the end of 2020; the interest-bearing liabilities due within one year was approximately 30.1% as at 30 June 2021, which was significantly lower than 48.7% as at the end of 2020; the average financing cost in the first half of 2021 was approximately 7.6%, essentially flat with the same period of last year.

The Group continued to implement a prudent approach to acquire land and accelerated the project construction progress so as to shorten the development cycle. During the six months ended 30 June 2021, the Group delivered 43 property projects, representing an increase of 13 projects over the same period of 2020. Besides, the Group owned 180 projects under development during the six months ended 30 June 2021, representing an increase of 8 projects over the same period of 2020. As a result, there was a rise in revenue from the property development business that was recognised upon delivery and according to the completion schedule. The profit attributable to the equity shareholders of the Company for the six months ended 30 June 2021 was approximately RMB729 million, representing a slight year-on-year increase.

As at 30 June 2021, the property sales of the Group not recognised was approximately RMB67,627 million with a corresponding gross profit of approximately RMB10,414 million. The amount is expected to be recognised as revenue and gross profit in the next two to three years. In addition, the property sales of the joint ventures and associates not recognised were approximately RMB14,565 million with a corresponding gross profit of approximately RMB2,519 million.

In addition to property sales, the Group is committed to developing hotel, cultural tourism and green houses, so as to diversify its businesses, expand its revenue base and disperse its operational risks. The management believes that the injection of part of the resources into these new businesses would improve the Group's industry value-chain and the integration of its businesses into interactive business segments such as property, hotel, cultural tourism and green houses, which will enable it to offer "tailor-made" services to its customers.

**Revenue:** The Group's revenue increased by 56.4% to approximately RMB20,357 million for the six months ended 30 June 2021 from approximately RMB13,019 million for the six months ended 30 June 2020, primarily due to an increase in the GFA recognised and the average selling price for the current period as compared with the same period of last year.

- **Income from sales of properties:** Income from property sales increased by 57.0% to approximately RMB19,418 million for the six months ended 30 June 2021 from approximately RMB12,365 million for the six months ended 30 June 2020, which is due to an increase in the GFA recognised by 49.4% to 2,663,313 sq.m. for the six months ended 30 June 2021 from 1,782,725 sq.m. for the six months ended 30 June 2020, while the average selling price (excluding underground parking spaces) increased by 9.8% to RMB7,013 per sq.m. for the six months ended 30 June 2021 from RMB6,389 per sq.m. for the six months ended 30 June 2020.
- **Rental income:** Income from property leasing increased by 59.6% to approximately RMB92 million for the six months ended 30 June 2021 from approximately RMB57 million for the six months ended 30 June 2020, which was because the tenants of shopping malls and commercial buildings of the Group have recovered from the impact of the pandemic and the rental income has returned to the normal level prior to the rental relief provided by the Group last year.
- **Revenue from hotel operation:** Revenue from hotel operation increased by 79.0% to approximately RMB166 million for the six months ended 30 June 2021 from approximately RMB92 million for the six months ended 30 June 2020, which was primarily due to the rising hotel occupancy rates and dining demand, driven by the full resumption of the tourism in Henan Province from the pandemic last year.
- **Revenue from provision of project management service:** Revenue from provision of project management service was derived from operation and management services provided by the Group for light-asset projects. The revenue amounted to approximately RMB566 million for the six months ended 30 June 2021, which was contributed by Central China Management Company Limited (“CCMGT”) during the five months before its spin-off on 31 May 2021, representing an increase of 22.6% from approximately RMB462 million for the six months ended 30 June 2020. The increase was mainly attributable to a rapid increase in the GFA under management. CCMGT was independently listed on the Main Board of The Stock Exchange of Hong Kong Limited on 31 May 2021 (Stock Code: 9982.HK). Except for one project, the Group has no longer provided project management services for light-asset projects and recognised revenue from provision of project management services after the spin-off date.

**Cost of sales:** The Group's cost of sales increased by 68.4% to approximately RMB16,719 million for the six months ended 30 June 2021 from approximately RMB9,930 million for the six months ended 30 June 2020. The increase in cost of sales was due to the increase in GFA recognised as mentioned above.

**Gross profit:** The Group's gross profit increased by 17.8% to approximately RMB3,638 million for the six months ended 30 June 2021 from approximately RMB3,089 million for the six months ended 30 June 2020, while our gross profit margin decreased by 5.8 percentage points from 23.7% for the six months ended 30 June 2020 to 17.9% for the six months ended 30 June 2021. It was primarily because that 1) the Group adopted de-stocking strategies in some cities to stimulate sales of various projects during the current period, which narrowed the range of overall sales mark-up; 2) property projects sold at discount during the outbreak of the pandemic last year were delivered and recognised during the current period, which resulted in a decrease of the gross profit margin of overall sales of properties from 21.1% for the six months ended 30 June 2020 to 15.7% for the current period.

**Other revenue:** Other revenue decreased by 23.1% to approximately RMB131 million for the six months ended 30 June 2021 from approximately RMB170 million for the six months ended 30 June 2020. This was primarily due to a decrease in interest income.

**Other net income:** Other net income decreased by 63.6% to RMB190 million for the six months ended 30 June 2021 from approximately RMB522 million for the six months ended 30 June 2020. This was primarily due to a decrease of approximately RMB858 million in the gain from deemed disposals and disposals of joint ventures, which was offset by an increase of approximately RMB359 million in the gain from deemed disposals and disposals of subsidiaries and an increase of approximately RMB80 million in net exchange gains/(losses).

**Selling and marketing expenses:** Our selling and marketing expenses decreased by 14.8% to approximately RMB773 million for the six months ended 30 June 2021 from approximately RMB907 million for the six months ended 30 June 2020. In the first half of the year, the Company did not incur part of the advertising expenses for football sponsorships, resulting in a decrease of approximately RMB223 million in advertising expenses for the sports. Meanwhile, staff costs, including sales commissions, increased by approximately RMB83 million due to the increase in contract sales activities and operating income this year. The rate for the selling and marketing expenses to its revenue decreased by 3.2 percentage points to approximately 3.8% for the six months ended 30 June 2021 from approximately 7.0% for the same period in 2020.

**General and administrative expenses:** Our general and administrative expenses decreased by 4.1% to approximately RMB789 million for the six months ended 30 June 2021 from approximately RMB823 million for the same period in 2020. This was primarily due to a decrease of approximately RMB54 million in staff costs, offset by an increase of approximately RMB27 million in legal and professional services fees. The rate for the general and administrative expenses to its revenue decreased by 2.4 percentage points to approximately 3.9% for the six months ended 30 June 2021 from approximately 6.3% for the same period in 2020.

**Impairment losses on trade, other receivables and contract assets:** Impairment losses on trade, other receivables and contract assets decreased by 63.2% to approximately RMB35 million for the six months ended 30 June 2021 from approximately RMB95 million for the same period in 2020. This was mainly because the balance of trade receivables are mostly deemed with no significant increase of credit risks as at the end of the period and the provision of expected credit loss was declined accordingly as compared with the same period of last year.

**Finance costs:** Our finance costs increased by 25.7% to approximately RMB464 million for the six months ended 30 June 2021 from approximately RMB370 million for the same period in 2020. This was mainly because 1) as a result the fluctuation of RMB against USD during the current period, losses on the fair value change of derivative financial instruments, such as forward foreign exchange contracts, foreign exchange options and foreign exchange swap contracts, amounted to approximately RMB119 million (the same period in 2020: gain of approximately RMB96 million); offset by 2) a decrease of approximately RMB120 million in interest expense on borrowings.

**Share of profits less losses of associates:** Our share of profits of associates for the six months ended 30 June 2021 amounted to approximately RMB1 million, representing an increase of RMB4 million from losses of approximately RMB3 million for the same period in 2020.

**Share of profits less losses of joint ventures:** Our share of profits of joint ventures for the six months ended 30 June 2021 amounted to approximately RMB69 million, representing an increase of RMB110 million from losses of approximately RMB41 million for the same period in 2020.

**Net valuation gains/(losses) on investment property:** A net valuation gain of approximately RMB97 million on our investment properties for the six months ended 30 June 2021 was recorded by the Group. This was mainly due to the gradual elimination of the impact of the epidemic in the same period of 2020, the improvement of the operation of the assessed property in the first half of 2021, and the investment property recorded overall revenue after revaluation.

**Income tax:** Income tax mainly comprises corporate income tax and land appreciation tax. The Group's income tax increased by 54.8% to approximately RMB1,039 million for the six months ended 30 June 2021 from approximately RMB671 million for the same period in 2020. This was mainly due to an increase in income tax as a result of an increase in sales income of properties recognised during the current period.

**Profit for the period:** As a result of the foregoing, our profit amounted to approximately RMB1,025 million for the six months ended 30 June 2021, representing an increase of 30.4% from approximately RMB786 million for the the same period in 2020.

**Financial resources and utilisation:** As at 30 June 2021, the Group's cash and cash equivalents amounted to approximately RMB10,872 million (31 December 2020: approximately RMB22,619 million). Subsequent to the reporting period, the Company announced to distribute an interim dividend of approximately RMB364 million in total to the shareholders of the Company in relation to profit attributable to the six months ended 30 June 2021 (30 June 2020: approximately RMB279 million).



## Structure of Borrowings and Deposits

The Group continued to adopt a prudent principle on financial management and centralise our funding and financial management. Therefore, we maintained a reasonable level of cash and borrowings. During the period, we have successfully issued three senior notes with a total principal amount of US\$460 million. As at 30 June 2021, the repayment schedule of the Group's bank and other borrowings was as follows:

	<b>As at 30 June 2021</b>	As at 31 December 2020
<b>Repayment Schedule</b>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
<b>Bank loans</b>		
Within one year	<b>2,879,337</b>	3,612,904
More than one year, but not exceeding two years	<b>1,700,870</b>	751,655
More than two years, but not exceeding five years	<b>1,630,980</b>	889,375
More than five years	<b>225,000</b>	247,095
	<b>6,436,187</b>	5,501,029
<b>Other loans</b>		
Within one year	<b>1,557,534</b>	1,443,900
More than one year, but not exceeding two years	<b>420,000</b>	1,163,000
	<b>1,977,534</b>	2,606,900
<b>Corporate bonds</b>		
Within one year	<b>1,500,000</b>	2,999,970
	<b>1,500,000</b>	2,999,970

	As at <b>30 June 2021</b>	As at 31 December 2020
<b>Repayment Schedule</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Senior notes</b>		
Within one year	2,588,896	7,201,463
More than one year, but not exceeding two years	5,123,588	1,942,754
More than two years, but not exceeding five years	<u>10,667,016</u>	<u>11,051,606</u>
	<u>18,379,500</u>	<u>20,195,823</u>
<b>Total borrowings</b>	<u><b>28,293,221</b></u>	<u><b>31,303,722</b></u>
<b>Deduct:</b>		
Cash and cash equivalents	(10,872,215)	(22,618,964)
Restricted bank deposits	<u>(5,608,010)</u>	<u>(6,707,913)</u>
<b>Net borrowings</b>	<u><b>11,812,996</b></u>	<u>1,976,845</u>
<b>Total equity</b>	<u><b>12,751,662</b></u>	<u>14,582,035</u>
<b>Net debt ratio (%)</b>	<u><b>92.6%</b></u>	<u>13.6%</u>

**Pledge of assets:** As at 30 June 2021, we had pledged restricted bank deposits, completed properties, properties under development, properties for future development, plant and equipment, and equity interest in a joint venture with an aggregate carrying amount of approximately RMB11,256 million (31 December 2020: approximately RMB11,260 million) to secure general bank credit facilities and other loans granted to us. We also pledged properties for sale with an aggregate carrying amount of approximately RMB5,583 million (31 December 2020: approximately RMB5,775 million) to secure loans granted to joint ventures.

**Contingent liabilities:** As at 30 June 2021, we provided guarantees of approximately RMB51,799 million (31 December 2020: approximately RMB48,222 million) to banks in respect of the mortgage loans provided by the banks to customers who purchased the developed properties of the Group, its joint ventures and its associates. We also provided guarantees of approximately RMB6,824 million as at 30 June 2021 (31 December 2020: approximately RMB8,332 million) in respect of bank loans and other loans of joint ventures and associates.

**Capital commitment:** As at 30 June 2021, we had contractual commitments undertaken by subsidiaries, the performance of which was underway or ready, in respect of property development amounting to approximately RMB36,823 million (31 December 2020: approximately RMB37,088 million), and we had authorised, but not yet contracted for, a further approximately RMB57,657 million (31 December 2020: approximately RMB49,439 million) in other expenditures in respect of property development and capital investments.

**Foreign exchange risk:** Our businesses are principally conducted in RMB. The majority of our assets are denominated in RMB. As at 30 June 2021, our major non-RMB assets and liabilities are (i) bank deposits denominated in H.K. dollar; and (ii) the senior notes denominated in U.S. dollar. We are subject to foreign exchange risk arising from future commercial transactions and recognised assets and liabilities denominated in currencies other than RMB. Considering the main income stream of the Group denominated in RMB, we have changed the currency to repay the principal and interest of the US\$200 million Senior Notes issued in 2016 into RMB through a foreign exchange swap contract, and locked the exchange rate of the net investment denominated in RMB and with an equivalent amount of US\$750 million through foreign exchange forward contracts.

**Interest rate risk:** The interest rates for a portion of our loans were floating. Upward fluctuation in interest rates will increase the interest cost of new and existing loans. We currently do not use derivative instruments to hedge their interest rate risk.

## **I. Market Review**

### **1. *The Macro-economic Environment***

In the first half of 2021, the overall recovery of the global epidemic situation and the positive monetary stimulus policies led to surging global inflation, exacerbating imported inflation in China. Facing the complicated and volatile environment from domestic and overseas, all local departments earnestly implemented the decisions and arrangements of the central leadership and the State Council under the strong leadership of the CPC Central Committee led by Comrade Xi Jinping, and continued to consolidate and strengthen the achievements in the prevention and control of epidemic situation and economic and social development. By precisely implementing macroeconomic policies, Chinese economy kept steadily recovering, with strong production demand rebounding, new growth drivers growing swiftly, and steady improvements of quality and efficiency. The overall market was expected to have a positive trend, with the main macroeconomic indicators within a reasonable range. The economic development was steadily advancing with positive growth prospects. In the first half of 2021, China achieved a GDP of RMB53,216.7 billion, representing a year-on-year increase of 12.7%, at comparable prices.

Since the beginning of 2021, under the guidance of Xi Jinping thought on socialism with Chinese characteristics for a new era and under the leadership of the Henan Provincial Committee and Henan Provincial Government, the whole province did solid job of epidemic prevention and control as well as economic and social development. In the first half of 2021, Henan has made effort in maintaining both supply and demand in order to achieve steady recovery with prosperous trend, narrowing the gap of growth in terms of main development indicators between Henan Province and the Chinese average, with accelerating average growth rate in last two years, while some indicators recorded a higher growth in June 2021. As a result, Henan's GDP in first half of 2021 reached RMB2,892.8 billion, representing a year-on-year increase of 10.2%.

## **2. *The Property Market***

In the first half of 2021, the national property market continued the trend of last year end. The property sales maintained steady growth and the property development and investment grew swiftly, while the market sentiment in major cities remained high. Both the central government and local governments intensively issued regulatory policies to stabilise the market expectations, while the regulations from the central government focus more on the supply side, such as enhancing the financial governance, shifting the authority of land premium collection to tax authority. On the other hand, local governments stepped up to establish the land and housing linkage mechanism, where major cities implemented a centralised land-sale programme. With tightening regulations on the second hand property market and tightening controls on granting property mortgage loans, mortgage interest rate rose and the effect of regulations has manifested in certain cities.

In the first half of 2021, the GFA of properties sold in China amounted to 890 million sq.m, the property sales in China amounted to RMB9.3 trillion and the investment in property development in China amounted to RMB7.2 trillion, representing a year on year increase of 27.7%, 38.9% and 15.0% respectively.

In the first half of 2021, Henan Province proactively coordinated the arrangement for both epidemic prevention and control, and achieved economic and social development. It adhered to the positioning of “housing is for accommodation, not for speculation”, and ensured the policies to be implemented by each city, so as to assure its own the responsibilities of cities. In the first three months of 2021, the scale of property transactions in Henan Province increased slightly, followed by the implementation of the centralised land-sale programme by Zhengzhou and Luoyang, which aimed to control the land supply, and together with the centralised control measures of property mortgage loans to tighten the grant of mortgage loans by banks. Thus, the property market in Henan Province became rational. In the first half of 2021, the GFA of property sold in Henan Province amounted to 62.24 million sq.m, the property sales in Henan Province amounted to RMB421.5 billion and the investment in property development in Henan Province amounted to RMB373.0 billion, representing a year on year increase of 14.3%, 19.2% and 11.5% respectively.

## **II. Market Outlook**

### **1. *The Macro-economic Landscape***

In the first half of 2021, the national economy witnessed a steady recovery with the solid growth. However, the rapidly changing global pandemic situation may result in high external uncertainties and an unbalanced recovery of the domestic economy, for which more efforts are required to stabilize the recovery and growth. In the second half of the year, the macro policies are expected to maintain continuity. Monetary policy will be adjusted and controlled in a flexible way, and fiscal policy will be implemented in a targeted and effective way. China will continue to deepen supply-side structural reforms with a focus on unlocking the potential of domestic demand, and the construction of major projects in the “14th Five-Year Plan” will be promoted. China will improve the implementation of the system for regular transfer of direct fiscal funds to ease the difficulties of enterprises and support their development vigorously. China will coordinate all work to ensure that the economy will operate within an appropriate range and solid progress will be made in high quality development.

In the first half of the year, Henan Province has accelerated its progress in economic recovery with consolidated foundation, optimised structure and strengthened momentum, laying a sound foundation for achieving the annual economic development goals. However, there was still room for the balanced economic recovery throughout the Henan Province. In the second half of the year, the Henan Province will enhance the sense of urgency, crisis and responsibility. It will, based on current circumstances, not only provide better services to enterprises and more support for their development, but also solve their prominent problems and bottlenecks and fully unlock the idle and existing resources potential. At the meantime, the planning and construction of major projects will be promoted actively and more drivers will be created for the development in the future. The balanced economic recovery throughout the Henan Province as well as the foundation for economic recovery will be strengthened and consolidated, which improve the quality and speed of the economic growth in Henan province.

## **2 *Property Market Outlook***

In the second half of 2021, it is expected that the regulation and control policies of the property market will remain to be tightening, with continuous focusing on managing supply and demand policy and probably intensifying financial supervision, including rise in mortgage interest rates, and further control of second-hand property market. Regulatory measures may be further strengthened in certain cities with high market sentiment. With the adjustment of land auction rules for major cities where centralised land-sale programme are implemented, the land market may cool down, which may further stabilise market expectations. Furthermore, with the further effectiveness of regulatory policies, property purchasers are expected to become more reasonable, and the growth of national commercial property sales will continue to slow down. However, it is still expected to hit a new high throughout the year based on achievements made in the first half of the year.

In the second half of 2021, Henan Province will continue to adhere to the positioning of “housing is for accommodation, not for speculation” and insist on implementing city-based policies, to realise the main responsibility of local governments, to govern the development of the property leasing market, to improve the housing guarantee system, to maintain the continuity and stability of the financial policies in property market, to strengthen the supervision of the fund inflow to the property market, and to promote the steady and healthy development of the property market. With the new urbanisation development in Luoyang, Zhengzhou and Luoyang will become the main center and sub-center respectively among the city clusters of Central China under the “Double Cores” development model. The first batch of centralised land supply projects in Zhengzhou and Luoyang are expected to enter the market at the end of 2021 and the overall property market is expected to increase in volume and stabilise in price. With industry concentration and regional differentiation, the hot cities with good fundamentals are the focus of investment for property developers.

### Property sales performance

The Company actively drove property sales and achieved steady growth in sales performance. As of 30 June 2021, the contracted sales amount of heavy assets of the Company was approximately RMB31.053 billion, and the contracted GFA of heavy assets was approximately 4.0515 million sq.m., a year-on-year increase of 3.5% and 9.9% respectively. In terms of the contracted sales amount, the market share of the Company as at 30 June 2021 in Henan Province was 7.3%.

City	Contracted sales amount (RMB million)			Contracted GFA (‘000 sq.m.)		
	1H2021	1H2020	Change	1H2021	1H2020	Change
	Zhengzhou	<b>5,784</b>	9,053	-36%	<b>475</b>	538
Kaifeng	<b>875</b>	429	104%	<b>120</b>	86	40%
Luoyang	<b>3,643</b>	2,493	46%	<b>356</b>	298	19%
Pingdingshan	<b>384</b>	1,140	-66%	<b>46</b>	190	-76%
Anyang	<b>2,384</b>	1,721	39%	<b>432</b>	260	66%
Hebi	<b>769</b>	632	22%	<b>124</b>	91	36%
Xinxiang	<b>1,442</b>	1,687	-15%	<b>263</b>	261	1%
Jiaozuo	<b>1,375</b>	758	81%	<b>197</b>	128	54%
Puyang	<b>1,434</b>	1,039	38%	<b>250</b>	164	52%
Xuchang	<b>1,147</b>	1,170	-2%	<b>168</b>	186	-10%
Luohe	<b>1,195</b>	491	143%	<b>165</b>	77	114%
Sanmenxia	<b>307</b>	581	-47%	<b>59</b>	102	-42%
Shangqiu	<b>2,805</b>	2,314	21%	<b>373</b>	349	7%
Zhoukou	<b>2,162</b>	1,261	71%	<b>319</b>	199	60%
Zhumadian	<b>2,166</b>	1,691	28%	<b>315</b>	291	8%
Nanyang	<b>700</b>	1,366	-49%	<b>101</b>	170	-41%
Xinyang	<b>1,598</b>	1,018	57%	<b>222</b>	155	43%
Jiyuan	<b>442</b>	1,018	-57%	<b>45</b>	134	-66%
Hainan	<b>441</b>	154	186%	<b>22</b>	8	175%
Total	<b><u>31,053</u></b>	<u>30,016</u>	<u>3%</u>	<b><u>4,052</u></b>	<u>3,687</u>	<u>10%</u>



### *Newly commenced property projects*

During the reporting period, the Company commenced the construction of 28 projects in total with newly commenced GFA of 3,322,000 sq.m., representing a decrease of 27% compared with that of the corresponding period of last year. The Company adhered to determining the sales-based production to ensure the match among supply, sales and inventory. It managed project commencements based on the geographical distribution of customers and estimated sales, which enabled the Group to further enhance the competitiveness and market performance of its products, and maintain a safe and reasonable inventory structure.

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>Newly commenced GFA for the 1H (sq.m.)</b>
Zhengzhou	Zhengzhou J18	Commercial	233,082
Kaifeng	Lankao CCRE Mall	Commercial	9,928
Luoyang	Luoyang Dachengxiaoyuan	Residential	72,781
Luoyang	Luoyang Dingding Palace	Residential	67,908
Anyang	Anyang Chinoiserie Palace North Garden	Residential	170,001
Anyang	Linzhou Jianye City	Residential	178,176
Anyang	Anyang Jianye City	Residential	85,616
Anyang	Hua County Honour Mansion	Residential	78,313
Hebi	Hebi Longmen No.7 Courtyard	Residential	150,006
Hebi	Hebi Flower Creek Town	Residential	137,118
Jiaozuo	Jiaozuo Jianye Mansion	Residential	136,618
Puyang	Puyang Longcheng	Residential	142,125
Puyang	Puyang Chinoiserie Palace	Residential	18,481
Luohe	Luohe Longhushuxiang Mansion	Residential	260,995
Luohe	Luohe Art Mansion	Residential	146,082
Luohe	Luohe Dream City	Residential	134,846
Sanmenxia	Yima Chinoiserie Palace	Residential	123,544

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>Newly commenced GFA for the 1H (sq.m.)</b>
Shangqiu	Shangqiu Chinoiserie Palace	Residential	147,377
Shangqiu	Shangqiu Yuelong Mansion	Residential	282,574
Shangqiu	Minquan Long Mansion	Residential	148,434
Zhoukou	Zhoukou Hill Water Lake City	Residential	30,839
Zhoukou	Huaiyang Binhe Courtyard	Residential	1,258
Zhoukou	Taikang Jianye City North Courtyard	Residential	1,315
Zhoukou	Xiangcheng Jianye City	Residential	74,674
Zhumadian	Shangcai Jianye Mansion	Residential	111,003
Zhumadian	Zhumadian Chinoiserie Palace	Residential	198,390
Nanyang	Nanyang Art Mansion	Residential	49,645
Xinyang	Luoshan Jianye Mansion	Residential	130,480
	<b>Total</b>		<b><u>3,321,609</u></b>

*Property projects under development*

As of 30 June 2021, the Company had 180 projects under development with a total GFA of approximately 32,259,000 sq.m., including 24, 153 and 3 projects under development in Zhengzhou, other cities in Henan Province and Hainan Province respectively.

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA under development (sq.m.)</b>
Zhengzhou	Dengfeng Songyue Mansion	Residential	194,554
Zhengzhou	Gongyi CCRE Mall	Residential	37,775
Zhengzhou	Gongyi Spring Time	Residential	256,442
Zhengzhou	Gongyi Chinoiserie Palace	Residential	160,870
Zhengzhou	Financial Island	Commercial	838,863
Zhengzhou	Zhengzhou Jianye Tihome International City	Residential	1,204,319
Zhengzhou	Xinmi Spring Time	Residential	74,639
Zhengzhou	Xinmi Code One City	Residential	81,159
Zhengzhou	Xinzheng Blue Ocean Zhengfeng	Residential	176,441
Zhengzhou	Xinzheng Tianhui City	Residential	152,455
Zhengzhou	Xingyang Central Garden	Residential	178,264
Zhengzhou	Zhengxi U-Town	Residential	305,863
Zhengzhou	Zhengzhou J18	Commercial	594,289
Zhengzhou	Zhengzhou Chengyuan	Residential	446,928
Zhengzhou	Zhengzhou Spring Time	Residential	52,185
Zhengzhou	Zhengzhou Riverside House	Residential	252,495
Zhengzhou	Zhengzhou Huayuankou resettlement area (Huihua New City)	Residential	293,154
Zhengzhou	Zhengzhou Blossom Garden	Residential	456,158
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	231,202
Zhengzhou	Zhengzhou Intelligent Square	Commercial	230,205
Zhengzhou	Zhengzhou Intelligent Palace	Residential	15,238
Zhengzhou	Zhengzhou Royal Mansion	Residential	221,557
Zhengzhou	Zhengzhou Art Mansion	Residential	352,303
Zhengzhou	Zhengzhou Wonderland	Residential	134,829

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA under development (sq.m.)</b>
Kaifeng	Kaifeng Jianye Country Garden Majestic Mansion	Residential	177,333
Kaifeng	Lankao CCRE Mall	Residential	99,109
Kaifeng	Lankao Red World	Commercial	135,312
Kaifeng	Tongxu Jianye City	Residential	113,712
Kaifeng	Tongxu Code One City	Residential	246,897
Luoyang	Luanchuan Luanzhou Palace	Residential	92,980
Luoyang	Luoyang Binhelong House	Residential	237,424
Luoyang	Luoyang Dachengxiaoyuan	Residential	221,286
Luoyang	Luoyang Dingding Palace	Residential	694,117
Luoyang	Luoyang Code Two City	Residential	392,174
Luoyang	Luoyang Fengdu	Residential	154,414
Luoyang	Luoyang Technology City	Residential	157,018
Luoyang	Luoyang Longcheng Dongwang	Residential	129,342
Luoyang	Luoyang Zhongzhou Mansion	Residential	124,279
Luoyang	Luoyang Honour Mansion	Residential	190,036
Luoyang	Yanshi Forest Peninsula	Residential	38,127
Luoyang	Yichuan Dragon Mansion	Residential	238,594
Pingdingshan	Pingdingshan Spring Time	Residential	340,407
Pingdingshan	Pingdingshan Guangming Mansion	Residential	138,374
Pingdingshan	Pingdingshan Eighteen Cities	Residential	178,422
Pingdingshan	Pingdingshan Honour Mansion	Residential	105,813
Pingdingshan	Ruzhou Sweet-Scented Osmanthus Garden	Residential	77,964
Pingdingshan	Wugang CCRE Mall	Residential	29,496
Pingdingshan	Wugang Jianye Country Garden Jade County	Residential	80,973
Pingdingshan	Wugang Forest Peninsula	Residential	191,533

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA under development (sq.m.)</b>
Anyang	Anyang Phoenix City North Bank	Residential	257,353
Anyang	Anyang Sweet-Scented Osmanthus Garden	Residential	190,419
Anyang	Anyang Jianye City	Residential	304,073
Anyang	Anyang Junlin Grand Courtyard	Residential	77,830
Anyang	Anyang Chinoiserie Palace	Residential	5,124
Anyang	Anyang Chinoiserie Palace North Garden	Residential	281,479
Anyang	Anyang Sky Mansion	Residential	71,078
Anyang	Anyang Tonghe Palace	Residential	208,728
Anyang	Anyang Code One City	Residential	261,542
Anyang	Linzhou Jianye City	Residential	178,176
Anyang	Hua County Honour Mansion	Residential	78,313
Anyang	Tangyin Central Garden	Residential	143,968
Hebi	Hebi Chinoiserie Palace	Residential	224,546
Hebi	Hebi Code One City	Residential	92,187
Hebi	Hebi Zhenyuehui	Residential	105,832
Hebi	Hebi Longmen No.7 Courtyard	Residential	150,006
Hebi	Hebi Flower Creek Town	Residential	137,118
Hebi	Qi County Jianye City	Residential	139,140
Xinxiang	Beverly Manor	Residential	265,060
Xinxiang	Fengqiu Central Garden	Residential	89,278
Xinxiang	Hui County Spring Time	Residential	21,455
Xinxiang	Hui County Gongcheng Dongwang	Residential	209,951
Xinxiang	Hui County Code One City	Residential	187,800
Xinxiang	Weihui Spring Time	Residential	206,449
Xinxiang	Xinxiang Blossom Garden	Residential	108,774
Xinxiang	Xinxiang U-Town	Residential	127,100
Xinxiang	Xinxiang Chinoiserie Palace	Residential	630,563
Xinxiang	Changyuan Forest Peninsula Courtyard	Residential	191,922

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA under development (sq.m.)</b>
Jiaozuo	Bo'ai Spring Time	Residential	237,450
Jiaozuo	Jiaozuo Spring Time	Residential	73,299
Jiaozuo	Jiaozuo Chinoiserie Palace	Residential	128,215
Jiaozuo	Jiaozuo Jianye Mansion	Residential	136,618
Jiaozuo	Mengzhou Jianye Mansion	Residential	110,791
Jiaozuo	Wen County Spring Time	Residential	18,868
Jiaozuo	Wuzhi Majestic Mansion	Residential	177,787
Jiaozuo	Wuzhi Star Mall	Residential	137,061
Puyang	Puyang Jianye New City	Residential	107,598
Puyang	Puyang Longcheng	Residential	365,455
Puyang	Puyang Puyuan	Residential	149,180
Puyang	Puyang Chinoiserie Palace	Residential	237,571
Puyang	Puyang Tonghe Palace	Residential	83,414
Puyang	Puyang Code One City	Residential	57,989
Puyang	Puyang Zhenyuehui	Residential	214,000
Puyang	Taiqian Jianrun House	Residential	77,881
Xuchang	Xiangcheng CCRE Mall	Residential	280,245
Xuchang	Xuchang Chinoiserie Palace	Residential	57,706
Xuchang	Xuchang Pleasure Garden	Residential	265,417
Xuchang	Xuchang Zhenyuehui	Residential	156,147
Xuchang	Yanling Eco-City	Residential	156,385
Xuchang	Yuzhou Spring Time	Residential	97,986
Xuchang	Yuzhou Dachengxiaoyuan	Residential	84,140
Xuchang	Changge Sweet-Scented Osmanthus Garden New City	Residential	142,834
Xuchang	Changge Forest Eco-City	Residential	33,178

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA under development (sq.m.)</b>
Luohe	Linying Forest Peninsula	Residential	147,622
Luohe	Luohe Danjiang House	Residential	80,081
Luohe	Luohe Sweet-Scented Osmanthus Garden	Residential	144,533
Luohe	Luohe Blossom Garden	Residential	172,443
Luohe	Luohe Xicheng Forest Peninsula	Residential	219,427
Luohe	Luohe Longhushuxiang Mansion	Residential	260,995
Luohe	Luohe Art Mansion	Residential	146,082
Luohe	Luohe Dream City	Residential	134,846
Sanmenxia	Sanmenxia Jianye City	Residential	7,118
Sanmenxia	Sanmenxia New District Forest Peninsula	Residential	14,420
Sanmenxia	Sanmenxia Honour Mansion	Residential	70,564
Sanmenxia	Yima Chinoiserie Palace	Residential	213,509
Shangqiu	Minquan Happy Place	Residential	136,585
Shangqiu	Shangqiu Chengyuan	Residential	181,904
Shangqiu	Shangqiu Central Garden	Residential	95,892
Shangqiu	Shangqiu Blossom Garden	Residential	64,578
Shangqiu	Shangqiu Eighteen Cities	Residential	153,332
Shangqiu	Shangqiu Sky Mansion	Residential	978
Shangqiu	Shangqiu Future City	Residential	115,515
Shangqiu	Shangqiu Art Mansion	Residential	233,229
Shangqiu	Shangqiu Headquarter Port	Residential	108,052
Shangqiu	Sui County Shangheyuan	Residential	108,649
Shangqiu	Xiayi Jianye City	Residential	183,254
Shangqiu	Yucheng Hill Water Lake City	Residential	338,693
Shangqiu	Zhecheng Lianmeng Dongwang	Residential	83,747
Shangqiu	Shangqiu Chinoiserie Palace	Residential	147,377
Shangqiu	Minquan Long Mansion	Residential	148,434
Shangqiu	Shangqiu Yuelong Mansion	Residential	282,574

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA under development (sq.m.)</b>
Zhoukou	Fugou Jianye New City	Residential	159,826
Zhoukou	Huaiyang CCRE Mall	Residential	100,554
Zhoukou	Luyi Jianye City	Residential	98,143
Zhoukou	Luyi Mingdao City	Residential	17,524
Zhoukou	Shangshui Yangcheng Courtyard	Residential	15,311
Zhoukou	Taikang Eco-City	Residential	59,465
Zhoukou	Taikang Happy Place	Residential	130,194
Zhoukou	Xihua Central Garden	Residential	15,206
Zhoukou	Xihua Jicheng Courtyard	Residential	30,103
Zhoukou	Xiangcheng Jianye City	Residential	30,298
Zhoukou	Huaiyang Binhe Courtyard	Residential	299,027
Zhoukou	Zhoukou Jianye City	Residential	382,367
Zhoukou	Zhoukou Hill Water Lake City	Residential	307,303
Zhoukou	Zhoukou Chinoiserie Palace	Residential	229,124
Zhoukou	Zhoukou Shiyue Mansion	Residential	35,319
Zhumadian	Pingyu Central Garden	Residential	122,145
Zhumadian	Runan Jianye City	Residential	137,305
Zhumadian	Suiping Jianye City	Residential	144,893
Zhumadian	Suiping Forest Peninsula	Residential	40,386
Zhumadian	Xiping Spring Time	Residential	106,560
Zhumadian	Xincai CCRE Mall	Residential	59,987
Zhumadian	Xincai Sweet-Scented Osmanthus Garden	Residential	144,237
Zhumadian	Zhengyang Jianye City	Residential	51,724
Zhumadian	Zhumadian Binhelong Palace	Residential	139,231
Zhumadian	Zhumadian Spring Time	Residential	697,844
Zhumadian	Zhumadian Eighteen Cities	Residential	133,822
Zhumadian	Zhumadian Chinoiserie Palace	Residential	463,539
Zhumadian	Zhumadian The West Lake Villa	Residential	34,312
Zhumadian	Zhumadian Honour Mansion	Residential	151,330
Zhumadian	Shangcai Jianye Mansion	Residential	111,003



<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA under development (sq.m.)</b>
Nanyang	Fangcheng Jianye Country Garden- Dragon Bay	Residential	89,919
Nanyang	Nanyang Central Garden	Residential	47,722
Nanyang	Nanyang Longyue City	Residential	656,741
Nanyang	Nanyang Art Mansion	Residential	189,098
Nanyang	Xixia Central Garden	Residential	71,217
Xinyang	Gushi Future City	Residential	142,146
Xinyang	Huaibin County Sweet-Scented Osmanthus Garden	Residential	115,371
Xinyang	Huangchuan Huangguo Palace	Residential	173,542
Xinyang	Shangcheng Jianye City	Residential	73,783
Xinyang	Xi County Jianye New City	Residential	111,825
Xinyang	Xinyang Mansion	Residential	365,110
Xinyang	Xinyang Jianye City	Residential	193,630
Xinyang	Luoshan Jianye Mansion	Residential	130,480
Jiyuan	Jiyuan Spring Time	Residential	98,014
Jiyuan	Jiyuan Blossom Garden	Residential	283,753
Jiyuan	Jiyuan Jianye City	Residential	457,856
Jiyuan	Jiyuan Code One City Majestic Mansion	Residential	64,094
Hainan	Chengmai Zhonghe Jiayuan	Residential	19,966
Hainan	Danzhou Junlin Grand Courtyard	Residential	95,371
Hainan	Dongfang Jiayuan	Residential	376,636
	<b>Total</b>		<b><u><u>32,258,591</u></u></b>

### *Property projects delivered*

As of 30 June 2021, the Company had 43 projects delivered in total, with a GFA of approximately 3,688,000 sq.m..

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA delivered (sq.m.)</b>
Zhengzhou	Zhengzhou Blossom Garden	Residential	39,678
Zhengzhou	Zhengxi U-Town	Residential	137,006
Zhengzhou	Gongyi Spring Time Phrase III	Residential	57,309
Zhengzhou	Zhengzhou Wulong Century New City	Residential	319,049
Zhengzhou	Zhengzhou CCRE Tihome International City	Residential	136,000
Kaifeng	Kaifeng Blossom Garden	Residential	49,238
Kaifeng	Qi County Blossom Garden	Residential	42,330
Luoyang	Luoyang Dingding Palace	Residential	191,686
Luoyang	Luoyang Technology City	Residential	127,596
Luoyang	Luoyang Longcheng Dongwang	Residential	77,644
Pingdingshan	Wugang Forest Peninsula	Residential	33,394
Pingdingshan	Ruzhou CCRE Sweet-Scented Osmanthus Garden	Residential	22,671
Anyang	Anyang Chinoiserie Palace	Residential	191,885
Anyang	Anyang Jianye City	Residential	85,555
Anyang	Anyang Sweet-Scented Osmanthus Garden	Residential	69,511
Anyang	Hua County Code One City	Residential	251,803
Anyang	Tangyin Forest Peninsula	Residential	82,444
Xinxiang	Xinxiang Spring Time	Residential	83,167
Xinxiang	Hui County Spring Time	Residential	44,158
Xinxiang	Beverly Manor	Residential	194,422
Jiaozuo	Jiaozuo Central Garden	Residential	6,327

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA delivered (sq.m.)</b>
Jiaozuo	Jiaozuo Spring Time	Residential	49,787
Jiaozuo	Wen County Spring Time	Residential	42,701
Jiaozuo	Bo'ai Spring Time	Residential	34,223
Puyang	Puyang Tonghe Palace	Residential	21,852
Puyang	Puyang Jianye New City	Residential	163,455
Puyang	Puyang Chinoiserie Palace	Residential	200,945
Xuchang	Xuchang Chinoiserie Palace	Residential	45,379
Xuchang	Yuzhou Sweet-Scented Osmanthus Garden	Residential	92,120
Xuchang	Changge Forest Peninsula	Residential	21,573
Xuchang	Changge Sweet-Scented Osmanthus Garden New City	Residential	70,255
Luohe	Luohe Sweet-Scented Osmanthus Garden	Residential	113,605
Shangqiu	Shangqiu Sky Mansion	Residential	41,187
Zhoukou	Taikang Jianye City North Courtyard	Residential	28,395
Zhoukou	Huaiyang Jianye City	Residential	28,262
Zhoukou	Zhoukou Shiyue Mansion	Residential	153,833
Zhoukou	Xiangcheng Jianye City	Residential	74,674
Zhoukou	Zhoukou Forest Peninsula	Residential	49,386
Zhoukou	Shangshui Yangcheng Courtyard	Residential	29,084
Zhumadian	Zhengyang Jianye City	Residential	51,316
Nanyang	Xixia Central Garden	Residential	52,047
Nanyang	Nanyang Central Garden	Residential	51,664
Nanyang	Fangcheng Jianye Country Garden- Dragon Bay	Residential	29,548
	<b>Total</b>		<b><u><u>3,688,164</u></u></b>

## *Hotel profile*

Henan Jianye Zhizun Hotel Investment Co., Ltd. (河南建業至尊酒店管理有限公司), a wholly-owned subsidiary of Central China Real Estate Group (China) Company Limited, is mainly responsible for brand management, design management, engineering management, opening preparation and operation management for all hotel projects of the Group. Currently, the Group has established strategic cooperation with various international well-known groups of hotel management, such as Marriott, InterContinental and Accor, under which five high-end hotel projects are in operation. Five high-end hotel projects, namely Le Méridien Zhengzhou, Pullman Kaifeng Jianye, Holiday Inn Nanyang, Four Points by Sheraton Luohe and Aloft Zhengzhou Shangjie commenced operations successively from 2011 to 2015. In addition, our own brand hotels, namely Yanling Jianye The Mist Hot Spring Hotel, Zhengzhou Jianye Sky Mansion, Unique Theatre Hotel, Xuchang Shenhou Town • Jianye Starry Hills and Xinyang Jigongshan • Jianye Starry Hills opened successively from 2018 to 2021. Also, another four hotels in our own brand, namely, Pingdingshan Jianye Triumph Hotel, Zhumadian Jianye Triumph Hotel, Yunxiu Hotel and Linqi Hotel are all under construction. Our total investment in hotels at present has reached RMB4.85 billion, and the number of hotels invested in Henan reaches 14.

### Le Méridien Zhengzhou

Le Méridien Zhengzhou opened on 30 November 2013. It is the first international brand hotel focusing on art, design and culture in central China. Adjacent to Zhengdong New District and Zhengzhou East Railway Station, the largest railway station in Asia, and located at the intersection site of Zhengzhou Metro Line 3 and Line 4, it only takes 10 minutes' and 28 minutes' drive to Zhengzhou International Convention and Exhibition Centre and Xinzheng International Airport, respectively.

Located at No. 1188, Zhongzhou Avenue, Zhengzhou City, the hotel composes a complete integrated business district with the surrounding shopping malls, restaurants and commercial office buildings. Modern art elements and local features are integrated into the design of the restaurant, guest rooms and lobby in the hotel. The unique design and brand concept distinguish the distinctive Le Méridien Zhengzhou.

The hotel has a total of 337 deluxe rooms and suites, equipped with world-class facilities and a mix of classic design and fashion elements. The characteristic restaurant and bar will further enrich stay experience and provide occupants with splendid Chinese and international cuisines. The fitness center combining fitness, spa, swimming pool, yoga and jogging track, the sizeable pillarless banquet covering an area of 800 sq.m., and 8 multi-function halls in the hotel, are all ideal places for occupants to relax and hold events.

Address: No. 1188, Zhongzhou Avenue (northwest corner of the junction of Zhengbian Road and Zhongzhou Avenue), Zhengzhou City

Tel: 0371-55998888

#### Aloft Zhengzhou Shangjie

Aloft Zhengzhou Shangjie opened on 6 August 2011. Located on the opposite of the District Government of Shangjie District, Zhengzhou City, Henan Province, the hotel is conveniently situated, within only 50 minutes' and one hour's drive from Zhengzhou Railway Station and Zhengzhou Xinzheng International Airport, respectively.

The 16-floor hotel has 172 stylish, fresh and fun Aloft Cheerful Rooms (樂窩客房), including 8 deluxe Cheerful Suites (樂窩套房) and 2 accessible Cheerful Rooms. Besides, inspired by the 9-foot ceiling, velvety dreaming beds, Wi-Fi Internet service, 42-inch LCD TVs, oversized shower space with rain showers, and fragrant specialty coffee, the 3,698 sq.m. cool conference room and the sizeable banquet space, countless whimsies would spark here and there.

Address: No. 101, Zhongxin Road, Shangjie District, Zhengzhou (opposite to the District Government of Shangjie District)

Tel: 0371-68136666

## Holiday Inn Nanyang

Holiday Inn Nanyang opened on 8 August 2012. It is located in Nanyang, the ancient capital of China, which is famous for its natural fresh air and jade culture. Holiday Inn Nanyang is the first internationally renowned five-star hotel in Nanyang. Covering an area of 66,700 sq.m., the hotel has a favorable geographical location with pleasant garden landscape and a rippling lake.

The 353 guestrooms and suites are tailor-made for occupants, luxury and comfort experience. The 1,000 sq.m. sizeable banquet hall offers banquet services to both local and international companies, with wireless internet accessing to all areas of the hotel, including the fitness center and the swimming pool. Whether on vacation, planning a wedding or holding a meeting, Holiday Inn Nanyang is the perfect choice for occupants.

Address: No. 2000, Xinchun Road East, Wancheng District, Nanyang City

Tel: 0377-60218888

## Four Points by Sheraton Luohe

Four Points by Sheraton Luohe opened on 29 November 2012. It is located by the west branch of Songshan Road, Yancheng District, Luohe City, adjacent to Luohe International Convention and Exhibition Centre. It takes about 10 minutes' drive to the downtown and Luohe Railway Station, and only 90 minutes' drive to Zhengzhou Xinzheng International Airport.

The hotel has 244 warmly designed rooms, with the only international buffet restaurant in the city, namely The Eatery (宜客樂), a Chinese restaurant integrated with traditional and new Cantonese cuisine, namely Juweixuan (聚味軒), an indoor heated swimming pool, sauna equipment, a fitness centre, chess rooms and a pillarless banquet hall, which can bring occupants infinite surprises of accommodation, catering and leisure.

Address: No. 6, west branch of Songshan Road, Yancheng District, Luohe City

Tel: 0395-2566999

## Pullman Kaifeng Jianye

Pullman Kaifeng Jianye opened on 1 November 2015. Embraced by the rippling surface of a lake, Pullman Kaifeng Jianye is located on the northwest side of the ancient city walls in downtown Kaifeng, within 10 minutes' drive from Kaifeng Railway Station and 50 minutes' drive from Xinzheng International Airport. The hotel covers a total GFA of 43,536 sq.m. and a site area of approximately 58,300 sq.m., with the vegetation within the city wall area remaining intact.

Pullman Kaifeng Jianye offers 186 guest rooms and is a five-star resort hotel comprising business conference, food & beverage, accommodation, leisure and entertainment. The hotel is equipped with conference centre, banquet centre, all-day dining restaurant, Chinese restaurant, featured bar, lobby bar, executive lounge, gym, swimming pool, SPA, yoga room, indoor golf and other facilities to provide occupants with "convenience and sense of superiority". The building is a post-modern architecture in Northern Song Dynasty style, adopting wood-like exterior finishing material to cast beautiful reflections in the blue waters.

Address: No. 16, Longting North Road, Longting District, Kaifeng City

Tel: 0371-23589999

## Zhengzhou Jianye Sky Mansion

Zhengzhou Jianye Sky Mansion opened on 1 October 2018. It is located at the northwest corner of the intersection of Dongfeng East Road and Kangning Street. It gathers three city centers within 3 kilometers, namely the CBD Central Business District, the new provincial government and Zhengzhou East High Speed Railway Station. The hotel covers a total GFA of 34,251.8 sq.m.

The project is featured as a high-end service apartment of CCRE with a total of 302 sets of rooms, ranging from bachelor apartments to four-bedroom apartments. The apartment is equipped with all-day dining restaurant, Japanese Izakaya, gym center, children's play room and other facilities providing occupants with safe, convenient, warm and comfortable living space.

Address: Block 9, 58 Kangning Street, Zhengzhou City

Tel: 0371-65686888

## Yanling Jianye The Mist Hot Spring Hotel

Yanling Jianye The Mist Hot Spring Hotel opened on 1 February 2018. It is located at Chenhuadian Town, Yanling County, Xuchang, Henan Province, covering an area of 50,264 sq.m.

The hotel is a joint masterpiece of Amata Luphaiboon and Twitee Vajrabhaya Teparkum who are both internationally renowned architects. The hotel offers 51 guest rooms and is equipped with all-day dining restaurant, Chinese restaurant, outdoor hot spring and pool, indoor swimming pool and pool, SPA, gym center, lobby bar, tea room, banquet hall and other facilities.

Address: North side of Huadu Avenue, Chenhuadian Town, Yanling County, Xuchang City, Henan Province

Tel: 0374-7968888

## Xuchang Shenhou Town • Jianye Starry Hills

Shenhou Town, “Capital of Jun Porcelain in China”, is one of the first batch of characteristic towns in China, and Jun Porcelain produced during the reign of Emperor Huizong of the Northern Song Dynasty was designated as “Treasures of the Royal Court”. Xuchang Shenhou Town • Jianye Starry Hills is our first Starry Hills brand theme characteristic hotel, which opened on 1 October 2019.

Relying on the Jun porcelain culture and historical heritage of Shenhou Town, Xuchang Shenhou Town • Jianye Starry Hills is committed to creating an immersive stay experience of Jun porcelain art. While integrating into the local area, residents have the opportunity to personally touch the developing sequence of Jun porcelain by learning and making porcelain. In addition to 30 comfortable guest rooms, the hotel is equipped with restaurants, book bars, tea rooms and living rooms, providing customers with a comfortable space to empty their minds and have a dialogue with history.

Address: Beside Dongda Primary School, Jianshe Road, Shenhou Town, Yuzhou City, Henan Province

Tel: 0374-8616999/0374-8618999



## Xinyang Jigongshan • Jianye Starry Hills

Jigongshan Mountain, Xinyang, one of the four summer resorts in China, is located on the north-south boundary of China, and is known as “Greenness Dividing Chu (Hubei Province) and Yu (Henan Province)”. It is grand and magnificent while beautiful, making it an excellent choice for sightseeing and vacation.

Xinyang Jigongshan • Jianye Starry Hills opened on 1 July 2020. It is located at the mountainside of Jigongshan Mountain of Xinyang, adjacent to the “villa-clusters of multi countries” built from the late Qing Dynasty to the early Republic of China. The hotel has a panoramic view of the beautiful mountains, and provides a space for guests to have a rest and imagination while viewing different architectural styles and exploring history, thus interpreting the brand idea of “living next to the stars and doing what you want”.

The 89 guest rooms, together with restaurants, conference rooms, shared spaces and mahjong rooms, can meet various holiday needs of individuals, teams, parents and children, and provide experience of the comfortable life of viewing mountains, knowing mountains and enjoying mountains.

Address: Beside Zhongzheng Plaza, Jigongshan Scenic Area, Shihe District, Xinyang City, Henan Province

Tel: 0376-8658888

## Unique Theatre Hotel

Zhengzhou Jianye Unique Theatre Hotel opened on 5 June 2021. The hotel has a total of 400 cozy and tasteful guest rooms, including comfortable rooms, exquisite rooms, family rooms and suites, 2 full-time restaurants, 1 Chinese restaurant, gyms, Treasure Park and foot health centre.

The hotel is located at Zhongmu County, Zhengzhou, adjacent to Henan Drama Magic City. It takes only 10 minutes' drive from Jianye Huayi Brothers Movie Town and International Cultural and Creative Industry Park in Zhengzhou, and about 40 minutes' drive from Zhengzhou East High Speed Railway Station and Xingzheng International Airport. It is the first theme hotel in Jianye cultural tourism section. Henan Drama Magic City is the first panoramic and fully immersive drama theme park in China, which was co-developed by CCRE and director Wang Chaoge. Therefore, the customers will experience of "living in the drama" and the opportunity to get a closer look at the splendid Central China in Unique Theatre Hotel.

Address: Unique Theatre Hotel in the northeast corner of intersection of Wenxin Road and Ping'an Avenue, Zhongmu County, Zhengzhou, Henan Province

Tel: 0371-86568888

Pingdingshan Jianye Triumph Hotel and Zhumadian Jianye Triumph Hotel (Under Construction)

Pingdingshan Jianye Triumph Hotel and Zhumadian Jianye Triumph Hotel are Jianye's own brand hotels, both of which are standard hotels built by Henan Jianye Zhizun Hotel Investment Co., Ltd. Pingdingshan Hotel is also the representative of our standard hotel construction of Jianye. There are 161 guest rooms in each of Pingdingshan and Zhumadian hotels, which are equipped with banquet halls, all-day restaurants, conference rooms, gyms and other service facilities to meet the needs of business travelers. Pingdingshan and Zhumadian hotels have started construction in the second half of 2019 and are expected to open at the end of 2022.

Linqi Hotel (Under Construction)

Zhengzhou Jianye Linqi Hotel is located beside Zhengzhou Navigation Stadium, adjacent to the super high-rise Jianye headquarters office building and Jianye Exhibition Hall under construction. The hotel is designed by Amata Luphaiboon, a well-known architect and designer of Six Senses Samui on Samui Island. The hotel draws inspiration from nature, integrates the concepts of trees and forest shade into architectural design, and advocates that residents living in it enjoy relaxation through the senses like perching in the forest, feel the process of life growth and rest, and experience the inner nature.

The main body of the hotel is an ultra-modern low-density building with 5 floors above the ground, with 177 guest rooms, equipped with full-time restaurants, lobby bars, outdoor bars, conference rooms, gyms, swimming pools, etc. The hotel is committed to interpreting the aesthetic impression and living experience of Henan with the world-class design and pure courtesy of Central China. The hotel is expected to open in 2023.

#### Yunxiu Hotel (Under Construction)

Zhengzhou Jianye Yunxiu Hotel is located in Zhengzhou International Cultural and Creative Industry Park. Designed by Oki Sato, founder of Nendo, it is the world premiere hotel work of Nendo.

Nendo draws inspiration from Henan's characteristic geographical and cultural elements, such as caves and Longmen Grottoes. With the help of stacks, shadows, hollows and layers of caves, Nendo develops architectural textures in various areas of the hotel, which makes the hotel full of sense of sculpture, sense of light and shadow and three-dimension effect. When guests live in it, they seem to be accompanied by wind, light and fog, so they can feel the rich gifts of nature and start a rare journey of art design.

The hotel has 231 guest rooms, which are equipped with Xiu cafe, Qingfeng Chinese Restaurant, Xiuju Japanese Restaurant, Ciao Bella Italian Restaurant, Sky Terrace Hotel, Yunshang Swimming Fitness Center and other sound facilities. It is a luxury art design hotel integrating business conference, food & beverage, accommodation, leisure and entertainment. The hotel is expected to open in 2024.

### **3. Cultural Tourism**

Cultural tourism sector of the Company is engaged in development and operation of property projects for cultural tourism principally located in historic cities in Henan Province, such as Zhengzhou, Kaifeng and Luoyang. With rich history, culture and natural resources, it tells the "Jianye story of cultural tourism" in different styles, forms and substance through theme park, tourist district and real scenery performance. As at 30 June 2021, the Company had the following projects for cultural tourism, namely Jianye Huayi Brothers Movie Town, Unique Henan Land of Dramas (只有河南·戲劇幻城), Zhengping Fang in Luoyang, Qishengjiao in Kaifeng, and Yingtaogou Football Town project of Jianye Central China Cultural Town.

With the good performance of the cultural tourism sector in recent years, the Company has attracted enormous attention in China's cultural tourism industry, its industry influence being greatly enhanced. In the first half of 2021, Henan Central China Culture Tourism Real Estate Development Co., Ltd., a subsidiary of the Company, won the "Most Potentious Tourism Property Developer Award" and other honors in China Entertainment Technology and the 12th theme park and scenic spot summit. The film town project was awarded the "Best Tourism Industry Innovation Award" and other honors at the 10th China Tourism Investment ITIA Award Ceremony. The project of Unique Henan Land of Dramas won the honors of "Annual Innovative Contribution Works" at the special event of Tsinghua University's 110th anniversary and the first Cultural New Space• China Cultural Industry Summit Forum.

Jianye Huayi Brothers Film Town project is located in International Cultural and Creative Industry Park in Zhengzhou with a total land use scale of approximately 600 Chinese-mu. In the form of film sets and with an essence of historical culture and memory of the city, the project provides an experiential site for experiencing film culture incorporating tour of film sets, exhibition of film culture, film interactive games, folk and intangible cultural heritage experience, a series of large-scale performance, unique cuisine and themed inns.

The first two blocks of the project covering an area of 163.2 Chinese-mu was grandly premiered on 21 September 2019 and put into operation, with strong market response. The project has become the most famous site for taking photos in Central China. Successively mentioned in special reports of national media like People's Daily, Xinhua News Agency, China Central Television, Xuexi Qiangguo (xuexi.cn), the project has received favorable comments from all walks of life. In 2020, it was rated as an AAAA National Tourist Attraction.

In the first half of 2021, the film town project gained a good market reputation and succeeded in both economic benefits and brand effects, with a significant increase in tourist visits and revenue. As of 30 June 2021, the tourist visits reached 1,160,000 and the operating revenue amounted to approximately RMB124 million.

Unique Henan Land of Dramas is a large-scale acting and performance project co-developed with Wang Chaoge (王潮歌), a famous director of real scenery performance. With 21 theatres, the project boasts the largest theater cluster in China. The project is located in International Cultural and Creative Industrial Park in Zhengzhou with a total site area of approximately 622 Chinese-mu and is also one of the Type-A Key Construction Projects in Henan Province. Inspired by the long-standing and rich history and culture of Henan with innovated forms of performance, the project aims to reveal the rich Central China culture and the glorious Chinese culture through the combination of several dramas with outdoor scenes as well as functional spaces by making use of its unique architectural space, helping people understand the history and culture in multi-sensory approach. The project is of great significance for highlighting the characteristics, reshaping the style, manifesting the spirit and contributing to cultural confidence of Henan. In its 21 theaters of the project, more than 30 plays have been presented by nearly 1,000 performers. The theaters in the park have a total capacity of 10,000 people, including three main theaters, which have a capacity of nearly 5,000 people. The total duration of a single show of all plays is nearly 700 minutes and the total number of performances in a single day during the peak season is nearly 200, with a total duration of nearly 5,000 minutes.

After four years of construction, Unique Henan Land of Dramas held a grand opening ceremony on 5 June 2021, the day of Chinese lunar Grain in Ear. This attracted attention nationwide. More than 2,000 entrepreneurs, cultural celebrities, partners of CCRE and media guests from all over the country witnessed the premiere.

After the project was officially opened for operation on 6 June, it went viral in the market quickly with a good reputation, attracted steadily increasing tourists, and achieved a more stable average price per customer transaction. As of 30 June 2021, the tourist visits reached 75,000 and the operating revenue amounted to RMB20.22 million.

Zhengping Fang in Luoyang is a large-scale cultural and tourism complex project located in Ancient Capital of 13 Dynasties, Luoyang City, Henan Province. It's currently developed under good progress.

Located at Longting District, Kaifeng City (used to be an Ancient Capital of Eight Dynasties), Henan Province, Kaifeng Qishengjiao project is a culture, tourism and leisure street which imitates the style of Song Dynasty, featuring shopping, unique cuisine, guest houses, entertainment, leisure, and cultural experience. With rich tourism resources nearby, the project enjoys obvious advantages. Adjacent to the 2-km-long Yuhe River constructed with our investment, the project has highlighted the characteristics of a northern waterside city and has successfully connected tourism resources. Since its opening in 2014, Qishengjiao has attracted attention from all walks of life, becoming a new spot popular with tourists. The project is facing adjustment and exploration to keep with the increasingly mature tourist market. The project is currently speeding up to upgrade. In October 2020, the project completed the rejuvenation and upgrading. Through the collection of 17 designer concept stores, the original Baogong culture IP, the container Internet-famous site, the rail steam train, the ice and snow world theme park and other highlights, as well as the new building light show, graffiti show and other light cultural travel performing arts products, it realised the combination of youth, trend and classicality, and created a new image of the commercial street combining “art + trend + culture + architecture + space + creativity + aesthetics”.

Yingtaogou Football Town of Jianye Central China Cultural Town is a sports tourism holiday town with football and cultural experience as the core, sports industry innovation as the driving force, training, events and sports games as the carrier, and integrating sports, leisure, culture and tourism. The project is located in Yingtaogou Tourism Scenic Spot, a national AAAA level scenic spot in Erqi District of Zhengzhou City, with a planned construction land of about 2,500 Chinese-mu.

On 28 September 2018, a grand opening ceremony was held for the project, announcing the official opening of the project guide block. Open projects include ecological football stadium, football park, outdoor theme basketball court, intelligent sports park for all ages-Nordic Paradise, riding park with outdoor crosscountry cycling experience, Jianye Food Court with opera culture and folk catering culture experience, etc. At present, the town is constantly building and planning more sports, culture, leisure, health and other life projects.

#### **4. *Green House***

CCRE's green houses are main body of the establishment and operation of CCRE's modern agricultural projects. As at the end of the reporting period, the Company had four green houses completed and in operation, namely Yanling Jianye Green House, Hebi Jianye Green House, Yichuan Jianye Green House and Zhoukou Jianye Green House; One green house available for visit was basically completed, namely Wuzhi Jianye Green House.

##### *Yanling Jianye Green House*

Yanling Jianye Green House is located in Yanling County, Xuchang City, less than 100 km from Zhengzhou City, with a site area of over 5,000 Chinese-mu. The project is equipped with 3,000 Chinese-mu of eco-tree seedlings, intelligent gutter-connected greenhouse, multi-functional exhibition hall, technology research center and culture room for cut flowers, endeavouring to build a modern agricultural countryside complex zone concerning six highlights of "efficient agriculture, agritourism, cultural creativity agriculture, demonstration and experience agriculture, science popularisation agriculture, and healthcare and well-being improvement agriculture".

In the first half of 2021, Yanling Jianye Green House completed three new projects: Base Kart, Colorful Dream Children's Paradise and Four-seasons Tea House. In the first half of the year, it received more than 550,000 visitors, including provincial and municipal officials, local and foreign experts and scholars in relevant fields, Jianye property owners and members of "Jianye Junlin Club".

In recent years, Yanling Jianye Green House successively won the honorary titles of national 4A tourist attraction, the “Provincial Key Leading Enterprise of Agricultural Industrialisation for 2019-2021”. In the first half of 2021, Yanling Jianye Green House won the honorary title of “three diamond smart scenic spot in Henan Province”. It was also rated as “advanced party organisation” by Yanling County Party committee and the Party committee of the Group.

The above mentioned achievements and honors represent the affirmation of the government and all sectors of society for the role of the Company in effective promotion of local industrial upgrading, farmers’ prosperity and rural revitalisation.

### *Hebi Jianye Green House*

Hebi Jianye Green House is located at the urban-rural integration demonstration zone in Hebi City with a total site area of approximately 4,450 Chinese-mu. It is a countryside complex zone covering modern agriculture, leisure and tourism, and rural community. At present, Hebi Jianye Green House is equipped with six functional areas, namely, welcome area, folk culture experience area, efficient agriculture tourist area, farming culture experience area, waterside ecological sightseeing area, and farming, forestry and breed demonstration area, of which, 60,000 sq.m. of 13 intelligent gutter-connected greenhouses, 20,000 sq.m. of Qishui Biyu Lake, colourful flower field and wedding lawn, 150 Chinese-mu of eastern flower area, as well as 4,000 Chinese-mu of ecological conservancy belt and picking garden have been open to the public. Hebi Jianye Foodcourt has also been put into use. The project also cooperated with Chenzhai Flower Group, a China “Top 3 Enterprises” in the floral industry and introduced professional service team of Chenzhai Flower Group, with a view to building a flower trading center in North Henan Province.



In the first half of 2021, Hebi Jianye Green House received a total of 910,000 people, including government leaders, leaders of the Group, Jianye property owners, social organisations and students. In the first half of the year, Hebi Jianye Green House was rated as the “advanced unit of project construction” in the district, “outstanding contributor to financial resources construction” by the Work Committee of Hebi urban-rural integration demonstration zone, and the high-quality scenic spot route of China’s beautiful rural leisure tourism in 2021 by the Ministry of Agriculture and Rural Affairs.

### *Yichuan Jianye Green House*

Yichuan Jianye Green House is located at North of Zhangyao Village, Jiangzuo Town, Yichuan County, Luoyang City, with approximately 6,725 Chinese-mu and total investment amount of approximately RMB2 billion. The overall positioning strategy of the project is a countryside complex concerning six highlights of “modern agriculture, ecological leisure, cultural creativity, experience center, science popularisation and healthcare”, with maintaining sustainable development for protecting ecological environment as its basis and with development strategy focusing on “agricultural + cultural tourism + healthy”, and with local characteristics of “demonstration zone of modern agricultural complex + ecological culture protection + picturesque village + Jianye foodcourt”.

By the end of the reporting period, the construction of phase I of the modern agricultural demonstration zone had been completed, which was equipped with a number of high-specification agricultural facilities such as 11,000 sq.m. of high-standard intelligent greenhouses, plant factories, cave dwellings for fungus growing, 16.3km-long park roads, 200 Chinese-mu dropper fields, 70,000 sq.m. overflow dam for irrigation and water storage, etc.. In addition, a number of leisure and entertainment facilities had been completed and put into use, including Yaji Lakeside Restaurant, Cave Dwelling Experience Residence, Forest Valley Natural Restaurant & Bar, Meng Chong Paradise, Children’s Playground, Fruit and Vegetable Picking Experience Garden, Forest Leisure Area, Xingkongli-Caravans Camp, Guanshanxu-Weijing Restaurant, Pastoral Hot Pot Restaurant as well as Research and Learning Space.

In the first half of 2021, the project received more than 30 inspections from leaders at all levels, organised 114 team activities for over 5,000 people, held more than 10 operation activities such as Valley Breeze Kite Festival, all-things-lovely fun wild market and fun wild-forest camping plan, and received more than 100,000 tourists in total. In the first half of the year, Yichuan Jianye Green House was successively awarded the honorary titles of “Key Construction Project of Henan Province in 2021”, “Research and Education Base of Primary and Secondary Schools in Luoyang”, “Demonstration Enterprise of Civilised and Honest Operation in Luoyang in 2020”, “Model Unit of Land Greening in Henan Province” and “Municipal Characteristic Forest Town in Luoyang”.

### *Zhoukou Jianye Green House*

Zhoukou Jianye Green House is located on the banks of the old canal in the urban-rural integration demonstration zone in Xuwan Village, Xuwan Township, Zhoukou City with a site area of more than 6,000 Chinese-mu and a planned total investment of RMB3 billion. The project covers modern ecoagriculture, old canal reconstruction and urban wetland restoration, leisure experience, cultural tourism, health and elderly care, etc. and integrates high-end flower, fruit and vegetable production, fine seedling and flower cultivation, six hundred years of shipping ferry culture excavation, special food experience in central China, urban wetland and riverside landscape belt along the old canal, folk wedding celebration photography base, etc. with a view to forming an urban countryside complex with an international leading and domestic first-class modern agricultural industry chain integrating “research and development, production, demonstration and experience”. Relying on the construction of the timehonored old canal, the House aims at resuming the prosperity of the old canal as the artery of water transport in the Ming and Qing Dynasties, so that tourists can experience the profound history and culture of the ancient Zhoukou there, reminding their memories of the canal, filling the market gaps in tourism, vacation and recreation in Zhoukou and meeting the recreational tourism demands of residents during weekends and nighttime.

Projects completed and put into operation as at the end of the reporting period: 1) the office and accommodation area of approximately 6,000 sq.m.; 2) the intelligent gutter-connected greenhouse of 36,000 sq.m.; 3) the core landscape demonstration area of 200,000 sq.m.; 4) the Tongle Valley Parent- Child Paradise of 20,000 sq.m.; 5) the experience agriculture demonstration park of 60 Chinese-mu; 6) Jianye foodcourt of 5,000 sq.m.; 7) modern and technical agriculture exhibition hall of 5,000 sq.m.; 8) comprehensive service center of 7,500 sq.m.; 9) Kart Club of 5,000 square meters; 10) Equestrian Club of 20,000 sq.m.; and 11) planting area of seedlings, fruit trees and lawns has achieved over 3,000 Chinese-mu.

In the first half of 2021, Zhoukou Jianye Green House received more than 550,000 tourists, including nearly 1,000 provincial and municipal leaders, experts and scholars in relevant fields at home and abroad, nearly 20,000 tourism teams, and established long-term and stable cooperative relations with various sports associations, wedding associations, expansion training institutions, research and education institutions. In March 2021, Zhoukou Jianye Green House was rated as the “Special Social Practice Education Base for Primary and Secondary Schools in Zhoukou City”.

#### *Wuzhi Jianye Green House*

Wuzhi Jianye Green House is located in Jiayinguan Township, Wuzhi County, covering an area of 2,568.6 Chinese-mu and a total planned investment of about RMB0.2 billion. The proposed construction includes the Yellow River ancient road cultural exhibition area, the ancient and modern commercial and cultural complex (square-shaped city), pastoral style hotel, comprehensive demonstration area of modern agriculture, and Jianye foodcourt, etc. As of 30 June 2021, the decoration on the exterior walls of the ancient and modern commercial and cultural complex (square-shaped city) had been completed, and decoration of square-shaped city’s west exhibition hall and south exhibition hall had been completed; the sewage treatment plant (capacity of 500 cubic meters/day) had been built, supporting facilities, including towerless water supply facility, box type transformer and natural gas, had been put into use; the landscape project (Phase I) 125,000 sq.m. and the main part and interior decoration of intelligent greenhouse had been fully completed; purchase of greenhouse facilities and equipment, fire fighting, security, air conditioner and boiler had been completed; and three greenhouses had been in operation. Foodcourt decoration had been completed and business license and food hygiene licence had been obtained, but it has not been put into operation in 2021.

### *Xiangcheng Jianye Green House*

Xiangcheng Jianye Green House is located in the south of Ruhe River, which is at the south side of downtown Xiangcheng County, Xuchang City. Adjacent to S329 provincial road in the north, facing Shoushan in the south, and reaching west of Yaozhuang in the east and Shoushan Ring Road in the west, Xiangcheng Jianye Green House covers an area of approximately 2,050 Chinese-mu and has a total planned investment of about RMB400 million, of which RMB110 million is scheduled to be invested before operation. Based on the natural environment, the project utilises the resources of agriculture, forest, field, house, mountain, spring, river, flower, and grass, combined with multiple cultural elements, such as Xiangcheng red stone culture, religious culture, business culture in central China, tobacco culture, academy culture, Quyi, and red culture, in an attempt to build a countryside complex of “rural scenery with antique appeal”, which, with flower trading as its core business, integrates functions covering ecological tourism, original countryside culture experience, high-end healthy resorts, theme leisure and entertainment, agricultural science and technology, education, and research, creative agricultural experience, circular agriculture demonstration, and industry integration and output. As of 30 June 2021, the project is still at the initial stage of planning and design and construction has not been commenced yet.

### **5. *Light Asset***

The Company originally established a subsidiary, CCMGT, in charge of managing of light-asset business. Pursuant to the strategic planning of the Group, the Company successfully spin off CCMGT and CCMGT was listed separately on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 31 May 2021. CCMGT is principally engaging in business of commercial project management, which aims to be a comprehensive project management service provider and resolute as ever in its core value of “Taking Root in Central China and Contributing to Society” and its mission of “providing quality living standards for the people in the Great Central China”.

With our well-designed architectural works and intimate services, we introduce the public to experience a new way of life. Leveraging on the recognition of “Jianye” brand in the target market, its strong management capability, mature product and service system, comprehensive resource arrangement and integration capabilities, we conduct brand output, management output and resource output. CCMGT devotes itself to consolidating regional resources, and developing a project management service platform to establish a complementary advantages, win-win cooperation, open and dynamic enterprise ecosystem and enhance its comprehensive competitiveness and ability of creating value. It deems it as its duty to facilitate urbanisation construction in the Great Central China region and improve living environment in the region to help the Group go out of Henan, go to the Great Central China and serve it. Under the guidance of the strategy of the Great Central China, while maintaining its absolute leading position in the market of Henan province, CCMGT will continue to enhance its core competitiveness, be bold in expanding and actively expand its business scale. It will also continue to expand its business outside Henan province, improve its market share in the China project management market and facilitate it to become a leading player in China project management market from an advanced project management company.

On 18 March 2021, Henan Zhongyuan Central China City Development Company Limited (a major subsidiary of CCMGT) was awarded the “2021 China Real Estate Management Outstanding Enterprise” at the “2021 China Top 100 Real Estate Company Research Conference”.

From 1 January to 30 May 2021 (before its spin-off for listing), CCMGT had 41 newly contracted projects with the gross floor area “GFA” of 4.59 million sq.m., among which six were outside Henan province with the contracted GFA of 520,000 sq.m.. The contracted sales was RMB10,977 million. CCMGT is responsible for the establishing and optimising of the standardised management standards and agreements on an ongoing basis. By implementing the “refined management of the entire process” of projects, it can complement each other’s advantages, share risks and results with its partners.

Under the guidance of the Great Central China strategy, CCMGT insisted on consolidating the Henan market, continued developing the Great Central China market and moving towards the national market, thus promoting the Group's strategy for both light and heavy asset business to a new level. The Company has operated in Henan, Shaanxi, Shanxi, Anhui, Hebei, Xinjiang and Hainan provinces and autonomous region. As of 30 May 2021 (prior to the spin-off for listing), CCMGT had 243 projects under management with a total GFA of 29.56 million sq.m.. Among them, there were 19 projects in the provinces out of Henan, with a total GFA of 1.85 million sq.m..

CCMGT will continue to expand its business in the Henan Province out of Henan, innovate the working mechanism of national market development, and promote the steady development of light asset business. At the same time, it will continue to make innovation in products, operations and services, keep improving management system, build a stronger talent team, to greatly improve its comprehensive competitiveness and ability of creating values, continuously improve the profitability of light asset business and continue to provide better quality services to partners. Through its lean management, it will continue to provide the property owners in the Great Central China region with the first class products and services.

### **III. LAND RESERVES**

During the reporting period, the Group acquired land with a site area of approximately 2.367 million sq.m. through tendering, auction and listing as well as equity cooperation. It had newly added land reserves with a GFA of approximately 6.633 million sq.m.. As of 30 June 2021, the Company had land reserves with a GFA of approximately 56.21 million sq.m., including attributable GFA of approximately 40.82 million sq.m..

## **1. Land Tendering, Auction and Listing**

On 13 January 2021, the Group acquired the land use right of a land parcel (No. JGT2020-43) located at the east of Jiaodong Road and south of Heping Street of Shanyang District, Jiaozuo City in online tendering (listing) for sale process held by Natural Resources Online Trading System of Jiaozuo City for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB389.12 million. No. JGT2020-43 land parcel has a site area of 53,991 sq.m. with a mandatory detailed planned plot ratio of 2.2.

On 15 January 2021, the Group acquired the land use right of a land parcel (No. JGT2020-44) located at the east of Jiaodong Road and south of Heping Street of Shanyang District, Jiaozuo City in online tendering (listing) for sale process held by Natural Resources Online Trading System of Jiaozuo City (焦作市自然資源網上交易系統) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB333.45 million. No. JGT2020-44 land parcel has a site area of 51,490 sq.m. with a mandatory detailed planned plot ratio of 2.0.

On 22 January 2021, the Group acquired the land use right of three land parcels (Zhengzhengchu No. [2020]78, Zhengzhengchu No. [2020]79 and Zhengzhengchu No. [2020]80) located at the north of Yinghua Avenue and west of Lvyin Avenue of Erqi District, Zhengzhou City in online tendering (listing) for sale process held by Zhengzhou Natural Resources and Planning Bureau (鄭州市自然資源和規劃局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB902.25 million. Zhengzhengchu No. [2020]78, Zhengzhengchu No. [2020]79 and Zhengzhengchu No. [2020]80 land parcels have a site area of 39,668 sq.m., 38,919 sq.m. and 26,858 sq.m. respectively with a mandatory detailed planned plot ratio of 1.6, 1.3 and 1.3 respectively.

On 21 May 2021, the Group acquired the land use right of seven land parcels (No. ZK2021-22, No. ZK2021-23, No. ZK2021-24, No. ZK2021-25, No. ZK2021-26, No. ZK2021-27 and No. ZK2021-28) located at the east of Daguang Expressway and the banks of the old canal of Dongxin District, Zhoukou City in online tendering (listing) for sale process held by Zhoukou Natural Resources and Planning Bureau (周口市自然資源和規劃局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB588.05 million. No. ZK2021-22, No. ZK2021-23, No. ZK2021-24, No. ZK2021-25, No. ZK2021-26, No. ZK2021-27 and No. ZK2021-28 land parcels have a site area of 70,388 sq.m., 73,326 sq.m., 57,292 sq.m., 85,515 sq.m., 61,404 sq.m., 68,315 sq.m., 64,192 sq.m. respectively with a mandatory detailed planned plot ratio of 0.7, 0.7, 1.9, 1.5, 1.5, 1.9 and 1.9 respectively.

## **2. *Equity Cooperation***

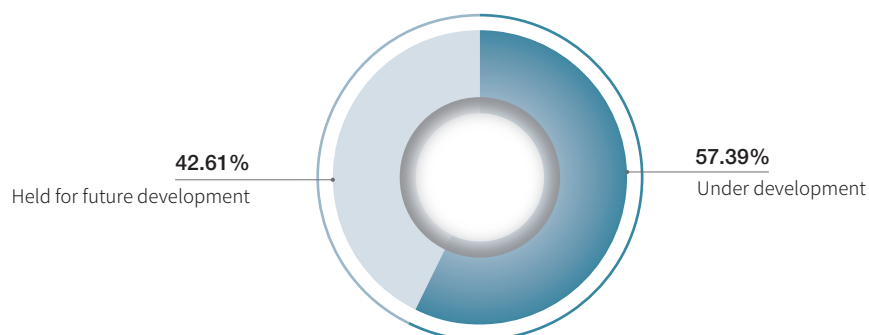
As at 30 June 2021, the Group acquired 38, in aggregate, land parcels with a total site area of 1,675,714 sq.m. in Anyang City, Jiaozuo City, Xinxiang City, Jiyuan City, Zhoukou City, Shangqiu City, Zhengzhou City, Xinyang City, Luohe City, Zhumadian City, Luoyang City and Nanyang City by way of equity cooperation.



### 3. *Distribution of Land Reserves*

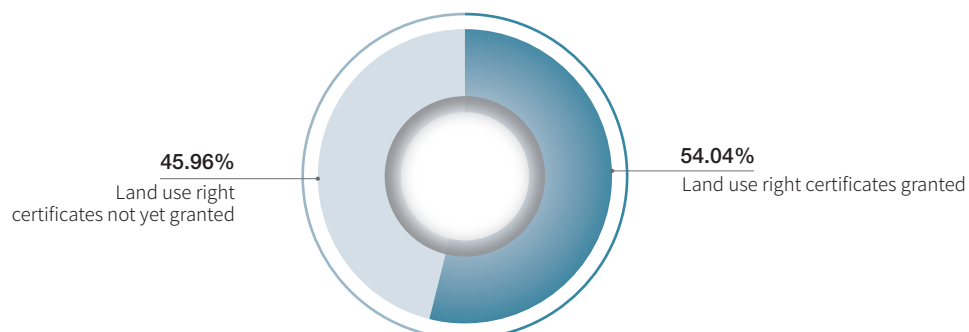
#### (1) *Distribution of the Company's land reserves by development status*

As at 30 June 2021, the distribution of the Company's land reserves by development status is set out in the table below:



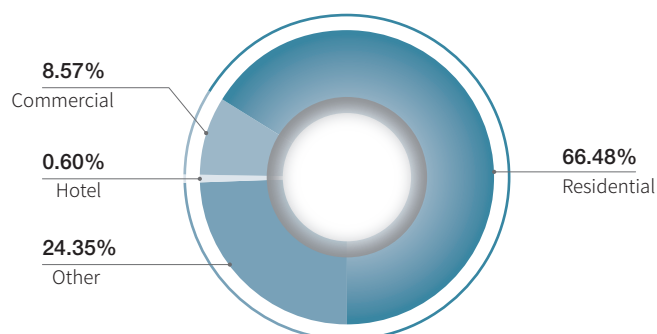
#### (2) *Distribution of the Company's land reserves by land use right certificates*

As at 30 June 2021, the distribution of the Company's land reserves by land use right certificates is set out in the table below:



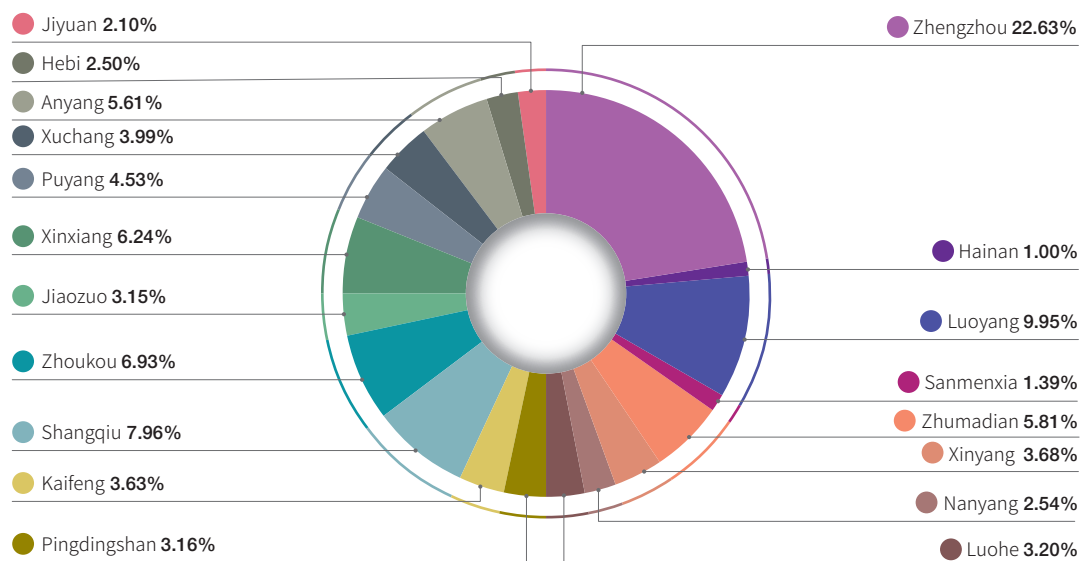
(3) *Distribution of the Company's land reserves by property types*

As at 30 June 2021, the distribution of the Company's land reserves by property types is set out in the table below:



(4) *Distribution of the Company's land reserves by cities*

As at 30 June 2021, the distribution of the Company's land reserves by cities is set out in the table below:



## **Product Research and Development**

### ***1. Product Research and Development, Serialisation, Standardisation and Industrialisation***

The Company has always been following the corporate mission of “providing quality living standards for the people in Central China”, adhering to the fifth-generation product philosophy of “creating products that best understand the people in Central China”, insisting on the developmental strategy of serialisation, standardisation and housing industrialisation, always focusing on the customer experience as the core of product development, and continuously developing competitive new products.

Backed by the fifth-generation product system, the Company is typically creating six high-medium end product lines, namely “National Rituals”, “Chinese School”, “Modern Health”, “Contemporary Fashion”, “Modern Metropolis”, and “Oriental Elegance”. Currently, all the new product lines are applied in 38 projects including Zhumadian Tianzhong Mansion, Zhumadian Chinoiserie House, Shangqiu Jiangshan Mansion, and Luohe Jianye Mansion. The Company continues to optimise the sub-modules of product lines according to implementation effects and market feedback, and refine the product design; improve the full range serialisation and standardisation based on product suitability. On the basis of continuing exploration and practice in Central China, the Company has developed brand new J-Link landscape system, in line with unique landform, cultural essence and friendly habitat of great Central China, proposed the three landscaping features “public, cultural, natural”, and created the landscaping life integrity exclusive for Central China, so that every great Central Chinese people could find its own fun and interest. Currently, the landscape system is applied in 25 projects including Blue Ocean Zhengfeng, Zhumadian Chinoiserie House, Nanyang Central Garden, Shangqiu Art Mansion and Hebi Flower Creek Town.

The Company has for long adhered to the strategy of housing industrialisation which is conducive to increasing residential project quality, reducing energy consumption and waste reduction, improving the living environment, marking a tendency of residential construction development. During the reporting period, the Company is actively furthering the housing industrialisation, and gradually applying the combined technologies of vertical component prefabrication, horizontal component prefabrication, and internal partition prefabrication among others in many projects like Hainan Zhonghe Jiayuan Phase II, Luoyang Jianye City, Luoyang Jianye Zhonghong City, Luoshen Plaza, Luoyang Huayang Fengdu Phase II, Luohe Changjian Dream City, Luohe Longhushuxiang Mansion. The Company tries to introduce BIM management platform into Zhengzhou Beilong Lake Longhu Plum Garden (梅苑) project, get rid of the “fragmented” management path, break through the information and communication barriers among units, and promote the platform, standardisation and normalisation of project development process management. The Company introduces external experts to review the whole process from design, production to transport and construction.

## **2. Customised Design**

For the purpose of increasing habitat quality, the Company launches the Junlin Grand Courtyard product based on custom development. The core philosophy of this project is to start from customer demand, backed by apartment design, architectural style, landscape design, supporting facilities, elevator configuration, decoration style, decoration standards, kitchen and electrical parts, bathroom parts, and property services, for the purpose of meeting the people’s demand for a better life in the new era, break the stereotyped design model of property development, and lead housing products into the epoch of customisation and individualisation. Based on Plum Garden, Bamboo Garden (竹苑) in Beilong Lake Junlin Grand Courtyard, the Company is innovating the custom models continuously, and has updated a series of product custom models, like Pine Garden in Zhengzhou Beilong Lake Junlin Grand Courtyard, Dengfeng Junlin Grand Courtyard, Yanling Junlin Grand Courtyard.

### **3. *Fully Decorated House***

The research of fully decorated house relied on the strong integrated strength and years of in-depth strategic forward-looking of the Company. Through survey and analysis of local culture and customer demand, in-depth research on the living habits of Central Chinese people, in conjunction with Zhuyou Group to upgrade the storage system simultaneously, the Company has achieved “localisation + modularisation + refinement”, creating a “JoyCube” (樂立方) storage for Jianye system, offering high quality residential solutions for owners, with greatest workmanship and sincerity. Currently, the Company has completed the design and implementation of some projects, like Zhengzhou Beilong Lake Junlin Grand Courtyard, Zhengzhou Blossom Garden, Zhengzhou Riverside House and Puyang Tianzhu.

### **4. *Featured Complex***

During the reporting period, the Company had higher requirements for urban development planning. Based on Luoshen Plaza project, the Company wanted to explore new planning models, hoped that through street block-level developments, it could motivate all advantageous resources from all business segments to join in urban development, and along with urban growth, there would be a full industry chain upgrading from development, construction to operation, as well as a upgrading of roles and missions. As the orderly continuum, supplement and guarantee of block-level developments, this exploration would help the Company transform its role as urban operator, planning for mid-long term planning strategies, aiming to erect a better living platform for owners, giving an energetic block to the city operation, equipped with traffic, education, medicare and commercial facilities, offering the owners with peaceful life and prosperous city.

### **5. *Energy Saving and Emission Reduction***

In active response to the national “carbon neutral” and “carbon peak” policies, in order to promote environment-friendly construction business and promote low-carbon living culture, the Company explores various energy-saving technologies in accordance with the current national regulations and standards, and fully improves the environmental protection and energy-saving efficiency of residential projects. Meanwhile, the Company actively promotes the housing industrialisation and the fully decorated houses development in Henan Province, researches new technologies or new measures, and improves the effectiveness of emission reduction and waste reduction.

## CUSTOMER SERVICE AND CUSTOMER RELATIONS

In 2021, the Company is expanding business coverage in the Greater Central China with a radius of 500km from Zhengzhou, to provide many cities with serial product and services with synergy advantages, and create happy habitat for Central Chinese people to live a better life, with our own diligence, wisdom, innovation and responsibility, high quality products and services.

During the reporting period, the Company innovated working mindset “oriented to customers”, and furthered the “three improves and one reduce” from four aspects: to improve delivery service, improve living satisfaction, improve management efficiency, and reduce complaints, so as to drive the continuing optimisation and upgrading of product and service quality. The Company bettered the delivery system, set up the standard delivery process of 14 service steps in 3 major stages from the 6 months before delivery and the 6 months after delivery — “There is a happiness called living in Jianye house”; the Company conducted “Polish Action” (煥採行動), to actively inspect the communities within 2-year warranty period, and provide professional testing and maintenance among other value-added services; the Company fully improved the park environment; improved delivery service by a series of measures, such as delivery initiation meeting, project site exchange meeting, “6-4-2-1” three-level early warning system, excellent case sharing, key and risky projects supporting, customers sorting and liaison; constructed high quality delivery; promoted the normalisation of “No delay” (客不容緩) policy and strengthened the risk control system, through GM reception day, GM supervision group, complaint system upgrading, “urgent letter rehearsal” innovation; and meanwhile delivered simple happiness and created beautiful experience for customers by warm services, like Jianye City Walk, Thousands of Families Banquet, owner’s birthday party among other customer care events.

## COMMENCEMENT PLAN

In the second half of 2021, the Company plans to commence construction of 81 projects with a GFA of approximately 6,632,000 sq.m..

City	Project name	Principal use of property	GFA (sq.m.)
Zhengzhou	Zhengzhou Football Town	Residential	35,000
Zhengzhou	Zhengzhou Blossom Garden	Residential	120,000
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	100,000
Zhengzhou	Dengfeng Junlin Grand Courtyard	Residential	122,000
Zhengzhou	Dengfeng Songyue Mansion	Residential	50,000
Zhengzhou	Xinzheng Blue Ocean Zhengfeng	Residential	80,000
Zhengzhou	Zhengzhou Junlin Grand Courtyard-Songxuan	Residential	120,000
Zhengzhou	Zhengzhou Chengyuan	Residential	110,000
Zhengzhou	Zhengzhou Baisha Project	Residential	43,000
Zhengzhou	Zhengzhou Riverside House	Residential	18,776
Zhengzhou	Zhengzhou Jianye Tihome – International City	Residential	41,683
Kaifeng	Lankao CCRE Mall	Residential	34,303
Kaifeng	Kaifeng Taihe Mansion	Residential	66,892
Kaifeng	Tongxu Code One City	Residential	22,140
Kaifeng	Kaifeng Project	Residential	38,265
Luoyang	Luoyang Dingding Palace	Residential	88,996
Luoyang	Luoyang Huayang Fengdu	Residential	93,046
Luoyang	Yichuan Dragon Mansion	Residential	52,100
Luoyang	Luoyang Project (Luoyang Honour Mansion Phase II)	Residential	80,000
Luoyang	Mengjin project (Luoyang Long Courtyard)	Residential	61,429
Pingdingshan	Pingdingshan Pingxi Honour Mansion	Residential	15,392
Pingdingshan	Wugang Forest Peninsula	Residential	78,972

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA (sq.m.)</b>
Pingdingshan	Baofeng Project	Residential	57,143
Pingdingshan	Pingdingshan Project 1	Residential	32,467
Anyang	Anyang Jianye City (Anyang Jianye City follow-up Land Lot)	Residential	19,384
Anyang	Anyang Project (Anyang Guangming Mansion)	Residential	66,718
Anyang	Huaxian Honour Mansion	Residential	81,125
Hebi	Hebi Longmen No.7 Courtyard	Residential	171,369
Hebi	Hebi Project	Residential	59,267
Xinxiang	Xinxiang Dongjing Mansion	Residential	110,748
Xinxiang	Xinxiang City Huagong Road Land Lot	Residential	189,132
Xinxiang	Xinxiang Project 2 (Xinfei Land Lot)	Residential	159,041
Jiaozuo	Jiaozuo Jianye Mansion	Residential	133,095
Jiaozuo	Bo'ai Spring Time	Residential	52,265
Jiaozuo	Mengzhou Jianye Mansion	Residential	70,731
Jiaozuo	Wuzhi Jianye Majestic Mansion	Residential	116,520
Jiaozuo	Jiaozuo Hengshui Taihua Land Lot (Jiaozuo Jianye Mansion)	Residential	116,992
Puyang	Puyang Jindi Road (Puyang Sky Mansion)	Residential	102,800
Puyang	Taiqian Jianrun House	Residential	76,380
Puyang	Puyang Tonghe House follow-up Land Lot	Residential	64,800
Xuchang	Change Forest Peninsula	Residential	47,138
Xuchang	Yanling Junlin Grand Courtyard	Residential	85,000
Xuchang	Xuchang Sunshine Cable	Residential	36,371
Xuchang	Change Forest Peninsula follow-up Land Lot	Residential	53,017
Luohe	Luohe Dream City	Residential	84,432
Sanmenxia	Sanmenxia Honour Mansion	Residential	83,968
Sanmenxia	Sanmenxia Project 2	Residential	57,143



<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA (sq.m.)</b>
Shangqiu	Shangqiu Future City	Residential	98,400
Shangqiu	Yucheng Hill Water Lake City	Residential	66,070
Shangqiu	Xiayi Jianye City	Residential	170,191
Shangqiu	Zhecheng Lianmeng Dongwang	Residential	127,285
Shangqiu	Shangqiu Project (Jiangshan Mansion)	Residential	77,551
Shangqiu	Shangqiu Shangheyuan	Residential	73,061
Shangqiu	Minquan Long Mansion (Minquan Project)	Residential	11,630
Zhoukou	Zhoukou Hill Water Lake City	Residential	95,017
Zhoukou	Huaiyang Binhe Courtyard	Residential	194,824
Zhoukou	Zhoukou Jianye City	Residential	95,187
Zhoukou	Zhoukou Green Base follow-up Land Lot (Canal Courtyard)	Residential	89,000
Zhoukou	Zhoukou Project (Huaiyang Sweet-Scented Osmanthus Garden Xingui)	Residential	32,000
Zhoukou	Zhoukou Chinoiserie House follow-up Land Lot (Canal Ancient Town)	Commercial	61,269
Zhoukou	Taikang Jianye Mansion	Residential	84,034
Zhoukou	Fugou Jianye Mansion	Residential	65,610
Zhumadian	Zhumadian Tianzhong Mansion	Residential	37,206
Zhumadian	Suiping Jianye Mansion	Residential	98,413
Zhumadian	Zhumadian Jianye Chinoiserie House follow-up Land Lot	Residential	44,286
Zhumadian	Zhumadain Project 1 (Zhumadian Misty Mountain Mansion)	Residential	32,951

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA (sq.m.)</b>
Nanyang	Nanyang Jianye Country Garden-Longyue City	Residential	61,918
Nanyang	Nanyang Project 1 (Dengzhou Qingyun Palace)	Residential	81,429
Nanyang	Nanyang Project 2	Residential	62,857
Nanyang	Nanyang Project 4	Residential	62,857
Xinyang	Xinyang Jianye City	Residential	12,268
Xinyang	Xinyang Mansion	Residential	29,267
Xinyang	Shangcheng Jianye Mansion	Residential	23,088
Xinyang	Xinyang Project (Huaibin Yunye Courtyard)	Residential	59,295
Xinyang	Huangchuan Project (Huangchuan Dingcheng Mansion)	Residential	44,206
Xinyang	Gushi Project (Xinyang Jianye Mansion)	Residential	42,392
Xinyang	Xinyang Project 2 (Xinyang Xinsan Road)	Residential	67,549
Jiyuan	Jiyuan Chinoiserie Palace	Residential	53,342
Jiyuan	Jiyuan Project 1 (Jiyuan Blossom Garden Xiyue)	Residential	83,494
Jiyuan	Jiyuan Project 2	Residential	82,001
Hainan	Chengmai Zhonghe Jiayuan	Residential	12,079
Other	Other	Residential	<u>700,576</u>
	<b>Total</b>		<b><u><u>6,631,643</u></u></b>

In the second half of 2021, the Company plans to deliver 56 projects in total with a GFA of approximately 5,016,000 sq.m..

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA (sq.m.)</b>
Zhengzhou	Zhengzhou Chengyuan (Phase 1)	Residential	221,231
Zhengzhou	Zhengzhou Art Mansion (Phase 1)	Residential	260,957
Zhengzhou	Gongyi Spring Time (Phase 5)	Residential	109,678
Zhengzhou	Zhengxi U-Town (Phase 5)	Residential	94,185
Zhengzhou	Gongyi Spring Time (Phase 3)	Residential	47,254
Zhengzhou	Xinmi Code One City (Phase 2)	Residential	76,970
Kaifeng	Tongxu Code One City (Phase 1)	Residential	77,568
Luoyang	Luanchuan Luanzhou Palace (Phase 1)	Residential	81,683
Luoyang	Luoyang Honour Mansion (Phase 1)	Residential	210,380
Luoyang	Luoyang Technology City (Phase 1)	Residential	85,000
Luoyang	Luoyang Code Two City (Phase 2)	Residential	147,700
Luoyang	Luoyang Dingding Palace (Phase 3)	Residential	104,165
Pingdingshan	Ruzhou Jianye Sweet-Scented Osmanthus Garden (Phase 1)	Residential	34,660
Pingdingshan	Pingdingshan Eighteen Cities (Phase 3)	Residential	57,279
Pingdingshan	Pingdingshan Spring Time (Phase 1)	Residential	81,848
Pingdingshan	Wugang Forest Peninsula (Phase 4)	Residential	23,580
Anyang	Anyang Code One City (Phase 1)	Residential	175,956
Anyang	Anyang Jianye City (Phase 2)	Residential	23,440
Anyang	Anyang Sweet-Scented Osmanthus Garden (Phase 3)	Residential	57,087
Anyang	Hua County Code One City (Phase 3)	Residential	28,650
Xinxiang	Xinxiang Chinoiserie Palace (Phase 1)	Residential	149,109
Xinxiang	Changyuan Forest Peninsula Courtyard (Phase 1)	Residential	145,085
Xinxiang	Hui County Spring Time (Phase 1)	Residential	22,452
Xinxiang	Hui County Code One City (Phase 1)	Residential	55,662
Xinxiang	Beverly Manor (Phase 3)	Residential	195,189

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA (sq.m.)</b>
Jiaozuo	Jiaozuo Chinoiserie Palace (Phase 2)	Residential	25,794
Jiaozuo	Jiaozuo Spring Time (Phase 2)	Residential	8,167
Jiaozuo	Wen County Spring Time (Phase 1)	Residential	17,945
Jiaozuo	Wuzhi Star Mall (Phase 1)	Residential	97,192
Puyang	Puyang Tonghe House (Phase 2)	Residential	42,148
Puyang	Puyang Code One City (Phase 3)	Residential	48,400
Puyang	Puyang Zhenyuehui (Phase 1)	Residential	102,629
Xuchang	Xuchang Chinoiserie Palace (Phase 2)	Residential	24,542
Xuchang	Xuchang Chinoiserie Palace (Phase 3)	Residential	73,914
Xuchang	Xuchang Pleasure Garden (Phase 1)	Residential	34,213
Xuchang	Change Sweet-Scented Osmanthus Garden New City (Phase 1)	Residential	39,009
Luohe	Luohe Xicheng Forest Peninsula (Phase 3)	Residential	11,473
Sanmenxia	Sanmenxia New District Forest Peninsula (Phase 3)	Residential	110,110
Shangqiu	Shangqiu Blossom Garden (Phase 1)	Residential	105,800
Shangqiu	Shangqiu Headquarter Port (Phase 1)	Residential	153,300
Shangqiu	Shangqiu Central Garden (Phase 3)	Residential	110,600
Zhoukou	Taikang Jianye City North Courtyard (Phase 1)	Residential	19,053
Zhoukou	Zhoukou Shiyue Mansion (Phase 1)	Residential	35,319
Zhoukou	Zhoukou Dachengxiaoyuan (Phase 1)	Residential	161,924
Zhoukou	Fugou Jianye New City (Phase 1)	Residential	14,450
Zhoukou	Fugou Jianye New City (Phase 1)	Residential	50,871
Zhoukou	Luyi Mingdao City (Phase 2)	Commercial	17,524
Zhoukou	Luyi Jianye City (Phase 90)	Residential	45,296

<b>City</b>	<b>Project name</b>	<b>Principal use of property</b>	<b>GFA (sq.m.)</b>
Zhumadian	Zhumadian Spring Time (Phase 1)	Residential	252,483
Zhumadian	Xincai CCRE Mall (Phase 2)	Residential	66,644
Zhumadian	Runan Jianye City (Phase 2)	Residential	137,287
Zhumadian	Xincai Sweet-Scented Osmanthus Garden (Phase 1)	Residential	81,356
Zhumadian	Zhengyang Jianye City (Phase 2)	Residential	31,430
Nanyang	Xixia Central Garden (Phase 1)	Residential	13,738
Nanyang	Xixia Central Garden (Phase 1)	Residential	28,661
Xinyang	Xinyang Jianye City (Phase 2)	Residential	88,093
Xinyang	Xinyang Jianye City (Phase 2)	Residential	37,911
Xinyang	Gushi Jianye City (Phase 2)	Residential	62,622
Jiyuan	Jiyuan Blossom Garden (Phase 1)	Residential	65,971
Jiyuan	Jiyuan Jianye City East	Residential	128,013
Jiyuan	Jiyuan Jianye City East	Residential	71,655
Hainan	Danzhou Junlin Grand Courtyard (Phase 1)	Residential	33,926
	<b>Total</b>		<b><u>5,016,231</u></b>

## **CORPORATE GOVERNANCE PRACTICES**

The Company has always valued the superiority, steadiness and rationality of having a sound system of corporate governance and is committed to continuously improving its corporate governance and disclosure practices. For the six months ended 30 June 2021, the Company complied with all code provisions and, where appropriate, adopted the recommended best practices set out in the Corporate Governance Code (the “Corporate Governance Code”) in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) with the exception of code provision E.1.2 as addressed below.

Code provision E.1.2 – This code provision requires the chairmen of the Board (the “Chairman”) to invite the chairman of the audit, remuneration and nomination committees to attend the annual general meeting.

Mr. Wu Po Sum, the Executive Director, the Chairman of the Board and the Chairman of the Nomination Committee of the Company, was unable to attend the 2021 AGM as he was out of town for other business.

Mr. Xin Luo Lin, an independent non-executive Director and the chairman of the remuneration committee of the Company, and Mr. Cheung Shek Lun, an independent non-executive Director and the chairman of the audit committee of the Company, were unable to attend the 2021 AGM as they were out of town for other business.

In their absence, Mr. Yeung Wai Leung, an alternate director to Mr. Wu Po Sum, attended the 2021 AGM and answered questions raised at the meeting.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) in Appendix 10 to the Listing Rules as the code of conduct for the Directors in their dealings in the Company’s securities. Having made specific enquires with each Director, the Company confirmed that the Directors had complied with the required standard as set out in the Model Code for the six months ended 30 June 2021.

## **CHANGES IN INFORMATION OF DIRECTOR**

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of director of the Company are set out below:

Mr. Lim Ming Yan has been appointed as a director of Sembcorp Industries Ltd (Singapore Stock Code: U96), the shares of which are listed on the Main Board of the Singapore Exchange Securities Trading Limited with effect from 18 January 2021.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the six months ended 30 June 2021, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

## **EVENTS AFTER THE REPORTING PERIOD**

Save as the disclosed in note 21 to the announcement, there were no significant events subsequent to 30 June 2021 which would materially affect the Group's operating and financial performance as of the date of this report.

## **REVIEW OF INTERIM RESULTS BY AUDIT COMMITTEE**

The Audit Committee of the Company has discussed with the management and external auditors the accounting principles and policies adopted by the Group, and has reviewed the Group's unaudited interim consolidated financial statements for the six months ended 30 June 2021.

## **INTERIM DIVIDEND**

The Board declared an interim dividend (the "Interim Dividend") of HK\$14.75 cents per share for the six months ended 30 June 2021 (six months ended 30 June 2020: HK\$11.00 cents per share).

The Interim Dividend will be paid on or around Thursday, 23 September 2021 to the shareholders of the Company whose names appear on the register of members of the Company on Wednesday, 8 September 2021.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the entitlement of the shareholders to the Interim Dividend, the register of members of the Company will be closed from Tuesday, 7 September 2021 to Wednesday, 8 September 2021. In order to qualify for the Interim Dividend, all properly completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 6 September 2021, for registration. The Interim Dividend will be paid on or around Thursday, 23 September 2021.

## **PUBLICATION OF INTERIM RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND OF THE COMPANY**

This interim results announcement is published on the websites of the Company (<http://www.jianye.com.cn>) and the Stock Exchange (<http://www.hkexnews.hk>). The Company's interim report for the six months ended 30 June 2021 will be despatched to the shareholders and published on the aforesaid websites in due course.

By Order of the Board  
**Central China Real Estate Limited**  
**Wu Po Sum**  
*Chairman*

Hong Kong, 18 August 2021

*As at the date of this announcement, the Board comprises nine Directors, of which Mr. Wu Po Sum, Mr. Wang Jun and Mr. Yuan Xujun are executive Directors, Mr. Lim Ming Yan, Ms. Wu Wallis (alias Li Hua) and Ms. Chen Ying are non-executive Directors, Mr. Cheung Shek Lun, Mr. Xin Luo Lin and Dr. Sun Yuyang are independent non-executive Directors.*

\* *For identification purposes only*