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**CIFI Holdings (Group) Co. Ltd.**  
**旭輝控股(集團)有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 00884)**

**ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2020**

**2020 INTERIM RESULTS HIGHLIGHTS**

- Recognized revenue increased by 11.3% year-on-year to RMB23.02 billion
- Core net profit increased by 11.2% year-on-year to RMB3,194 million, with core net profit margin at 13.9%. Stable gross profit of approximately RMB5,901 million
- Declared interim dividend of RMB9.8 cents (or equivalent to HK11 cents) per share, increased by 10% year-on-year
- Contracted sales amounted to RMB80.7 billion with cash collection ratio from property sales achieved over 95%
- As at 30 June 2020, net debt-to-equity ratio decreased by 2.4 percentage points to 63.2% comparing with that as at 31 December 2019. Abundant cash on hand of RMB59.4 billion
- As at 30 June 2020, weighted average cost of indebtedness decreased by 0.4 percentage point to 5.6% comparing with that as at 31 December 2019

## INTERIM RESULTS

The board of directors (the “Board”) of CIFI Holdings (Group) Co. Ltd. (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2020 (the “Relevant Period”) with comparative figures for the preceding financial year as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2020

	NOTES	Six months ended 30 June	
		2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited and restated)
<b>Revenue</b>	3	<b>23,022,350</b>	20,688,275
Cost of sales and services		<b>(17,121,271)</b>	(14,617,756)
Gross profit		<b>5,901,079</b>	6,070,519
Other income, gains and losses	4	<b>1,065,570</b>	308,685
Change in fair value of investment properties		<b>427,580</b>	630,129
Selling and marketing expenses		<b>(674,209)</b>	(581,739)
Administrative expenses		<b>(1,328,590)</b>	(1,347,884)
Share of results of joint ventures		<b>951,334</b>	1,230,877
Share of results of associates		<b>291,441</b>	561,686
Finance costs	5	<b>(291,654)</b>	(360,873)
Profit before taxation		<b>6,342,551</b>	6,511,400
Income tax expense	6	<b>(1,606,022)</b>	(2,027,228)
Profit for the period	7	<b>4,736,529</b>	4,484,172
<b>Other comprehensive expense:</b>			
<i>Items that will be reclassified to profit loss:</i>			
Fair value change on hedging instruments designated as cash flow hedge		<b>(90,491)</b>	–
Reclassification of fair value change on hedging instruments designated as cash flow hedge to profit or loss		<b>505</b>	–
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value loss on investments in equity instruments at fair value through other comprehensive income (“FVTOCI”)		<b>(23,770)</b>	(1,706)
Income tax relating to item that will not be reclassified		<b>12,354</b>	(2,625)
		<b>(101,402)</b>	(4,331)
Total comprehensive income for the period		<b>4,635,127</b>	4,479,841

	<b>Six months ended 30 June</b>	
	<b>2020</b>	<b>2019</b>
<i>NOTE</i>	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(unaudited and restated)</b>
Profit for the period attributable to:		
Equity owners of the Company	<b>3,368,806</b>	3,196,900
Owners of perpetual capital instruments	<b>114,078</b>	108,783
Non-controlling interests	<b>1,253,645</b>	1,178,489
	<b><u>4,736,529</u></b>	<u>4,484,172</u>
Total comprehensive income for the period attributable to:		
Equity owners of the Company	<b>3,267,404</b>	3,192,569
Owners of perpetual capital instruments	<b>114,078</b>	108,783
Non-controlling interests	<b>1,253,645</b>	1,178,489
	<b><u>4,635,127</u></b>	<u>4,479,841</u>
Total comprehensive income for the period	<b><u>4,635,127</u></b>	<u>4,479,841</u>
<b>Earnings per share, in RMB:</b>		
<b>Basic</b>	9	<b><u>0.43</u></b>
		<u>0.41</u>
<b>Diluted</b>	9	<b><u>0.42</u></b>
		<u>0.40</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2020

		At 30 June 2020	At 31 December 2019
	<i>NOTE</i>	<i>RMB'000</i> (unaudited)	<i>RMB'000</i> (restated)
<b>NON-CURRENT ASSETS</b>			
Investment properties		18,989,899	17,686,036
Right-of-use assets		130,455	142,090
Property, plant and equipment		218,421	172,475
Intangible assets		130,872	100,600
Goodwill		470,952	431,128
Interests in associates		9,732,969	8,019,593
Interests in joint ventures		14,717,110	12,872,071
Investments in property projects		357,383	417,688
Financial assets at fair value through profit or loss ("FVTPL")		1,308,027	526,458
Equity instruments at FVTOCI		858,063	881,832
Deferred taxation assets		1,975,874	1,758,447
Prepayment of property, plant and equipment		2,529	13,368
		<u>48,892,554</u>	<u>43,021,786</u>
<b>CURRENT ASSETS</b>			
Properties held for sale		11,079,181	15,552,823
Properties under development for sale		130,807,636	115,202,723
Accounts and other receivables, deposits and prepayments	10	30,521,979	24,596,795
Amounts due from non-controlling interests		22,906,135	18,766,941
Amounts due from joint ventures and associates		35,045,615	36,569,805
Deposits for land use rights for properties held for sale		9,758,654	8,713,034
Taxation recoverable		3,669,792	2,877,209
Financial assets at FVTPL		797,873	573,761
Derivative financial instruments		–	11,912
Restricted bank deposits		96,221	431,695
Bank balances and cash		59,272,033	58,536,676
		<u>303,955,119</u>	<u>281,833,374</u>

		At 30 June 2020	At 31 December 2019
	NOTE	RMB'000 (unaudited)	RMB'000 (restated)
<b>CURRENT LIABILITIES</b>			
Accounts and other payables and accrued charges	11	46,522,734	39,846,798
Contract liabilities		70,871,014	54,465,082
Amounts due to non-controlling interests		17,353,921	16,447,941
Amounts due to joint ventures and associates		27,492,999	29,170,655
Taxation payable		9,194,731	9,712,706
Lease liabilities – due within one year		63,892	66,570
Bank and other borrowings – due within one year		11,676,204	13,941,253
Senior notes – due within one year		7,575,933	3,190,356
Derivative financial instruments – due within one year		458	19,260
Corporate bonds – due within one year		6,003,128	4,006,799
		<u>196,755,014</u>	<u>170,867,420</u>
<b>NET CURRENT ASSETS</b>		<u>107,200,105</u>	<u>110,965,954</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>156,092,659</u>	<u>153,987,740</u>
<b>CAPITAL AND RESERVES</b>			
Share capital		661,427	639,723
Reserves		31,499,235	29,559,614
		<u>32,160,662</u>	<u>30,199,337</u>
Equity attributable to equity owners of the Company		32,160,662	30,199,337
Perpetual capital instruments		3,883,572	3,883,572
Non-controlling interests		36,597,229	34,114,036
		<u>72,641,463</u>	<u>68,196,945</u>
<b>TOTAL EQUITY</b>		<u>72,641,463</u>	<u>68,196,945</u>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities – due after one year		61,731	72,159
Bank and other borrowings – due after one year		49,447,257	51,140,979
Senior notes – due after one year		21,595,602	23,674,188
Corporate bonds – due after one year		8,970,752	7,744,996
Deferred taxation liabilities		3,284,057	3,157,208
Other payable – due after one year		13,723	1,265
Derivative financial instruments – due after one year		78,074	–
		<u>83,451,196</u>	<u>85,790,795</u>
		<u>156,092,659</u>	<u>153,987,740</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2020

### 1. GROUP RESTRUCTURING AND BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “IASB”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

#### **Merger accounting for business combination involving entities under common control**

Ever Sunshine Lifestyle and its subsidiaries (collectively referred to as the “Ever Sunshine Group”) are principally engaged in the provision of property management service, community value-added service and value-added services to non-property owners. Before the completion of the Share Acquisition, the Group held 21.48% equity interest in Ever Sunshine Lifestyle and it was accounted for as an associate of the Group.

Pursuant to a share sale and purchase agreement dated 29 May 2020 entered into between Spectron Enterprises Limited (“Spectron”), an indirect wholly-owned subsidiary of CIFI Holdings (Group) Co. Ltd (the “Company”) and Elite Force Development Limited (“Elite Force”), a company that is wholly owned collectively by Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng (being the executive directors and controlling shareholders of the Company and collectively referred to as the “Mr. LINS”), Spectron acquired 76,820,000 issued shares of Ever Sunshine Lifestyle, a company with its shares listed on the Main Board of the Stock Exchange from Elite Force (the “Share Acquisition”) at a cash consideration of HK\$782,795,800 (equivalent to approximately RMB709,432,000) with no definite duration for nil consideration. After the subscription, the direct equity interest of Spectron in Ever Sunshine Lifestyle increased from 21.48% to 26.48%. On 4 June 2020, Ever Sunshine Lifestyle allotted and issued a total of 134,000,000 shares at the price of HK\$11.78 to certain vendor, representing (a) approximately 8.72% of the total number of shares in issue as at 4 June 2020; and (b) approximately 8.02% of the enlarged total number of shares in issue upon the completion of the subscription. The issuance of the shares diluted the direct equity interest of Spectron in Ever Sunshine Lifestyle from 26.48% to 24.36%. On 29 May 2020, Spectron also entered into a voting rights entrustment agreement (“Voting Rights Entrustment Agreement”) with Elite Force and Mr. LINS, pursuant to which Elite Force has irrevocably and unconditionally entrusted Spectron to exercise the voting rights of 363,180,000 ordinary shares in Ever Sunshine Lifestyle that Elite Force directly holds in Ever Sunshine Lifestyle with effect from 1 July 2020 (“Entrusted Voting Arrangement”). On 28 June 2020, a supplemental agreement was entered into between Spectron, Elite Force and Mr. LINS amending the effective date of the Voting Rights Entrustment Agreement to 30 June 2020.

After the completion of the Share Acquisition and upon the Entrusted Voting Arrangement becoming effective on 30 June 2020, the Group obtained a total of 46.10% voting rights in Ever Sunshine Lifestyle by directly holding of 24.36% equity interest in Ever Sunshine Lifestyle and obtaining 21.74% voting rights in Ever Sunshine Lifestyle through the Entrusted Voting Arrangement. In the opinion of the directors of the Company, on the basis of its absolute voting rights in Ever Sunshine Lifestyle and the relative size of the remaining shareholders, the Group has dominant control over Ever Sunshine Lifestyle and it is accounted for as a subsidiary of the Group.

The Group and Ever Sunshine Group are both under the control of Mr. LINS before and after the Entrusted Voting Arrangement, and that control is not transitory. The Group and Ever Sunshine Group are regarded as continuing entities as at the effective date of the Entrusted Voting Arrangement and hence the Entrusted Voting Arrangement has been accounted for as combination of entities under common control by applying the principles of merger accounting with reference to Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). Accordingly, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows of the Group for the six months ended 30 June 2019 and 2020

include the financial performance, changes in equity and cash flows of the Ever Sunshine Group as if the current group structure upon the effective date of the Entrusted Voting Arrangement had been in existence throughout the six months ended 30 June 2019 and 2020, or since the respective dates of incorporation or establishment of the relevant entities where this is a shorter period. The condensed consolidated statement of financial position of the Group as at 31 December 2019 has been restated to include the assets and liabilities of the companies comprising the Ever Sunshine Group as if the current group structure had been in existence as at 31 December 2019.

The effects of all transactions between the Group and Ever Sunshine Group, whether occurring before and after the effective date of the Entrusted Voting Arrangement, are eliminated in preparing the condensed consolidated financial statements.

The effect of restatements described above on the condensed consolidated income statement for the six months ended 30 June 2019 has resulted in an increase in the Group's revenue by RMB624,856,000 and an increase in the Group's profit and total comprehensive income attributable to the owners of the Company by RMB2,596,000.

The effect of restatements described above on the condensed consolidated statement of financial position as at 31 December 2019 has resulted in an increase in the Group's total assets by RMB2,155,488,000.

## 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties and certain financial instruments which are measured at fair values.

Other than additional accounting policies resulting from application of amendments to International Financial Reporting Standards ("IFRSs") and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2020 are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019.

### Application of new and amendments to IFRSs

In the current interim period, the Group has applied the Amendments to References to the Conceptual Framework in IFRSs and the following new and amendments to IFRSs issued by the IASB, for the first time, which are mandatory effective for the annual period beginning on or after 1 January 2020 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 1 and IAS 8	Definition of Material
Amendments to IFRS 3	Definition of a Business
Amendments to IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform

Except as described below, the application of Amendments to References to the Conceptual Framework in IFRSs and the amendments to IFRSs in the current period had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosure set out in these condensed consolidated financial statements.

#### 2.1 Impacts of application on Amendments to IAS 1 and IAS 8 "Definition of Material"

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments also clarify that materiality depends on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements taken as a whole.

The application of the amendments in the current period had no impact on the condensed consolidated financial statements. Changes in presentation and disclosures on the application of the amendments, if any, will be reflected on the consolidated financial statements for the year ending 31 December 2020.

## 2.2 Accounting policies newly applied by the Group

In addition, the Group has applied the following accounting policies which became relevant to the Group in the current interim period.

### *Hedge accounting*

The Group designates certain derivatives as hedging instruments for cash flow hedges.

At the inception of the hedging relationship the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

### *Assessment of hedging relationship and effectiveness*

For hedge effectiveness assessment, the Group considers whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

### *Cash flow hedges*

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion, if any, is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. Furthermore, if the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

### *Discontinuation of hedge accounting*

The Group discontinues hedge accounting prospectively only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. Discontinuing hedge accounting can either affect a hedging relationship in its entirety or only a part of it (in which case hedge accounting continues for the remainder of the hedging relationship).



### ***Intangible assets acquired in a business combination***

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

### ***Impairment on intangible assets other than goodwill***

At the end of each reporting period, the Group reviews the carrying amounts of its intangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating units) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or the group of cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or the group of cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### ***Impairment on goodwill***

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

### ***Merger accounting for business combination involving businesses under common control***

The condensed consolidated financial statements incorporate the financial statements items of the combining businesses in which the common control combination occurs as if they had been combined from the date when the combining businesses first came under the control of the controlling party.

The net assets of the combining businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

The condensed consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining businesses from the earliest date presented or since the date when the combining businesses first came under the common control, where this is a shorter period.

The comparative amounts in the condensed consolidated financial statements are presented as if the businesses had been combined at the beginning of the previous reporting period or when they first came under common control, whichever is shorter.

### ***Revenue from property management services***

For property management services, revenue is recognised over the period in which the property management services are rendered. The Group bills a fixed amount for services provided on a monthly basis and recognizes as revenue in the amount to which the Group has a right to invoice and that corresponds directly with the value of performance completed.

For property management services income from properties managed under lump sum basis, where the Group acts as principal and is primary responsible for providing the property management services to the property owners, the Group recognizes the fee received or receivable from property owners as its revenue and all related property management costs as its cost of services.

For property management services income from properties managed under commission basis, the Group recognises the commission, which is calculated by certain percentage of the total property management fee received or receivable from the property units, as its revenue for arranging and monitoring the services as provided by other suppliers to the property owners.

### **3. REVENUE**

Revenue represents income from sales of properties, rental income, income from property management and other related services and income from provision of project management and other property related services earned during the period, net of discounts allowed, and is analysed as follows:

	<b>Six months ended 30 June</b>	
	<b>2020</b>	<b>2019</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(unaudited)</b>	<b>(unaudited and restated)</b>
<b>Revenue</b>		
Sales of properties	<b>19,388,371</b>	18,025,745
Rental income	<b>218,673</b>	174,747
Property management and other related services income	<b>1,175,857</b>	624,856
Project management and other property related services income	<b>2,239,449</b>	1,862,927
	<b><u>23,022,350</u></b>	<b><u>20,688,275</u></b>

### 3A. REVENUE FROM CONTRACTS WITH CUSTOMERS

#### Disaggregation of revenue from contracts with customers

	For the six months ended 30 June 2020			Total RMB'000
	Sales of properties RMB'000	Property management and other related services RMB'000	Project management and other property related services RMB'000	
<b>Types of goods or services</b>				
Sales of properties				
Residential	17,145,561	–	–	17,145,561
Office & Commercial	1,295,616	–	–	1,295,616
Carpark	947,194	–	–	947,194
	<u>19,388,371</u>	<u>–</u>	<u>–</u>	<u>19,388,371</u>
Property management and related services income	–	1,175,857	–	1,175,857
Project management and other property related services	–	–	2,239,449	2,239,449
	<u>–</u>	<u>–</u>	<u>2,239,449</u>	<u>2,239,449</u>
Total	<u>19,388,371</u>	<u>1,175,857</u>	<u>2,239,449</u>	<u>22,803,677</u>
<b>Timing of revenue recognition</b>				
A point in time	19,388,371	72,892	–	19,461,263
Over time	–	1,102,965	2,239,449	3,342,414
	<u>–</u>	<u>1,102,965</u>	<u>2,239,449</u>	<u>3,342,414</u>
Total	<u>19,388,371</u>	<u>1,175,857</u>	<u>2,239,449</u>	<u>22,803,677</u>

	For the six months ended 30 June 2019			Total RMB'000
	Sales of properties RMB'000	Property management and other related services RMB'000	Project management and other property related services RMB'000	
<b>Types of goods or services</b>				
Sales of properties				
Residential	14,641,258	–	–	14,641,258
Office & Commercial	2,701,784	–	–	2,701,784
Carpark	682,703	–	–	682,703
	<u>18,025,745</u>	<u>–</u>	<u>–</u>	<u>18,025,745</u>
Property management and related services income	–	624,856	–	624,856
Project management and other property related services	–	–	1,862,927	1,862,927
	<u>–</u>	<u>–</u>	<u>1,862,927</u>	<u>1,862,927</u>
Total	<u>18,025,745</u>	<u>624,856</u>	<u>1,862,927</u>	<u>20,513,528</u>
<b>Timing of revenue recognition</b>				
A point in time	18,025,745	40,930	–	18,066,675
Over time	–	583,926	1,862,927	2,446,853
	<u>–</u>	<u>583,926</u>	<u>1,862,927</u>	<u>2,446,853</u>
Total	<u>18,025,745</u>	<u>624,856</u>	<u>1,862,927</u>	<u>20,513,528</u>

### 3B. SEGMENT INFORMATION

Management determines the operating segments based on the Group's internal reports, which are then submitted to the chief operating decision maker for performance assessment and resources allocation. For management purposes, the Group's reportable and operating segments are as follows:

- (a) the property development segment engages in the development and sales of properties;
- (b) the property investment segment invests in properties for their rental income potential and/or capital appreciation;
- (c) the property management segment engages in the provision of property management services, community value-added services and value-added services to non-property owners; and
- (d) the project management segment engages in the provision of project management and other property related services.

The following is an analysis of the Group's revenue and results by reportable and operating segments:

(a) **Segment revenue and profit**

	Sales of properties <i>RMB'000</i>	Property investment <i>RMB'000</i>	Property management and other services <i>RMB'000</i>	Project management and other property related services <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Six months ended 30 June 2020</b>					
Reportable segment revenue from external customers	19,388,371	218,673	1,175,857	2,239,449	23,022,350
Reportable segment profit	3,279,795	147,731	203,484	1,595,860	5,226,870
<b>Six months ended 30 June 2019</b>					
Reportable segment revenue from external customers	18,025,745	174,747	624,856	1,862,927	20,688,275
Reportable segment profit	3,971,873	148,863	127,445	1,240,599	5,488,780

(b) **Segment assets and liabilities**

No assets and liabilities are included in the measures of the Group's segment reporting that are used by the chief operating decision maker. Accordingly, no segment assets and liabilities are presented.

(c) **Reconciliations of reportable segment revenue and profit**

	<b>Six months ended 30 June</b>	
	<b>2020</b>	<b>2019</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(unaudited)</b>	<b>(unaudited and restated)</b>
<b>Revenue</b>		
Reportable segment and consolidated revenue	23,022,350	20,688,275
<b>Profit</b>		
Reportable segment profit	5,226,870	5,488,780
Other income, gains and losses	1,065,570	308,685
Change in fair value of investment properties	427,580	630,129
Finance costs	(291,654)	(360,873)
Share of results of joint ventures	951,334	1,230,877
Share of results of associates	291,441	561,686
Accrual of allowance for credit losses	(16,337)	(12,421)
Depreciation of property, plant and equipment	(28,818)	(21,825)
Depreciation of right-of-use assets	(56,233)	(18,447)
Amortisation of intangible assets	(4,509)	–
Unallocated head office and corporate expenses	(1,222,693)	(1,295,191)
Consolidated profit before taxation	6,342,551	6,511,400

#### 4. OTHER INCOME, GAINS AND LOSSES

	Six months ended 30 June	
	2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited and restated)
Interest income	244,093	283,476
Gain (loss) on disposal of subsidiaries, net	524,833	(5,091)
Gain on disposal of an associate	8,771	–
Government grants	58,404	33,057
Forfeited deposits paid by purchasers	7,782	8,415
Gain on disposal of property, plant and equipment, net	4,674	939
Loss on early redemption of senior notes	–	(19,917)
Dividend income from financial assets at FVTPL	52,938	645
Change in fair value of investments in property projects	(38,055)	(83,090)
Dividend income from investments in property projects	36,107	143,842
Change in fair value of financial assets at FVTPL	376,448	(41,952)
Change in fair value of derivative financial instruments	18,976	16,908
Net exchange loss	(273,670)	(53,819)
Sundry income	44,269	25,272
	<b>1,065,570</b>	<b>308,685</b>

#### 5. FINANCE COSTS

	Six months ended 30 June	
	2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited and restated)
Interest expense on bank and other borrowings	(2,057,922)	(1,955,373)
Interest expense on senior notes	(1,056,379)	(774,495)
Interest expense on corporate bonds	(350,165)	(323,472)
Interest expense on convertible bonds	–	(8,221)
Interest expense on lease liabilities	(4,317)	(3,318)
	<b>(3,468,783)</b>	<b>(3,064,879)</b>
Less: Amount capitalised to properties under development for sale and investment properties under construction	<b>3,177,129</b>	<b>2,704,006</b>
	<b>(291,654)</b>	<b>(360,873)</b>

## 6. INCOME TAX EXPENSE

	<b>Six months ended 30 June</b>	
	<b>2020</b>	2019
	<i>RMB'000</i>	<i>RMB'000</i>
	<b>(unaudited)</b>	(unaudited and restated)
Current tax in the PRC		
PRC Enterprise Income Tax	<b>(1,184,529)</b>	(1,420,016)
Land appreciation tax ("LAT")	<b>(506,786)</b>	(1,000,483)
	<b>(1,691,315)</b>	(2,420,499)
Deferred taxation		
Enterprise Income Tax	<b>(43,070)</b>	112,677
LAT	<b>128,363</b>	280,594
	<b>(1,606,022)</b>	(2,027,228)

Under the Law of the PRC on Enterprise Income Tax and Implementation Regulation of the Enterprise Income Tax Law, the tax rate of the PRC subsidiaries is 25% for both periods.

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable exemptions and deductions.

Pursuant to the rules and regulations of the British Virgin Islands ("BVI") and the Cayman Islands, the Group is not subject to any income tax in the BVI and the Cayman Islands.

No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in, nor is derived from, Hong Kong.

## 7. PROFIT FOR THE PERIOD

	<b>Six months ended 30 June</b>	
	<b>2020</b>	2019
	<i>RMB'000</i>	<i>RMB'000</i>
	<b>(unaudited)</b>	(unaudited and restated)
Profit for the period has been arrived at after charging:		
Cost of properties sold included in cost of sales and services	<b>15,487,155</b>	13,491,041
Depreciation of property, plant and equipment	<b>28,818</b>	21,825
Depreciation of right-of-use assets	<b>56,233</b>	18,447
Amortisation of intangible assets	<b>4,509</b>	–



## 8. DIVIDEND

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Dividend recognised as distribution during the period:		
Final dividend recognised in respect of financial year ended 31 December 2019 of RMB21.93 cents (equivalent to HK24 cents) ((2018: RMB19.68 cents) (equivalent to HK23 cents)) per ordinary share	1,769,222	1,550,503
Special dividend recognised in respect of financial year ended 31 December 2019 of RMB3.66 cents (equivalent to HK4 cents) (2018: Nil) per ordinary share	294,871	–
	<u>2,064,093</u>	<u>1,550,503</u>
Interim dividends declared as distribution:		
Cash	<u>805,396</u>	<u>704,045</u>

The Board declared the payment of an interim dividend of RMB9.8 cents (equivalent to HK11 cents) (six months ended 30 June 2019: RMB8.93 cents (equivalent to HK10 cents)) per ordinary share for the six months ended 30 June 2020.

## 9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(unaudited)	(unaudited and restated)
<b>Earnings</b>		
Earnings for the purpose of basic earnings per share (profit for the period attributable to equity owners of the Company)	3,368,806	3,196,900
Effect of dilutive potential ordinary shares on convertible bonds	NA	(18,468)
Earnings for the purpose of diluted earnings per share	<u>3,368,806</u>	<u>3,178,432</u>

	<b>Six months ended 30 June</b>	
	<b>2020</b>	2019
	<b>(unaudited)</b>	(unaudited)
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>7,880,063,510</b>	7,751,549,705
Effect of dilutive potential ordinary shares on:		
– share options	<b>73,104,296</b>	64,304,637
– convertible bonds	<u>–</u>	<u>26,802,409</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<b><u>7,953,167,806</u></b>	<b><u>7,842,656,751</u></b>

The weighted average number of ordinary shares shown above has been arrived at after deducting the shares held by the trustee of the share award scheme.

#### 10. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Trade receivables mainly arise from sales of properties and rental income. Considerations in respect of properties sold are paid in accordance with the terms of the related sales and purchase agreements, normally with a range of 60 days to 180 days from the date of agreement. Rental income is paid by tenants within two months in accordance to tenancy agreements.

	<b>At 30 June</b>	At 31 December
	<b>2020</b>	2019
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(restated)
Trade receivables, net of allowance for credit losses	<b>2,577,667</b>	2,950,667
Other receivables, net of allowance for credit losses ( <i>note</i> )	<b>21,561,188</b>	17,549,353
Prepaid tax	<b>4,430,429</b>	2,891,189
Deposits and prepayments	<b><u>1,955,224</u></b>	<u>1,218,954</u>
	<b>30,524,508</b>	24,610,163
Less: Amount shown under non-current assets	<b><u>(2,529)</u></b>	<u>(13,368)</u>
Amounts shown under current assets	<b><u>30,521,979</u></b>	<b><u>24,596,795</u></b>

*Note:* The amount mainly includes temporary payments paid for potential property development projects and project-related deposits which would be refundable upon completion of the development projects. There is no fixed repayment term for other receivables and the directors consider they are repayable on demand.

The following is an aged analysis of trade receivables, based on the date of agreement and net of allowance, at the end of the reporting period:

	<b>At 30 June 2020 RMB'000 (unaudited)</b>	At 31 December 2019 RMB'000 (restated)
Within 60 days	1,399,044	1,066,471
61–180 days	402,826	744,148
181–365 days	571,985	741,098
Over 1 year	203,812	398,950
	<u>2,577,667</u>	<u>2,950,667</u>

Before accepting any corporate customer, the Group uses an internal credit assessment system to assess the potential customers' credit quality.

#### 11. ACCOUNTS AND OTHER PAYABLES AND ACCRUED CHARGES

	<b>At 30 June 2020 RMB'000 (unaudited)</b>	At 31 December 2019 RMB'000 (restated)
Accounts payables	17,689,885	16,480,402
Other payables and accrued charges ( <i>note</i> )	25,963,760	21,573,754
Dividend payable	2,064,093	–
Other tax payable	818,719	1,793,907
	<u>46,536,457</u>	<u>39,848,063</u>
Less: Amounts shown under non-current liabilities	<u>(13,723)</u>	<u>(1,265)</u>
Amounts shown under current liabilities	<u>46,522,734</u>	<u>39,846,798</u>

*Note:* Other payables and accrued charges mainly represent temporary payments received for potential property development projects, accrued loan interest, various deposits received from contractors in relation to tendering and execution of construction contracts.

The following is an aged analysis of accounts payables, based on the invoice date, at the end of the reporting period:

	<b>At 30 June 2020 RMB'000 (unaudited)</b>	At 31 December 2019 RMB'000 (restated)
Within 60 days	6,811,095	5,139,586
61–180 days	4,094,005	3,197,901
181–365 days	4,488,582	5,408,442
Over 1 year	2,296,203	2,734,473
	<u>17,689,885</u>	<u>16,480,402</u>

## **CHAIRMAN'S STATEMENT**

Dear shareholders:

I am pleased to present to you the business review of the Group for the six months ended 30 June 2020, and outlook for the second half of 2020.

### **Interim Dividend**

The Board declared payment of an interim dividend for the six months ended 30 June 2020 of RMB9.8 cents per share (or equivalent to HK11 cents per share based on the average middle rate of RMB to Hong Kong dollars as announced by the People's Bank of China for the five business days preceding the date of declaration of such dividend). Based on the total number of issued shares of the Company as at the date of the interim results announcement for 2020, the interim dividend for the six months ended 30 June 2020 amounts to approximately HK\$904.0 million (approximately RMB805.4 million).

### **Interim Results**

Affected by the COVID-19 pandemic, for the six months ended 30 June 2020, the Group achieved contracted sales of RMB80.73 billion, representing a year-on-year decrease of 8.7% from RMB88.44 billion in the corresponding period in 2019.

Recognized revenue was RMB23,022.4 million for the six months ended 30 June 2020, representing a year-on-year increase of 11.3% over RMB20,688.3 million in the corresponding period in 2019.

The Group's net profit increased by 5.6% to RMB4,736.5 million for the six months ended 30 June 2020 from RMB4,484.2 million in the corresponding period in 2019. The Group's core net profit attributable to equity owners increased by 11.2% to approximately RMB3,194.0 million for the six months ended 30 June 2020 from RMB2,873.2 million in the corresponding period in 2019.

## **Review of the First Half of 2020**

### *Market review*

In the first half of 2020, China's real estate market suffered a severe impact from the COVID-19 pandemic, during which market transaction and the construction works were suspended. The first quarter of 2020 was the period under the greatest impact of pandemic. Due to the stringent management and control measures implemented in various provinces and cities, such as lockdown and traffic control, as well as the delayed resumption of work, the sales and construction progress of the real estate market across the nation was materially affected. With the pandemic under control since mid-March, the suppressed demand released at once, coupled with the demand for living standard upgrade of the residents, the market recovery speeded up. During May to June, the recovery speed of trading volume on the real estate market was faster than the market expectation, while the growth rate of investment in real estate development also achieved a turnaround to positive in June. The influence of pandemic on the real estate market, however, was by no means negligible. According to the National Bureau of Statistics, in the first half of 2020, the transaction volume of commodity properties was 694.04 million sq.m., representing a year-on-year decrease of 8.4%; the sales of commodity properties amounted to RMB6,689.5 billion, representing a year-on-year decrease of 5.4%.

The regulatory measures on the real estate market always adhere to the overall principle that "houses are built to be inhabited, not for speculation", with the consideration of the specific market circumstances in different cities, the administrative measure were implemented under "one city, one policy" to support the quick recovery of real estate market after the pandemic and maintain a healthy development in the long run. In the first half of the year, the market divergence was intensified, as mainly evidenced by the swift recovery in the real estate market of first- and second-tier cities with a temporary boom, while some third- and fourth-tier cities suffered from the pandemic to a greater extent, resulting in a significant cool-down in the market.

Under the challenging market environment in the first half of 2020, the divergence among different classes of developers also intensified. National developers with advantages such as brand reputation, product quality, cost control and funding capabilities have demonstrated their resilience under the volatile market environment. Meanwhile, the developers with advantages in resources have entered the development stage of business diversification to proactively explore and develop real estate related businesses, such as property management, commercial property management, project management and long-term rental apartments, fully utilizing the mutual support by different businesses and resources advantages and maximizing the synergy effects, so as to transform from a property developer to an all-round service provider.

## Sales performance

In the first half of 2020, despite the severe impact of the COVID-19 pandemic, the Group's contracted sales and contracted GFA amounted to RMB80.73 billion and 4,895,900 sq.m., respectively, benefitted from the nationwide business coverage and high-quality saleable resources primarily in high tier cities. In the meantime, the Group achieved a cash collection ratio of over 95% from contracted sales for the same period, which demonstrated that the steady cash flow has facilitated the Group's operation with high stability under the challenging market environment.

The Group's contracted sales in the first half of 2020 were dispersed among over 250 projects over 50 cities. During the period, the Group launched pre-sale of 35 new projects, including these major new launches:

- Hangzhou The Glorious City
- Wenzhou The Bund
- Wenzhou Majestic Mansion
- Taizhou CIFI Bright Mansion
- Huzhou Powelong CIFI the Glorious City
- Yiwu Cloudview Palace
- Cixi Cilan Mansion
- Fuzhou Jiangnan Mansion
- Suzhou Inner Peace
- Wuxi CIFI City
- Wuxi Jiangyin Canal Park
- Hefei Future Center
- Qingdao Beihang New Mansion
- Qingdao Chenyue Mansion
- Jining Cloud Mansion
- Yantai Bays Huisheng
- Shijiazhuang Cifi Epoch
- Shijiazhuang Central Mansion
- Shenyang Venus Mansion
- Dalian River Hill Villa
- Changchun Dream city
- Jiangmen Natural Gift
- Zhongshan S City
- Foshan Cifi Groud Homeland
- Nanning Yunxi Mansion
- Chengdu CIFI plaza
- Chengdu Time Mansion
- Chongqing Better Airport
- Guiyang Land Mark
- Changsha Meixi Glory
- Changsha Gather Enjoy City
- Zhengzhou Gongyi Binhe Mansion
- Luoyang Central Mansion
- Luoyang Time Mansion
- Yinchuan Jiangnan Mansion

The Group also continued to record contracted sales in other projects the pre-sale of which started in previous year(s).

CIFI was ranked 18th nationally in terms of contracted sales amount in the first half of 2020 according to the “China Real Estate Enterprises Sales Ranking in the First Half of 2020” published by CRIC Information Group.

#### *Profit margins*

The Group’s gross profit margin was 25.6% (or 28.0% after adjusted to exclude the effects of accounting treatment due to financial consolidation of certain projects as subsidiaries of the Group) for the six months ended 30 June 2020, as compared to 29.3% (or 34.1% after adjust to exclude the effects of accounting treatment due to financial consolidation of certain projects as subsidiaries of the Group) for the corresponding period last year. The Group’s core net profit margin was 13.9% for the six months ended 30 June 2020, which is at the same level for the corresponding period last year.

The Group sustains its profit margins in the first half of 2020 mainly because of reasonable land costs, low finance cost as well as product premium achieved through improving quality and brand.

#### *Land acquisitions*

The abundant and high-quality land resources were the cornerstones of ensuring the continuous growth in our sales and performance. In 2020, the unexpected COVID-19 pandemic led to a temporary shrinkage of the transacted area and transaction amount in the land market for the first two months. Starting from March, however, driven by the proactive land supply policies of the central and local governments, the transactions in land market started to resume gradually. We captured the window period of land transactions as and when appropriate, so that we could acquire quality land plots in the open market, while targeting at large-scale lands with small initial investments in various cities through our diversified channels, which in turn enhances our ability of regional penetration.

In the first half of 2020, the Group acquired interests in 27 new projects with an aggregate land consideration attributable to the Group of RMB24.4 billion. In July 2020, the Group further acquired interests in 8 new projects with an aggregate land consideration attributable to the Group of RMB9.04 billion. For land acquisitions made during the period, the Group strictly adhered to its value investment principles and utilized multiple acquisition channels including government public auctions and tenders, acquisitions and mergers as well as urban renewal.

Year-to-date in 2020, we have strategically entered 1 new city, expanding our footprint so as to enhance our regional and provincial penetrations. In particular, we entered the following new city during the period:

- Yangtze Delta Region: Suqian, expanding our coverage in Jiangsu Province

In May 2020, the Group announced that by increasing its shareholding interests and exercising entrusted voting rights, it has become the single largest controlling shareholder of Ever Sunshine Lifestyle Services Group Limited (“Ever Sunshine” or “Ever Sunshine Lifestyle Services”), the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1995). As a result, Ever Sunshine has been consolidated into the Group’s financial statements. We believe that such consolidation of property management business will facilitate the synergy effect between the brands of CIFI and Ever Sunshine, which is in line with the Group’s objective to provide comprehensive and life cycle wholehearted service to our customers, promoting business development of each other and bringing positive influence to the Group’s growth.

#### *Liability management and financial positions*

In the first half of 2020, thanks to the liquidity provided by the Central Bank to support resumption of work and production of all sectors across the country, the liquidity in financing market property developers in China improved, the on-shore financing facility was sufficient and the finance costs gradually reduced as a result of interest rate benchmark liberalization. Although the usage of domestic corporate bonds was still subject to the refinancing of existing debts, the finance costs reduced significantly.

Off-shore capital market experienced developers’ crowded financing and offering at the beginning of the year as well as the enormous impact of COVID-19 pandemic. Leveraging on the tremendous liquidity support across the world, the offshore capital market has recovered to level before the pandemic with decreasing finance costs.

Since the beginning of 2020, we have decisively executed the following major financing transactions, which are more than adequate for our re-financing needs:

- In January 2020, the Company issued the 6.0% coupon, 5.5-year maturity US Dollar Bonds due July 2025 with a principal amount of US\$567 million.
- In April 2020, the Company entered into a facility agreement in respect of an unsecured 3.5-year US dollar/Hong Kong dollar club loan of the final principal amount of approximately US\$700 million with an interest rate of LIBOR/HIBOR +3% per annum.
- In May 2020, 旭輝集團股份有限公司 (CIFI Group Co., Ltd) (“CIFI PRC”), the Company’s wholly-owned subsidiary, issued the 3.8% coupon, 3+2-year maturity corporate bonds due May 2025 with a principal amount of RMB2,120 million. Meanwhile, CIFI PRC issued the 4.5% coupon, 5-year maturity corporate bonds due May 2025 with a principal amount of RMB1,000 million. Two tranches of corporate bonds were issued in an aggregate amount of RMB3,120 million, with the lowest interest rate of bonds issuance of the Group.



- In June 2020, 185,000,000 new shares were issued by the Company at HK\$6.28 per share, which generated net proceeds of approximately HK\$1,152.8 million. The amount will be utilised for project development and working capital and general corporate purposes. The Group believed that the issuance of share capital would provide an opportunity for us to raise additional funding, and enhance the Company's financial position while expanding its shareholder base and capital sources, in order to promote future development and enhance the liquidity of the shares.

In March 2020, CIFI PRC completed the coupon rate adjustment on the 6.5% coupon corporate bonds with a principal amount of RMB800 million issued in 2018. The coupon rate of which was adjusted downward to 5.3% and all of the bonds subsisted after the adjustment.

In May 2020, the Company redeemed the 6.375% coupon, 2-year maturity US Dollar Bonds due in May 2020 with a principal amount of US\$300 million in full.

Our international and onshore credit rating agencies continued to endorse CIFI's efforts in sales execution, disciplined land-bank expansion and prudent financial management. During the period, Standard & Poor, Fitch and Moody's maintained the Company's credit rating at "BB" (with "Stable" outlook), "BB" (with "Stable" outlook) and "Ba3" (with "Positive" outlook) respectively. On the other hand, onshore credit rating agencies, China Chengxin Credit Ratings, United Ratings and China Lianhe Credit Rating each assigned "AAA" onshore credit ratings to the Company and CIFI PRC.

As at 30 June 2020, the Group's:

- net debt-to-equity ratio was 63.2% (as at 31 December 2019: 65.6%);
- net debts (total indebtedness less cash-on-hand) amounted to RMB45,900.6 million (as at 31 December 2019: RMB44,730.2 million);
- cash-on-hand level amounted to RMB59,368.3 million (as at 31 December 2019: RMB58,968.4 million);
- total indebtedness amounted to RMB105,268.9 million (as at 31 December 2019: RMB103,698.6 million);
- guaranteed joint ventures/associated companies debts amounted to RMB14,434.0 million (as at 31 December 2019: RMB13,402.5 million); and
- weighted average cost of indebtedness was 5.6% (as at 31 December 2019: 6.0%).

As at 30 June 2020, unpaid committed acquisition of equity interests and land considerations attributable to the Group were approximately RMB9,082.6 million (versus cash-on-hand of approximately RMB59,368.3 million). The Group continued to maintain a comfortable debt positions and off-balance sheet commitments.

## *ESG Management and Corporate Responsibility*

The Group is always committed to putting corporate social responsibility into practice. In July 2020, the Group published its first standalone Environmental, Social and Governance (ESG) report and enhanced the disclosure of the enterprise's ESG management to a new level, in response to the amended reporting guide of the Stock Exchange. The Group established the ESG committee in 2019, which was chaired by Mr. LIN Feng, the Chief Executive Officer of the Group. The formulation and implementation of the annual targets of ESG are incorporated into the long-term development strategic planning of the Group. The continuing expansion on green construction, proactive promotion of anti-corruption and integrity, great emphasis on the occupational safety and health of the employees, and proactive performance of social responsibility, are the important directions that the Group focuses on to achieve high standard of ESG management.

In January 2020, CIFI Charity Foundation donated RMB20 million to establish a dedicated fund fighting against the COVID-19 pandemic, which provided medical supplies and subsidized medical personnel arriving at Wuhan from Shanghai. Ever Sunshine Lifestyle Services under the Group initiated a contingency plan and established a dedicated team in a timely manner to disseminate the knowledge and precautionary measures of COVID-19 to property owners in various regions and carried out sanitizing works in public areas at once, so as to build up a “defensive wall” for the property owners. We also provided food ingredients delivery service in some regions to minimize the risk of going out.

In July 2020, the Group first announced its off-shore green financing framework, and successfully issued the first off-shore green bonds in the same month, representing the Group's first step towards the green financing practice.

### **Outlook for the Second Half of 2020**

Looking forward to the second half of 2020, facing the sensitive market sentiment and delayed construction works due to the impact of pandemic, as well as the tension between China and the United States and the recovery progress of global economic and financial environment, we believe that the real estate market in China will still be very challenging.

We stay firm on the real estate policy tone that “houses are built to be inhabited, not for speculation”. The market will gradually adapt to the regulatory measures of “differentiated policies for different cities”. In regard to supply, appropriate regulation can effectively prevent the land market from overheating, while in terms of demand, the balance of loose and tight policy control can facilitate the continuous stable development of the real estate market. Overall, the total trading volume of the real estate market in the second half of 2020 will remain stable, and the performance of different tiers cities will continue to diverge.

In the second half of 2020, we expect the real estate market in first- and second-tier cities will still benefit from the rigid demand from first home buyers and upgraders, while the real estate market in strong third-tier cities will continue to be driven by the progress of urbanization with stable trading volume. As compared to small-scale developers which are suffering from the increase of land price and restrictions on selling price, large-scale developers have more diversified channels to acquire lands, higher operational efficiency and lower finance cost, which enhance their competitive advantages.

For the seven months ended 31 July 2020, the Group already achieved contracted sales of RMB102.72 billion and completed 45% of its 2020 full year contracted sales target. Thanks to the Group's proactive expansion and development of diversified channels to acquire lands since 2019, its high-quality land bank has covered over 80 cities in different geographical regions, over 90% of which was located at first- and second-tier cities with positive outlook, as well as strong third-tier cities with continuous economic development. The Group expects the saleable resources in the second half of 2020 to be over RMB280 billion, and is confident of completing its 2020 contracted sales target.

2020 is the 20th anniversary of the establishment of the Group. The Group has exceeded the sales amount of RMB200 billion in 2019, and has become one of the top 20 developers in China's real estate industry. Looking forward, the management of the Group will uphold the long-term development strategy, persistently improve the corporate operation efficiency, follow the principle of prudent management of finance, and build up the strengths to defend the market volatility. Meanwhile, the Group puts great significance on promoting its management standard on environmental protection, social responsibility and corporate governance, which will be uplifted to the level of the Group's strategic planning. We pledge full commitment to forge CIFI as one of the Fortune Global 500 with outstanding results, persistent performance of social responsibility and excellent corporate governance.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Performance Highlights

	Six months ended 30 June		Year-on-year Growth
	2020	2019 (restated)	
<b>Contracted sales</b>			
Contracted sales (RMB'million)	80,730	88,440	-8.7%
Contracted GFA (sq.m.)	4,895,900	5,088,200	-3.8%
Contracted ASP (RMB/sq.m.)	16,500	17,382	-5.1%
<b>Selected financial information (RMB'million)</b>			
Recognized revenue	23,022	20,688	11.3%
Profit for the period attributable to equity owners	3,369	3,197	5.4%
Core net profit attributable to equity owners	3,194	2,873	11.2%
<b>Selected financial ratios</b>			
Gross profit margin (adjusted)	28.0%	34.1%	
Core net profit margin	13.9%	13.9%	
Earnings per share (basic), RMB cents	43	41	
Core earnings per share (basic), RMB cents	41	37	
<b>Selected balance sheet data (RMB'million)</b>			
Total assets	352,848	324,855	
Bank balances and cash	59,368	58,968	
Total indebtedness	105,269	103,699	
Total equity	72,641	68,197	
Equity attributable to equity owners	32,161	30,199	
Net debt-to-equity ratio	63.2%	65.6%	
Weighted average cost of indebtedness	5.6%	6.0%	
<b>Land bank (GFA, million sq.m.)</b>			
Land bank (GFA, million sq.m.) at the end of period			
– Total	52.7	50.7	
– Attributable	27.7	26.5	

## Property Development

### *Contracted sales*

For the six months ended 30 June 2020, the Group achieved contracted sales of approximately RMB80.73 billion, representing a year-on-year slight drop of 8.7% as compared to RMB88.44 billion in the corresponding period of last year. The contracted sales of the Group recorded a year-on-year decrease, primarily due to the effect of COVID-19 pandemic at the beginning of the year, which results in a substantial cut of the open hours of sales offices for certain projects of the Group in various regions. By the end of March 2020, substantially all of sales offices and construction projects of the Group have re-opened and resumed operation, and the contracted sales steadily increased accordingly. In May 2020, the contracted sales of the Group recorded a positive year-on-year growth rate at approximately 26%.

For the six months ended 30 June 2020, the Group's contracted sales of approximately 4,895,900 sq.m. in GFA, representing a slight decrease of 3.8% over the corresponding period of last year. The Group's contracted ASP for the Relevant Period was approximately RMB16,500/sq.m..

Contracted sales from the Yangtze River Delta, the Pan Bohai Rim, the Central Western Region, and the South China Region contributed to approximately 47.2%, 24.4%, 16.8% and 11.6% of the Group's total contracted sales in the first half of 2020 respectively. Contracted sales from first- and second-tier cities accounted for approximately 72.8% of the Group's total contracted sales whereas those from third-tier cities accounted for the remaining 27.2%. Contracted sales derived from residential projects contributed to approximately 93.5% of the Group's total contracted sales whereas those from office/commercial projects contributed to the remaining 6.5%.

During the Relevant Period, cash collection from property sales by the Group's subsidiaries, joint ventures and associated companies represented over 95% of contracted sales in the first half of 2020.

**Table 1: Details of contracted sales for the six months ended 30 June 2020**

*By type of project*

	<b>Contracted Sales</b> (RMB'000)	<b>% of total Contracted Sales</b> (%)	<b>Contracted GFA</b> (sq.m.)	<b>Contracted ASP</b> (RMB/sq.m.)
Residential	75,480,467	93.5%	4,529,232	16,665
Office/Commercial	5,244,612	6.5%	366,670	14,303
<b>Total</b>	<b>80,725,079</b>	<b>100.0%</b>	<b>4,895,902</b>	<b>16,488</b>

*By city*

	<b>Contracted Sales</b> (RMB'000)	<b>% of total Contracted Sales</b> (%)	<b>Contracted GFA</b> (sq.m.)	<b>Contracted ASP</b> (RMB/sq.m.)
Hangzhou	8,850,286	11.0%	383,239	23,093
Wenzhou	5,384,992	6.7%	257,705	20,896
Beijing	4,711,485	5.8%	106,291	44,326
Hefei	4,256,438	5.3%	286,948	14,833
Tianjin	4,100,155	5.1%	232,645	17,624
Suzhou	4,100,131	5.1%	210,202	19,506
Chongqing	3,726,296	4.6%	301,516	12,359
Jinan	3,471,768	4.3%	278,388	12,471
Changsha	2,712,778	3.4%	276,572	9,809
Nanjing	2,577,355	3.2%	81,630	31,574
Hong Kong	2,375,965	2.9%	4,629	513,244
Wuxi	2,236,127	2.8%	127,301	17,566
Chengdu	2,213,187	2.7%	146,294	15,128
Qingdao	2,183,761	2.7%	148,345	14,721
Changzhou	2,086,479	2.6%	103,512	20,157
Ningbo	2,049,810	2.5%	153,119	13,387
Foshan	1,920,863	2.4%	145,583	13,194
Shanghai	1,744,898	2.2%	56,193	31,052
Shenyang	1,648,019	2.0%	120,209	13,710
Jiaxing	1,516,646	1.9%	106,869	14,192
Fuzhou	1,442,014	1.8%	83,510	17,267
Wuhan	1,344,854	1.7%	89,489	15,028
Linyi	1,226,676	1.5%	111,928	10,959
Taiyuan	1,050,606	1.3%	117,499	8,941
Yantai	950,628	1.2%	101,786	9,339
Dongguan	934,285	1.2%	48,251	19,363
Yinchuan	775,691	1.0%	85,844	9,036

	<b>Contracted Sales</b> (RMB'000)	<b>% of total Contracted Sales</b> (%)	<b>Contracted GFA</b> (sq.m.)	<b>Contracted ASP</b> (RMB/sq.m.)
Taizhou	755,449	0.9%	63,305	11,933
Jinhua	697,735	0.9%	35,668	19,562
Kunming	671,072	0.8%	76,181	8,809
Zhengzhou	572,280	0.7%	53,527	10,691
Guangzhou	527,722	0.7%	14,525	36,331
Xuzhou	447,411	0.6%	20,939	21,367
Huizhou	424,115	0.5%	32,455	13,068
Nanning	405,041	0.5%	41,005	9,878
Zhoushan	382,452	0.4%	23,024	16,611
Jiangmen	373,779	0.4%	43,099	8,673
Jining	369,156	0.4%	30,901	11,946
Zibo	363,352	0.4%	32,812	11,074
Others	3,143,319	3.9%	262,961	11,954
<b>Total</b>	<b>80,725,079</b>	<b>100%</b>	<b>4,895,902</b>	<b>16,488</b>

*By region*

	<b>Contracted Sales</b> (RMB'000)	<b>% of total Contracted Sales</b> (%)	<b>Contracted GFA</b> (sq.m.)	<b>Contracted ASP</b> (RMB/sq.m.)
Yangtze River Delta	38,082,165	47.2%	1,984,751	19,187
Pan Bohai Rim	19,719,331	24.4%	1,211,098	16,282
Central Western Region	13,587,501	16.8%	1,216,552	11,169
South China Region	9,336,082	11.6%	483,501	19,309
<b>Total</b>	<b>80,725,079</b>	<b>100.0%</b>	<b>4,895,902</b>	<b>16,488</b>

*By first-, second- and third-tier cities*

	<b>Contracted sales</b> (RMB'000)	<b>% of total contracted sales</b> (%)	<b>Contracted GFA</b> (sq.m.)	<b>Contracted ASP</b> (RMB/sq.m.)
First-tier cities	8,839,098	11.0%	167,157	52,879
Second-tier cities	49,894,363	61.8%	3,258,366	15,313
Third-tier cities	21,991,618	27.2%	1,470,379	14,956
<b>Total</b>	<b>80,725,079</b>	<b>100.0%</b>	<b>4,895,902</b>	<b>16,488</b>

*Notes:*

1. First-tier cities refer to Shanghai, Beijing and Hong Kong.
2. Second-tier cities refer to Guangzhou, Suzhou, Hangzhou, Nanjing, Hefei, Ningbo, Xi'an, Wuhan, Chongqing, Changsha, Chengdu, Zhengzhou, Tianjin, Shenyang, Qingdao, Jinan, Nanning, Guiyang, Kunming, Taicang, Yinchuan, Dalian, Fuzhou and Sanya.
3. Third-tier cities refer to Wenzhou, Wuxi, Jiaxing, Zhenjiang, Xuzhou, Weifang, Zibo, Changzhou, Quzhou, Zhongshan, Nantong, Wuhu, Quanzhou, Xuchang, Jinhua, Dongguan, Foshan, Taizhou, Xiangtan, Jining, Jiangmen, Linyi, Yantai, Huizhou, Huzhou, Zhangzhou, Zhoushan and Meishan.

**Revenue recognized from sales of properties**

Revenue recognized from sales of properties for the six months ended 30 June 2020 was approximately RMB19,388.4 million, up by 7.6% year-on-year, accounted for 84.2% of total recognized revenue. For the six months ended 30 June 2020, the Group's subsidiaries delivered approximately 1,490,796 sq.m. of properties in GFA, up by 15.9% year-on-year, while ASP recognised was RMB13,005/sq.m., down by 7.2% year-on-year.

**Table 2: Breakdown of recognised revenue from property sales for the six months ended 30 June 2020**

*By type of project*

Primary intended use of the project	Recognised revenue from sale of properties (RMB'000)		% of recognised revenue from sale of properties (%)		Total GFA delivered (sq.m.)		Recognised ASP (RMB/sq.m.)	
	2020	2019	2020	2019	2020	2019	2020	2019
Residential	18,033,603	15,323,961	93.0	85.0	1,383,999	1,169,196	13,030	13,106
Office/Commercial	1,354,768	2,701,784	7.0	15.0	106,797	116,764	12,685	23,139
<b>Total</b>	<b>19,388,371</b>	<b>18,025,745</b>	<b>100.0</b>	<b>100.0</b>	<b>1,490,796</b>	<b>1,285,960</b>	<b>13,005</b>	<b>14,017</b>



By city

City	Recognised revenue from sale of properties (RMB'000)		% of recognised revenue from sale of properties (%)		Total GFA delivered (sq.m.)		Recognised ASP (RMB/sq.m.)	
	2020	2019	2020	2019	2020	2019	2020	2019
Qingdao	2,319,598	1,409,502	12.0	7.8	178,977	99,152	12,960	14,216
Foshan	1,766,904	2,184,496	9.1	12.1	146,546	211,702	12,057	10,319
Hong Kong	1,618,768	–	8.4	–	2,450	–	660,722	–
Jiangyin	1,535,759	–	7.9	–	108,010	–	14,219	–
Linyi	1,518,511	805,216	7.8	4.5	148,695	93,546	10,212	8,608
Changsha	1,389,928	99,281	7.2	0.6	175,455	17,665	7,922	5,620
Xi'an	1,283,883	53,641	6.6	0.3	103,556	24,442	12,398	2,195
Quzhou	1,211,343	–	6.3	–	85,959	–	14,092	–
Suzhou	1,063,620	3,351,269	5.5	18.6	59,260	208,219	17,948	16,095
Chongqing	809,272	1,082,192	4.2	6.0	76,918	124,820	10,521	8,670
Weifang	785,507	–	4.1	–	71,110	–	11,046	–
Jiaxing	699,569	618,246	3.6	3.4	48,764	38,299	14,346	16,143
Nanning	667,934	–	3.4	–	62,123	–	10,752	–
Shenyang	624,083	1,252,511	3.2	7.0	43,259	121,197	14,427	10,335
Jining	590,373	–	3.0	–	61,868	–	9,542	–
Shanghai	488,780	3,239,326	2.5	18.0	29,840	91,805	16,380	35,285
Dongguan	377,339	–	1.9	–	18,008	–	20,954	–
Jinan	197,345	4,054	1.0	*	14,505	108	13,605	37,537
Hefei	170,926	–	0.9	–	31,047	–	5,505	–
Wenzhou	79,465	2,282,141	0.4	12.7	11,854	153,699	6,704	14,848
Dalian	65,270	–	0.3	–	2,622	–	24,893	–
Wuhan	57,599	1,431,642	0.3	7.9	2,625	78,991	21,942	18,124
Nanjing	33,754	112,411	0.2	0.6	1,477	14,809	22,853	7,591
Zibo	10,167	–	0.1	–	1,677	–	6,063	–
Hangzhou	10,111	70,292	0.1	0.4	1,317	5,907	7,677	11,900
Ningbo	5,959	16,081	*	0.1	1,062	528	5,611	30,456
Nanchang	4,987	–	*	–	1,541	–	3,236	–
Beijing	1,092	–	*	–	99	–	11,030	–
Tianjin	461	7,340	*	*	154	567	2,994	12,945
Zhenjiang	64	4,192	*	*	18	366	3,556	11,454
Langfang	–	1,912	–	*	–	138	–	13,855
<b>Total</b>	<b>19,388,371</b>	<b>18,025,745</b>	<b>100.0</b>	<b>100.0</b>	<b>1,490,796</b>	<b>1,285,960</b>	<b>13,005</b>	<b>14,017</b>

\* Less than 0.1%

### By region

	Recognised revenue from sale of properties (RMB'000)		% of recognised revenue from sale of properties (%)		Total GFA delivered (sq.m.)		Recognised ASP (RMB/sq.m.)	
	2020	2019	2020	2019	2020	2019	2020	2019
Yangtze River Delta	5,304,337	9,693,958	27.3	53.8	380,149	513,632	13,593	18,873
Pan Bohai Rim	6,112,407	3,480,535	31.5	19.3	522,965	314,708	11,688	11,060
Central Western Region	3,540,682	2,666,756	18.3	14.8	358,554	245,918	9,875	10,844
South China Region	4,430,945	2,184,496	22.9	12.1	229,128	211,702	19,338	10,319
<b>Total</b>	<b>19,388,371</b>	<b>18,025,745</b>	<b>100.0</b>	<b>100.0</b>	<b>1,490,796</b>	<b>1,285,960</b>	<b>13,005</b>	<b>14,017</b>

### By first-, second- and third-tier cities

	Recognised revenue from sale of properties (RMB'000)		% of recognised revenue from sale of properties (%)		Total GFA delivered (sq.m.)		Recognised ASP (RMB/sq.m.)	
	2020	2019	2020	2019	2020	2019	2020	2019
First-tier cities	2,108,639	3,239,326	10.9	18.0	32,390	91,805	65,102	35,285
Second-tier cities	8,704,730	8,890,216	44.9	49.3	755,898	696,406	11,516	12,766
Third-tier cities	8,575,002	5,896,203	44.2	32.7	702,508	497,749	12,206	11,846
<b>Total</b>	<b>19,388,371</b>	<b>18,025,745</b>	<b>100.00</b>	<b>100.00</b>	<b>1,490,796</b>	<b>1,285,960</b>	<b>13,005</b>	<b>14,017</b>

#### Notes:

1. First-tier cities refer to Shanghai, Beijing and Hong Kong.
2. Second-tier cities refer to Suzhou, Hangzhou, Hefei, Nanjing, Ningbo, Tianjin, Shenyang, Qingdao Chongqing, Wuhan, Xi'an, Dalian, Nanchang, Nanning, Changsha and Jinan.
3. Third-tier cities refer to Wenzhou, Foshan, Linyi, Jiaxing, Dongguan, Jiangyin, Jining, Quzhou, Weifang, Zibo, Zhenjiang and Langfang.

### Completed properties held for sale

During the six months ended 30 June 2020, the total GFA of newly completed projects of the Group amounted to approximately 2.3 million sq.m.. As at 30 June 2020, the Group had over 110 completed properties projects with a total and attributable unsold or undelivered GFA of approximately 5.3 million sq.m. and 2.6 million sq.m. respectively.

### Properties under development/held for future development

As at 30 June 2020, the Group had over 230 property projects under development or held for future development with a total and attributable GFA of approximately 47.4 million sq.m. and 25.1 million sq.m. respectively.

## Property Investment

### *Rental income*

The Group's rental income during the six months ended 30 June 2020 was approximately RMB218.7 million, increased by 25.1% year-on-year. The rental income in first half 2020 were mainly contributed by Shanghai LCM, Xi'an CIFI Centre, Shanghai CIFI Haishang International and Shanghai CIFI Pure Center, with its growth mainly derived from new rental contribution from Xi'an CIFI Centre.

### *Investment properties*

As at 30 June 2020, the Group had 25 investment properties with a total and attributable GFA of approximately 1,271,600 sq.m. and 868,500 sq.m., respectively, of which, 18 investment properties with a total and attributable GFA of approximately 686,500 sq.m. and 451,600 sq.m., respectively, had commenced leasing.

## FINANCIAL REVIEW

### Revenue

During the six months ended 30 June 2020, the Group's recognized revenue was approximately RMB23,022.4 million, up by 11.3% year-on-year. Out of the Group's total recognized revenue during the six months ended 30 June 2020, (i) sales of property increased by 7.6% from the corresponding period of last year to approximately RMB19,388.4 million; (ii) rental income increased by 25.1% from the corresponding period of last year; (iii) property management and other services income increased by 88.2% from the corresponding period of last year; and (iv) project management and other related service income increased by 20.2% from the corresponding period of last year.

**Table 3: Breakdown of recognized revenue for the six months ended 30 June 2020**

	Six months ended 30 June 2020		Six months ended 30 June 2019 (restated)		Year-on- year change (%)
	Recognized revenue (RMB'000)	% of total recognized revenue (%)	Recognized revenue (RMB'000)	% of total recognized revenue (%)	
Sales of properties	19,388,371	84.2	18,025,745	87.1	7.6
Rental income	218,673	0.9	174,747	0.8	25.1
Property management income	1,175,857	5.1	624,856	3.0	88.2
Project management and other related service income	2,239,449	9.8	1,862,927	9.1	20.2
Total	23,022,350	100.0	20,688,275	100.0	11.3

## **Cost of sales**

The Group's cost of sales during the six months ended 30 June 2020 was approximately RMB17,121.3 million, up by 17.1% from the corresponding period of last year.

## **Gross profit and gross profit margin**

The Group's reported gross profit during the six months ended 30 June 2020 was approximately RMB5,901.1 million, down by 2.8% compared to approximately RMB6,070.5 million for the corresponding period in 2019.

During the six months ended 30 June 2020 and corresponding period in 2019, the reported gross profits were understated by the accounting treatment due to re-classification of certain project companies from non-consolidating joint ventures or associated companies to subsidiaries of the Group.

Eliminating the accounting effect of remeasurement of fair value of the costs of relevant properties delivered, the adjusted gross profit margin was 28.0% during the six months ended 30 June 2020, which remained high compared to the adjusted gross profit margin of 34.1% in the corresponding period in 2019.

## **Net exchange gain (loss) from hedging arrangements**

During the six months ended 30 June 2020, the Group incurred net exchange loss of approximately RMB273.7 million due to the effects of RMB exchange rate fluctuations during the period, compared to a loss of approximately RMB53.8 million in the corresponding period of last year.

The Group had entered into currency forward contracts to hedge certain of its foreign currency exposure in non-RMB denominated indebtedness. Accordingly, during the six months ended 30 June 2020, the Group recorded in a fair value gain on derivative financial instruments of approximately RMB19.0 million (30 June 2019: gain of approximately RMB16.9 million) due to the corresponding accounting gain from these hedging arrangements.

### **Change in fair value of investment properties**

During the six months ended 30 June 2020, the Group recognized a fair value gain on investment properties of approximately RMB427.6 million as compared to approximately RMB630.1 million in the corresponding period of last year.

The fair value gain on investment properties was mainly due to the appreciation of the overall capital value and/or rental values.

### **Selling and marketing expenses**

The Group's selling and marketing expenses increased by 15.9% to approximately RMB674.2 million during the six months ended 30 June 2020 from approximately RMB581.7 million in the corresponding period of last year. This increase was in line with the Group's new launches of property projects available for pre-sale in 2020.

### **Administrative and other expenses**

The Group's administrative expenses decreased by 1.4% to approximately RMB1,328.6 million during the six months ended 30 June 2020 from approximately RMB1,347.9 million in the corresponding period of last year.

### **Share of results of joint ventures and associates**

The Group's share of results of joint ventures and associates amounted to profits of RMB1,242.8 million during the six months ended 30 June 2020, versus profits of RMB1,792.6 million in the corresponding period of last year. Included in the share of results of joint ventures and associates in the six months ended 30 June 2020 were RMB29.4 million for share of exchange loss and RMB27.7 million for share of gain in the fair value of investment properties under construction.

Eliminating the effects of exchange loss and fair value gains, the Group's share of results of joint ventures and associates were profits of RMB1,244.5 million during the six months ended 30 June 2020, compared to profits of RMB1,458.5 million in the corresponding period of last year.

### **Finance costs**

The Group's finance costs expensed during the six months ended 30 June 2020 was approximately RMB291.7 million, versus RMB360.9 million in the corresponding period of last year. The change in finance costs expensed was primarily attributable to the change in the total finance costs incurred, net of the portion being capitalized in properties under development during the period.

The Group's total finance costs expensed and capitalized increased by 13.2% to approximately RMB3,468.8 million during the six months ended 30 June 2020 from RMB3,064.9 million in the corresponding period of last year. The increase in total finance costs expensed and capitalized was mainly due to the increase of the Group's total indebtedness level. The Group's total indebtedness was RMB105.3 billion as at 30 June 2020, compared to RMB103.7 billion as at 31 December 2019 and RMB94.8 billion as at 30 June 2019. The Group's weighted average cost of indebtedness as at 30 June 2020 was 5.6%, compared to 6.0% as at 31 December 2019 and 5.9% as at 30 June 2019.

### **Income tax expenses**

The Group's income tax expenses decreased by 20.8% to approximately RMB1,606.0 million during the six months ended 30 June 2020 from approximately RMB2,027.2 million in the corresponding period of last year. The Group's income tax expense included payments and provisions made for enterprise income tax ("EIT") and land appreciation tax ("LAT") less deferred taxation during the year.

The Group made LAT provisions of approximately RMB506.8 million during the six months ended 30 June 2020 versus approximately RMB1,000.5 million in the corresponding period of last year. As at 30 June 2020, the Group had accumulated unpaid LAT provisions of approximately RMB4,487.4 million.

### **Profit for the period**

As a result of the factors described above, the Group's profit before taxation decreased by 2.6% to approximately RMB6,342.6 million during the six months ended 30 June 2020 from approximately RMB6,511.4 million in the corresponding period of last year. The Group's profit for the period increased by 5.6% to approximately RMB4,736.5 million during the six months ended 30 June 2020 from approximately RMB4,484.2 million in the corresponding period of last year. The Group's net profit attributable to equity owners increased by 5.4% to approximately RMB3,368.8 million during the six months ended 30 June 2020 from approximately RMB3,196.9 million in the corresponding period of last year.

The Group's core net profit attributable to equity owners increased by 11.2% to approximately RMB3,194.0 million during the six months ended 30 June 2020 from approximately RMB2,873.2 million in the corresponding period of last year. The corresponding core net profit margin was 13.9% during the six months ended 30 June 2020, compared to 13.9% in the corresponding period in 2019 and 12.6% in the full year of 2019.

## LAND BANK

As at 30 June 2020, the total GFA of the Group's land bank was approximately 52.7 million sq.m., and the attributable GFA of the Group's land bank was approximately 27.7 million sq.m..

**Table 4: Breakdown of the Group's land bank as at 30 June 2020**

*By project*

Project	Primary intended use of the Project	Remaining unrecognized saleable/Rentable GFA remaining unsold (carpark excluded) (sq.m.)	Interest attributable to the Group (%)
<b>Completed properties</b>			
<i>Yangtze River Delta</i>			
Shanghai LCM	Investment properties	131,937	50.0
Shanghai Jiuting Center	Residential/Commercial	21,882	34.0
Shanghai Jiuting Center	Investment properties	67,511	34.0
Shanghai CIFI U Block	Investment properties	5,407	100.0
Shanghai CIFI Haishang International	Investment properties	29,585	100.0
Shanghai CIFI Pure Center	Office/Commercial	7,353	45.0
Shanghai CIFI Pure Center	Investment properties	29,663	45.0
Shanghai CIFI Luxury Courtyard	Residential/Commercial	3,590	100.0
Shanghai CIFI Pebble Beach	Residential	10,047	100.0
Shanghai CIFI Park Mansion West	Residential	6,276	67.5
Shanghai Changning District, Huashanliyuan Project	Residential	10,538	100.0
Shanghai Henderson CIFI Center	Office	15,979	50.0
Shanghai Henderson CIFI Center	Investment properties	38,174	50.0
Shanghai LCMART	Investment properties	2,241	50.0
Shanghai Pudong New Area, Pujiang Overseas Chinese Town Project	Office/Commercial	96,091	30.0
Shanghai Gaohe Building	Investment properties	1,022	100.0
Shanghai Office Park	Investment properties	37,924	50.0
Shanghai Greenland CIFI E World Center	Investment properties	10,386	50.0
Shanghai Baoshan District Luodian Town Meiluo Jiayuan Community No. 01 Project	Investment properties	30,983	25.0
Hefei North Star CIFI Park Mansion Luzhou	Residential	36,242	50.0
Hefei CIFI Lake Mansion (First Phase, Second Phase)	Residential/Commercial	801	21.5

<b>Project</b>	<b>Primary intended use of the Project</b>	<b>Remaining unrecognized saleable/Rentable GFA remaining unsold (carpark excluded) (sq.m.)</b>	<b>Interest attributable to the Group (%)</b>
Hefei CIFI Jiuzhu Mansion	Residential	2,518	100.0
Hefei CIFI Glory Land (First Phase)	Residential	6,141	30.0
Hefei CIFI Wonderful Mansion	Residential	1,266	20.1
Hefei CIFI Lake Betsuin	Residential	120,529	50.0
Hefei New Station District, No. 215 Project (First phase)	Residential	20,555	50.0
Hangzhou CIFI Dongyuan Majestic Mansion (First Phase)	Residential	7,136	50.0
Hangzhou CIFI Dongyuan Majestic Mansion (Second phase)	Residential	60,527	50.0
Hangzhou CIFI Dongyuan Guobin Mansion	Residential/Commercial	2,393	67.0
Hangzhou Henderson CIFI Palace	Residential	1,457	100.0
Suzhou Taicang Coastal Mansion (Shaxi Town Project 1-4, 1-5)	Residential	34,941	27.9
Suzhou Taicang Coastal Mansion (Shaxi Town Project 1-7)	Residential	15,251	27.9
Suzhou North Star CIFI No.1 Courtyard	Residential	2,618	50.0
Suzhou CIFI Private Mansion	Residential	3,263	100.0
Suzhou CIFI Lake Mansion	Residential	1,019	40.0
Suzhou Wuzhong District, Luzhi Project	Residential	4,863	50.0
Suzhou Wuzhong District, Xukou Project	Residential	28,693	40.0
Suzhou Garden House	Residential	43,765	50.0
Suzhou Zhangjiagang Jingang Avenue, No. 2013-B27 Project	Residential	19,262	50.0
Nanchang CIFI Lingyun Mansion	Residential	2,721	34.0
Ningbo CIFI Shanghuchengzhang	Residential	100,941	33.0
Ningbo CIFI Bochenfu	Residential/Commercial	7,279	70.0
Ningbo CIFI Landscape Poetry	Residential	5,533	50.0
Nanjing CIFI Honor Mansion (First Phase, Second Phase)	Residential	11,112	49.0
Nanjing CIFI Park Mansion Qinhuai	Residential	1,769	100.0
Nanjing CIFI Yincheng Baimalanshan	Residential	729	51.0
Nanjing Noble Mansion	Residential	3,738	50.0
Wenzhou CIFI Future City	Residential	903	34.0
Wenzhou CIFI Oujiang World's Metropolis (Oujiang River Estuary Area, C-03AE Project) (First Phase)	Residential	1,986	34.0
Wuxi CIFI Mansion (First Phase)	Residential	550	71.8
Zhenjiang CIFI Times	Residential	2,408	100.0
Jiaxing CIFI Star City	Residential	17,348	50.0



<b>Project</b>	<b>Primary intended use of the Project</b>	<b>Remaining unrecognized saleable/Rentable GFA remaining unsold (carpark excluded) (sq.m.)</b>	<b>Interest attributable to the Group (%)</b>
Jiaxing CIFI Ronchamp Town	Residential	2,217	100.0
Jiaxing CIFI Exquisite Mansion	Residential	2,896	50.0
Jiaxing CIFI Square (Commercial)	Investment properties	82,540	100.0
Jiaxing CIFI Jimei Jiayue (Jiashan County, No. 2012-42 Project)	Residential	2,381	49.0
Jiaxing CIFI One City	Residential	8,594	49.0
Jiaxing Jiashan CIFI M-City	Residential	32,566	51.0
Jiaxing Jiashan County, No. 34 Project	Residential	87,332	30.0
Jiaxing Jiashan County, No. 54 Project	Residential	117,452	29.0
Nantong Jinghai Mansion (Gangzha District, No. R18013 Project)	Residential	4,148	51.0
<i>Pan Bohai Rim</i>			
Beijing Tianheng CIFI No.7 Courtyard	Residential/Commercial	122,211	49.0
Beijing CIFI Wangxin Commercial Centre	Investment properties	4,860	100.0
Beijing MOMA CIFI Residence	Residential	1,006	50.0
Beijing Vanke World	Office/Commercial	6,196	32.4
Qingdao CIFI Yinshengtai Zhengyang Mansion (First Phase)	Residential	3,987	50.0
Qingdao CIFI Yinshengtai Boguanjinan	Residential	125,690	50.0
Qingdao CIFI Yinshengtai Dejun (Fifth Phase)	Residential	1,342	50.0
Qingdao Boguanxinghai	Residential	5,714	50.0
Qingdao Fairview Park Mansion (Jiaozhou City, Taihu Road Project) (First Phase)	Residential/Commercial	13,959	50.0
Shenyang Zhongnan CIFI Harmonious (First Phase)	Residential/Commercial	62,040	40.0
Shenyang CIFI Metropolis A.D.	Residential/Commercial	2,073	20.0
Shenyang CIFI Dongyuecheng	Residential	54,034	70.0
Shenyang CIFI Luxury Mansion	Residential	24,131	100.0
Shenyang Eastern Tree Shade City North (First Phase, Second Phase)	Residential	526	50.0
Shenyang Jingchen Mansion (First Phase)	Residential/Commercial	12,482	100.0
Tianjin CIFI Private Mansion	Residential	9,731	100.0
Tianjin CIFI Rosedale	Residential	807	100.0
Jinan CIFI Yinshengtai Jinyulanshan	Residential	3,550	50.0
Dalian Family Villa	Residential/Commercial	8,511	100.0
Linyi Xinghe City (First Phase)	Residential/Commercial	4,705	25.5
Weifang Waterfront Mansion (First Phase)	Residential	4,647	25.5
Jining City of Starry Life (First Phase)	Residential	554	27.5

<b>Project</b>	<b>Primary intended use of the Project</b>	<b>Remaining unrecognized saleable/Rentable GFA remaining unsold (carpark excluded) (sq.m.)</b>	<b>Interest attributable to the Group (%)</b>
<i>Central Western Region</i>			
Chongqing CIFI Waves River Qianjiangfeng (First Phase, Second Phase)	Residential	60,008	33.0
Chongqing CIFI Waves River Lingyunfeng (First Phase)	Residential	2,870	33.0
Chongqing CIFI Jiangzhou Impression (First Phase)	Residential	14,466	35.0
Chongqing CIFI The essence of River	Residential	2,568	50.0
Chongqing CIFI City	Residential/Office/Commercial	2,910	100.0
Chongqing CIFI City	Investment properties	43,915	100.0
Chongqing CIFI Panorama (First Phase, Second Phase, Fourth Phase)	Residential/Office/Commercial	13,690	30.0
Chongqing CIFI Purple City	Office/Commercial	29,694	100.0
Chongqing CIFI Huayu Jinsha Jiuyue	Residential/Commercial	4,637	50.0
Chongqing CIFI Prime Orienting	Residential/Office/Commercial	245,466	33.3
Chongqing Verdant Landscape (First Phase)	Residential	30,263	100.0
Chongqing Verdant Landscape (Second Phase)	Residential	53,286	100.0
Chongqing The Landscape (First Phase)	Residential	29,130	33.4
Chongqing Dongyuan CIFI Jiangshan Yue	Residential/Commercial	30,623	30.0
Chongqing Yuzhong District, Shidaitianjie Project	Residential	29,646	33.0
Wuhan CIFI Tower	Office/Commercial	41,883	51.0
Wuhan Yulong CIFI Peninsula	Residential	23,835	55.0
Changsha CIFI International Plaza	Office/Commercial	9,463	100.0
Changsha CIFI International Plaza	Investment properties	24,012	100.0
Changsha CIFI City Mansion (Tianxin District, Aoyuan South Project)	Residential/Commercial	25,496	70.0
Changsha Henderson CIFI Hushan Mansion (First Phase)	Residential	23,252	50.0
Changsha Henderson CIFI Hushan Mansion (Second Phase)	Residential	269,619	50.0
Chengdu Rivera Impression	Residential	1,790	22.5
Chengdu Chenghua District, Beichengzhongyang Project (First Phase)	Residential/Commercial	876	30.0

Project	Primary intended use of the Project	Remaining unrecognized saleable/Rentable GFA remaining unsold (carpark excluded) (sq.m.)	Interest attributable to the Group (%)
Chengdu Chenghua District, Beichengzhongyang Project (Second Phase)	Commercial	67,038	30.0
Chengdu Tang Mansion (Shuangliu District, 75 Mu Project)	Residential/Commercial	104,883	34.0
Xi'an CIFI Park Avenue	Office/Commercial	51,626	70.0
Xi'an CIFI Centre	Investment properties	41,129	100.0
Zhengzhou CIFI Grand Mansion	Residential	32,945	21.0
<i>South China</i>			
Nanning City of Midea & CIFI (Xixiangtang District, Xiu'an Road 39 acres Project)	Residential	1,334	50.0
Xiamen Hailian Centre	Investment properties	1,470	100.0
Foshan CIFI One City	Residential	13,572	100.0
Foshan CIFI Homeland (Second Phase)	Residential	7,520	100.0
Foshan CIFI City	Residential/Commercial	18,127	100.0
Foshan Binjiang Mansion (First Phase)	Residential	101,964	33.3
Dongguan Landscape	Residential	59,082	100.0
Sanya Yalong Bay Project	Office/Commercial	10,047	50.0
Hong Kong Wang On CIFI Maya	Residential	Net saleable area: 22,101 sq.m. (237,893 sq.ft.)	50.0
Carparks		<u>1,793,315</u>	
GRAND TOTAL		<u><u>5,279,279</u></u>	

Project	Primary Intended use of the project	Estimate Year of completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks) (sq.m.)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
<b>Properties under development and held for future development</b>						
<i>Yangtze River Delta</i>						
Shanghai Putuo District Changshou Community D5-6 Project	Investment properties	2020	11,648	54,426	–	50.0
Shanghai Minhang District, Pujiang Town, Pujiang Major Residential Area Expansion 39-01 Project	Residential	2021	30,187	56,621	–	100.0
Shanghai Huangpu District, Madang Road Project	Investment properties	2020	8,594	44,481	–	50.0
Shanghai Jiading District, Anting Town, 03-01A Project	Residential	2022	29,600	68,100	–	100.0
Shanghai Huangchuang Business Centre (Yangpu District, Dinghai Community Project)	Investment properties	2021	24,843	143,829	–	50.0
Shanghai Huangchuang Business Centre (Yangpu District, Dinghai Community Project)	Office	2021	11,647	24,999	4,830	50.0
Hefei CIFI Lake Mansion (Third phase)	Residential/Commercial	2020	27,673	74,981	9,168	21.5
Hefei CIFI Jade Seal (Fourth phase)	Residential	2020-2021	32,485	46,143	2,818	25.4
Hefei CIFI Glory Land (Third Phase, Fourth Phase)	Residential	2020	73,062	113,004	103,612	30.0
Hefei CIFI Metro Politan (Second phase)	Residential	2020	64,027	139,161	139,161	17.0
Hefei Jiangshan Luzhou Seal (Luyang District, No.1704 Project)	Residential	2020-2023	92,216	174,200	70,509	35.0
Hefei Feixi County, No. 2018-26 Project	Residential	2021-2022	103,866	229,375	98,162	51.0
Hefei Feixi County, No. 2018-26 Project	Investment properties	2021-2022	38,216	77,726	–	51.0
Hefei Feixi County, No. 2019-18 Project	Residential	2022	119,514	244,635	42,779	100.0
Hefei Feixi County, No.FX202005 Project	Residential	2021-2022	107,100	192,800	–	100.0
Hefei New Station District, No. 215 Project (Second phase)	Residential	2020	31,462	69,868	31,861	50.0
Hefei Xinzhan District, XZQTD237 Project	Residential	2020	54,800	82,555	67,678	50.0
Hefei Xinzhan District, No. XZQTD238 Project	Residential	2020-2021	86,012	157,410	120,534	34.0
Hefei Yaohai District, No. E1805 Project	Residential	2021	49,500	109,919	109,054	33.0
Hefei Binhu Area, No. 2019-12 Project	Residential	2022	50,600	119,000	44,007	50.0
Hangzhou CIFI Dongyuan Majestic Mansion (Third phase)	Residential	2021	11,644	23,065	–	50.0
Hangzhou Yuhang District, Chaoshan No.13 Project	Residential	2021	62,243	78,994	77,937	49.0
Hangzhou Dongyuan CIFI Prime Land (Xiaoshan District, Shushan Project)	Residential	2020	26,602	72,307	70,374	50.0
Hangzhou Xiaoshan District, Puyang Town Centre Project	Residential	2022	77,346	139,200	–	51.0
Hangzhou Xiaoshan District, Xintang Unit, D-83-1/D-83-2 Project	Residential	2021-2022	63,356	164,700	–	50.0
Hangzhou Xiaoshan District, Shushan Unit, Zengjiaqiao Project (First Phase)	Residential	2020	52,497	135,035	121,951	40.0

Project	Primary Intended use of the project	Estimate Year of completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Hangzhou Xiaoshan District, Shushan Unit, Zengjiaqiao Project (Second Phase)	Residential	2021	45,764	134,362	26,319	40.0
Hangzhou Ronshine CIFI Xianghu Glory	Residential	2021	93,039	246,859	171,048	18.0
Hangzhou Linan District, Tianmushan Project	Office/Commercial	2021	33,285	49,928	–	100.0
Hangzhou Linan District, Yuqian Project	Office/Commercial	2021	23,915	32,873	–	100.0
Hangzhou Linan District, Qingshanhu, Keji Cheng Project	Residential	2020	63,473	154,079	135,504	50.0
Hangzhou Lin'an District, Qingshan Lake Sci-tech City Light Rail Project	Residential/Commercial	2020	120,783	273,400	228,092	50.0
Hangzhou Lin'an District, Central Economic Development Zone Project	Residential	2022	32,724	81,800	–	100.0
Suzhou Taicang High-tech Zone, Science and Education New Town, 2020-WG-1-1 Project	Residential	2021	63,678	114,600	–	51.0
Suzhou Taicang Xiuyue Mansion	Residential	2021	58,526	114,344	–	51.0
Suzhou Taicang County, Chengxiang No. 3 Project	Residential	2020	49,046	81,645	6,842	33.3
Suzhou Wuzhong District, Mudu Town, No.2018-WG-41 Jinmao Road Project	Residential	2021	46,614	100,342	100,342	70.0
Suzhou Wuzhong District, Luzhi Town, No.2018-WG-43 North Yanli Project	Residential	2020	45,112	96,601	96,601	100.0
Suzhou Wuzhong District, West Mountain Project	Residential	2020	161,766	31,563	–	100.0
Suzhou Wuzhong District, Xukou Town, No.2018-WG-32 Sunwu Road Project	Residential	2020	45,157	74,872	45,649	100.0
Suzhou Wujiang District, Yundong Dongtaihu Avenue North Project	Residential	2022	91,000	163,700	–	50.0
Suzhou Kunshan Lakeside Mansion (Bacheng County No.12-8 Project)	Residential	2020	128,204	218,248	190,128	31.1
Suzhou Henderson CIFI Discovery Island	Office/Commercial	2023	14,710	100,874	–	30.0
Suzhou Great Nasion (Huqiu District, No. 60 Project) (Second Phase)	Residential	2020	48,733	94,325	94,325	35.0
Suzhou Kunshan City Bacheng Zuchongzhi Project	Residential	2021-2022	83,781	188,435	–	32.0
Nanchang Honggutan New District, 2019003 Project	Residential	2021	96,125	211,500	142,695	50.0
Nanchang Economic Development Zone, No. DAGJ2020004 Project	Residential/Commercial	2024	415,700	498,800	–	100.0
Ningbo CIFI Landscape Poetry	Residential	2020	184,155	124,704	12,541	50.0
Ningbo Hangzhou Bay, Kangleyiju No. 9-10 Project	Residential	2022	209,517	330,900	–	40.0
Ningbo Yinzhou District, Zhanyu Town ZQ01-02-h2a, ZQ01-02-h4 Project	Residential	2021	61,169	96,648	35,785	100.0
Nanjing Jiangning District, Jiulong Lake G58 Project	Office/Commercial	2022	26,669	77,674	–	24.1
Nanjing CIFI Times Mansion	Residential/Commercial	2020-2021	54,173	175,998	80,609	20.0
Wenzhou Yongzhong D-15 Project	Residential	2021	42,557	80,186	63,776	50.0
Wenzhou Dongchen Mansion	Residential	2020	47,248	102,114	42,932	35.0
Wenzhou Luchen Yin	Residential	2022	41,421	118,899	26,369	34.0
Wenzhou Yueqing City, Central District, E-b11-1 Project	Residential	2020	25,314	64,944	56,388	33.0
Wenzhou The Oujiang River Estuary Area, Bandao Qibu District, A-02 Project	Residential	2022	30,100	87,400	–	100.0

Project	Primary Intended use of the project	Estimate Year of completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Wenzhou CIFI Oujiang World's Metropolis (Oujiang River Estuary Area, C-03AE Project)(Second Phase)	Residential	2020	77,199	143,629	142,311	34.0
Wenzhou CIFI Oujiang World's Metropolis (Oujiang River Estuary Area, C-05A Project)	Residential	2021	141,768	213,737	191,203	31.0
Wenzhou CIFI Oujiang World's Metropolis (Oujiang River Estuary Area, C-11FH Project)	Residential	2021	148,404	170,294	168,938	34.0
Wenzhou Longwan District, Longwanyongzhong B-18 Project	Residential	2022	47,816	84,731	14,012	24.5
Wenzhou Binjiang Business District, Taohua Island, T05-14 Project	Residential	2022	39,608	129,008	–	32.0
Jiangyin City, Yunting Street, Experimental Primary School North Project	Residential	2021-2022	46,047	81,800	–	33.0
Wuxi Jiangyin County, Chengxi Outlet, C6-C7 Project	Residential	2021	73,382	187,699	31,481	100.0
Wuxi CIFI Times (Second Phase, Third Phase)	Residential	2021	92,273	279,009	273,172	30.0
Wuxi Agile CIFI Canglong Mansion	Residential	2020	21,590	42,280	30,603	50.0
Wuxi Economic Development Zone, Huazhuang Middle School Project	Residential	2021-2023	83,400	150,100	–	50.0
Wuxi CIFI Mansion (Second Phase, Third Phase)	Residential	2020-2021	56,403	99,654	56,355	71.8
Wuxi Xishan District Dongbeitang Project	Residential	2021-2022	101,700	178,865	13,818	20.0
Wuxi Binhu District Xinba Road, Project	Residential	2021	90,700	127,000	–	100.0
Zhenjiang Jurong City, 2019-J1-1-01 to 06 Project	Residential	2022-2025	257,662	496,600	–	100.0
Zhenjiang Jurong Grand Mansion (Jurong City Baohua Mudan Road West Side Project)	Residential	2021	52,384	130,582	82,523	33.0
Jiaxing Jimei Jiayue (Jiashan County, No. 2016-7 Project)	Residential	2021	25,115	40,345	19,939	49.0
Jiaxing Jiashan County, Yaozhuang No. 2018-6 Project	Residential	2020	39,065	76,122	55,909	50.0
Jiaxing Jiaxing Star City (Jiashan County, No. 2016-52-1 Project)	Residential	2020	43,077	96,134	78,574	30.0
Changzhou Zhonglou District, Huanhua Project	Residential	2020	51,572	98,758	96,912	40.0
Changzhou Jingkai District West Minguifang West Project	Residential	2021	26,709	57,622	34,363	100.0
Changzhou Jingkai District, Weilan Tiandi West Project	Residential	2021	60,579	130,967	16,707	100.0
Changzhou Tianning District, Changgaoji South Project	Residential	2020-2021	67,986	131,718	79,361	100.0
Xuzhou Aristocrat Palace (Gulou District, Huanghe North Road Project)	Residential/Commercial	2021	62,619	169,710	96,036	49.0
Xuzhou CIFI Noble Mansion (Tongshan District, No.36 Project Second phase)	Residential	2020	34,368	38,728	36,501	50.0
Xuzhou CIFI Dragon Regency (Xingshanzi Industrial Park, Dasanjiao Project)	Residential	2020	57,430	156,876	137,663	50.0
Wuhu New Joy Mansion (Yijiang District, Yuanmutang Project)	Residential	2020-2021	124,059	267,513	173,316	40.0
Yixing Grand Lakeview (Second to Fifth Phase)	Residential/Commercial	2020-2021	95,449	246,500	237,692	50.0
Taizhou Jiaojiang District, Xiachen Project	Residential	2021	103,400	186,100	48,947	100.0
Taizhou Jiaojiang District, Hongjia Street Project	Residential/Commercial	2020	26,111	57,809	30,840	95.0
Yiwu Jiangdong Street Qingkou Project	Residential/Commercial	2022	72,268	195,701	7,045	34.0

Project	Primary Intended use of the project	Estimate Year of completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Suqian Suhu Park Tonghu, Avenue East Project	Residential	2022	60,900	121,800	–	65.0
Jiangyin Shanghaihui Project	Residential	2021	16,384	32,207	31,698	100.0
Quzhou Guojin CIFI City (Kecheng District, Railway Station Wanda East Project)	Residential/Commercial/Office	2020	30,323	64,953	37,563	50.0
Quzhou Guojin CIFI City (Kecheng District, Railway Station Wanda East Project)	Commercial	2020	17,346	30,000	–	50.0
Zhoushan Boyue Xihu	Residential	2022	27,442	72,193	13,675	51.0
<i>Pan Bohai Rim</i>						
Beijing Daxing Huangcun Sanhezhuang F1 Project	Residential	2021	34,940	98,182	35,468	25.3
Beijing Tianrui Chengzhang Chaoyang District, Sunhe Project	Residential	2020	53,526	106,608	86,745	40.0
Beijing Fangshan District, Gongchen Street, No. 0007 Project	Office/Commercial	2021	10,384	26,920	–	50.0
Beijing Miyun District, Tanying Town, 6023 Project	Residential	2022	64,531	124,400	–	22.5
Beijing CIFI Lakeside Mansion (Shunyi District, Shayu Town Matouzhuang Project)	Residential/Commercial	2020	65,603	177,324	137,085	24.5
Beijing Chaoyang District, Dongba 613 Project	Residential	2022	20,189	45,300	–	33.0
Beijing Shunyi District, Shunyi New Town Project	Residential	2021	66,475	133,000	65,192	33.0
Beijing Brocade To Home (Chaoyang District, Dongba Project)	Residential	2021	77,973	194,900	192,589	26.0
Beijing Fengtai District, Zhuangwei B10 Project	Office/Commercial	2021	5,151	23,034	–	50.0
Qingdao CIFI Yinshengtai Zhengyang Mansion(Second Phase)	Residential	2020-2021	72,800	162,539	131,203	50.0
Qingdao The West Coast New Area, Xiaozhushan Project	Residential	2021-2022	74,453	143,664	25,373	34.8
Qingdao The West Coast New Area, Chengshiyangtai Project	Residential	2022	19,346	51,108	–	17.5
Qingdao Jimo District, Zaohang Resettlement Project	Residential	2021	59,500	141,800	–	100.0
Qingdao Jimo District, Zaohang Development Project	Residential	2021-2023	111,871	241,700	–	100.0
Qingdao Huangdao District, Chang'an Road Project	Residential	2022	83,400	158,500	–	100.0
Qingdao Huangdao District, Boguanxinghai Phase 3 Project	Residential	2021	20,071	49,645	49,645	50.0
Qingdao Mansion Spiritual Bay	Residential/Commercial	2021	232,461	298,434	36,134	25.5
Qingdao Jiaozhou City, North-3 50 acres Project	Residential	2022	33,194	52,048	–	50.0
Qingdao Fairview Park Mansion (Jiaozhou City, Taihu Road Project) (Second Phase)	Residential/Commercial	2021-2022	104,098	185,397	53,715	50.0
Shenyang Dadong District, Yulin resettlement housing 1 Project	Residential	2023	42,769	86,351	35,527	70.0
Shenyang Dadong District, Yulin resettlement housing 2 Project	Residential	2021	39,480	86,140	–	70.0
Shenyang Zhongnan CIFI Harmonious (Second Phase)	Residential/Commercial	2020	66,403	75,657	65,284	40.0
Shenyang CIFI Central Palace	Residential	2020	29,024	171,729	119,808	100.0
Shenyang CIFI Central Palace	Investment properties	2020	1,900	50,922	–	100.0
Shenyang Eastern Tree Shade City North (Third, Fourth Phase)	Residential	2020-2022	23,918	54,046	51,879	50.0

Project	Primary Intended use of the project	Estimate Year of completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Shenyang Huanggu District, West Rail Yard Project	Residential	2020-2021	6,500	19,487	19,487	100.0
Shenyang Jingchen Mansion (Second Phase)	Residential/Commercial	2021	39,645	90,883	63,618	100.0
Shenyang Dadong District, Dongwang Street Project	Residential	2021	41,582	103,817	84,337	33.5
Tianjin CIFI Tianyuefenghua (Third Phase)	Residential	2022	27,018	31,863	13,960	25.0
Tianjin Xiqing District, Jinwu Town, West Binshui Road Project	Residential	2021-2023	127,390	246,100	27,122	51.0
Tianjin Xiqing District, Jinwu Town, West Binshui Road Project	Office/Commercial	2021-2023	11,619	41,802	–	51.0
Tianjin Hexi District, Diecai Road Project	Residential	2021	24,013	45,055	25,468	35.0
Tianjin Olympic New Era (Second Phase)	Residential	2020	31,939	75,831	55,059	40.0
Tianjin Ninghe District, Liangku Project	Residential	2021	28,666	55,774	33,792	50.0
Tianjin Binhai New District, Sino-Singapore Tianjin Eco-city, Tourism Area Project	Residential	2021	20,305	49,729	43,797	35.7
Tianjin Binhai New District, Hujiayuan Project	Residential	2021	36,044	79,098	22,759	50.0
Tianjin Binhai New Area, Tanggu Bay No. 7 Project	Residential	2021	34,523	53,088	36,135	50.0
Tianjin Binhai New Area, Tanggu Bay Project	Residential	2021	41,595	63,453	40,125	50.0
Shijiazhuang Wise Mansion	Residential/Commercial	2020	28,717	75,273	53,783	65.0
Shijiazhuang Changan District, 17 acres Project	Residential	2022	11,372	33,931	2,216	16.0
Shijiazhuang Changan District, 2019-018 Project	Residential	2021	213,400	452,800	4,542	16.0
Shijiazhuang Qiaoxi District, No.1 Vocational Specialized Secondary School Project	Residential	2022	9,811	19,153	5,469	51.0
Jinan City of Starry (Licheng District, Hancanghe Project)	Residential/Commercial	2020-2023	126,632	278,600	132,553	22.5
Jinan Boguanshanyue	Residential	2021	24,890	49,722	24,573	25.5
Jinan Ruigongguan	Residential	2021	37,827	128,600	116,328	50.0
Jinan CIFI Stage (Licheng District, Fengshenlu Project)	Residential	2021	40,000	112,000	15,833	20.0
Dalian Jinpu District, Xiaoyaowan District C Project	Residential	2021	39,957	98,211	14,172	100.0
Dalian Bonded Zone, IE-52 block project	Residential	2021	24,863	53,728	–	50.0
Taiyuan Jiancaoping District, Sanji Area, SP1919-SP1924 Project	Residential/Commercial	2021-2027	317,888	1,221,029	107,758	35.0
Taiyuan Jiancaoping District, Sanji Area, SP1925-SP1928 Project	Residential/Commercial	2021-2025	354,886	1,298,971	110,761	35.0
Linyi CIFI Yinshengtai Boguanxincheng West	Residential	2021	59,946	175,373	174,608	34.3
Linyi Xinghe City(Second Phase)	Residential/Commercial	2021	143,971	261,776	252,494	25.5
Linyi Luozhuang District, Huawu Road Project	Residential/Commercial	2022	74,574	158,481	104,110	45.0
Linyi Luozhuang District, Fenglin New Town Project	Residential	2021	59,946	287,800	–	32.0
Yantai High-tech Zone Nanzhai Project	Residential	2022	64,782	174,867	20,032	75.0
Yantai Development Zone, A10 Project	Residential/Commercial	2022	78,727	155,551	–	46.0
Yantai Development Zone, A2 Project	Residential/Commercial	2022	110,362	218,507	136,549	46.0
Changchun Qikai District, Dongfeng Street South-1 Project	Residential/Commercial	2023	120,092	241,720	–	30.0
Changchun Qikai District, Dongfeng Street South-2 Project	Residential/Commercial	2022	92,003	184,660	–	30.0
Weifang Hi-Tech Zone, G17 Project	Residential	2022	61,806	153,850	–	100.0
Weifang Waterfront Mansion (Second Phase)	Residential	2020	33,889	69,011	64,528	25.5



Project	Primary Intended use of the project	Estimate Year of completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding carparks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Jining Rencheng District E1 Project	Residential/Commercial	2022	34,716	82,812	–	40.0
Jining Rencheng District E2 Project	Residential/Commercial	2022	23,267	44,788	30,901	40.0
Zibo Huisheng Xinyuan	Residential	2021	38,324	98,800	57,874	30.0
<i>Central Western Region</i>						
Chongqing CIFI Waves River Qianjiangfeng (Third phase, Fourth phase)	Residential	2020-2021	81,559	230,690	86,112	33.0
Chongqing CIFI Waves River Lingyunfeng (Second phase)	Residential	2021	41,766	95,826	–	33.0
Chongqing CIFI Waves River Lingyunfeng (Third Phase)	Residential/Commercial	2020	43,297	151,039	106,562	33.0
Chongqing Banan District, Yudong Yunzhuan Mountain, P07-03-01 Project	Residential	2022	37,500	82,500	–	51.0
Chongqing CIFI Jiangzhou Impression (Second – Fourth Phase)	Residential	2020-2022	81,629	290,092	97,999	35.0
Chongqing CIFI Panorama (Third, Fifth – Seventh Phase)	Residential/Commercial	2020-2021	147,091	374,435	114,393	30.0
Chongqing Verdant Landscape (Third – Seventh Phase)	Residential/Commercial	2020-2022	176,286	288,827	288,827	100.0
Chongqing The Landscape (Second – Seventh Phase)	Residential	2020-2022	140,945	328,379	38,506	33.4
Chongqing Shapingba District, F-2/03 Project	Residential/Commercial	2021	3,098	10,200	–	50.0
Chongqing Airport Development Area, 19049 Project	Residential	2021	94,702	132,928	15,656	50.0
Chongqing Airport Development Area, 19058 Project	Residential	2023	50,391	66,958	–	50.0
Chongqing Nature Grace	Residential/Commercial	2020-2022	161,962	440,321	134,850	33.3
Chongqing Cloud Poem	Residential	2020-2021	92,020	226,526	188,109	35.0
Wuhan Hanyang District, Shuguang Village Project	Residential	2021-2023	100,100	521,600	36,974	84.0
Wuhan CIFI Skyline	Office/Commercial	2020-2022	45,993	159,558	54,344	70.0
Wuhan Noble Wonderland (Hongshan District, Qingling Village K1-2-4 Project)	Residential/Commercial	2021-2022	246,944	766,003	48,467	55.0
Wuhan Jiangxia District, Qixin Village Project	Residential	2020	70,200	238,400	158,384	29.0
Wuhan Hongshan District, Qingling Village, K3 Project	Residential	2020-2021	211,444	619,879	372,954	51.0
Wuhan Hanyang District, Hanqiao Village Project Section B	Residential/Commercial	2020-2024	103,820	470,620	102,459	55.0
Wuhan Blue Cloud Sky Project	Residential	2021	35,700	120,158	35,141	45.0
Wuhan Qiaokou District, Fantasia Hanzheng Street Project	Residential/Commercial	2023	50,400	239,143	–	50.0
Changsha Changsha County, No. 081 Project	Residential	2020-2021	63,874	187,296	113,820	50.0
Changsha Changsha County, Renmin East Road Project	Residential	2021	72,700	213,511	22,217	34.0
Changsha Yuhua District, No. 115 Project	Residential	2022	122,409	489,600	–	50.0
Changsha Henderson CIFI Hushan Mansion (Third phase)	Residential	2022	35,791	153,008	–	50.0
Changsha Henderson CIFI Hushan Mansion (Fifth phase)	Residential	2021	104,737	202,744	115,941	50.0
Changsha Henderson CIFI Hushan Mansion (Fourth phase)	Residential	2022	42,120	164,376	35,205	50.0
Changsha Yuelu District, No. 037 Project	Residential/Commercial	2022	27,900	154,768	76,698	70.0
Changsha Yuelu District, Meixihu A-09 Project	Residential/Commercial	2022	56,369	224,109	42,134	34.3
Chengdu Chenghua District, Beichengzhongyang Project	Investment properties	2021	13,322	67,044	–	30.0
Chengdu Chenghua District, Beichengzhongyang Project (Third phase)	Residential/Commercial	2021	10,655	28,853	27,940	30.0
Chengdu Jinniu District, Weijianian 102 mu Project (First Phase)	Residential	2020	42,171	83,196	80,217	51.0

Project	Primary Intended use of the project	Estimate Year of completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding car parks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Chengdu Jinniu District, Weijianian 102 mu Project (Second Phase)	Residential	2021	26,339	52,529	–	51.0
Chengdu Xindu District, 123 acres Project	Residential	2021-2022	62,500	190,291	12,490	100.0
Chengdu Xindu District, 123 acres Project	Investment properties	2021-2022	20,000	86,000	–	100.0
Chengdu Xindu District, Xindu Avenue, XD 2019-18-252 Project	Residential	2022-2023	96,721	241,800	–	50.0
Chengdu Jianyang City, Hedong New Area, 77 acres Project	Residential	2021-2022	51,760	206,011	19,329	60.0
Chengdu Jianyang City, Hedong New Area, 96 acres Project	Residential	2021-2022	64,253	160,295	27,292	33.0
Xi'an Weiyang District, Chanba Road 1 Project	Residential	2022	90,385	299,800	–	61.0
Xi'an Landscape	Residential	2020-2023	200,309	387,900	122,638	80.0
Xi'an CIFI Honor Mansion	Residential	2020	30,689	105,671	104,567	49.0
Yinchuan Jinfeng District, No. G2018-19 Project	Residential	2020	101,415	149,341	66,698	40.0
Yinchuan Jinfeng District Pingfuqiao 243 Project	Residential	2022-2023	164,788	257,156	–	75.0
Yinchuan Jinfeng District, Yindi No.G-2018-20 Project	Residential	2020	88,693	136,557	100,209	40.0
Guiyang Qingzhen City No. 022 Project	Residential	2021-2022	21,030	54,457	5,078	50.0
Guiyang Qingzhen City No. 022 Project	Office/Commercial	2021-2022	8,000	14,515	–	50.0
Guiyang Qingzhen City, No. QZ-19-023 Project	Residential/Commercial	2021-2023	67,809	169,500	22,873	100.0
Guiyang CIFI Skyline	Residential	2020-2022	35,762	64,373	58,474	100.0
Guiyang CIFI Skyline	Office/Commercial	2020-2022	28,505	130,621	63,734	100.0
Zhengzhou CIFI The Park Mansion	Residential	2021	67,779	146,632	36,365	100.0
Zhengzhou Gongyi City, No. 2019-139 Project	Residential	2022	60,700	143,052	19,826	51.0
Kunming Economic and Technological Development Zone, KCJ2018-5 Project	Residential	2020-2021	71,765	179,500	159,243	51.0
Kaifeng Southern Zone of Airport Area, No. 2019-A12 to 16 Project	Residential	2021-2025	203,900	554,000	–	100.0
Luoyang Yibin District, No. 2019-55 Project	Residential	2022	73,168	213,304	–	50.0
Luoyang Xigong District, Shijiatuan Project	Residential	2022	42,582	149,000	–	100.0
Meishan Dongpo District, 120 Acres Project	Residential	2021-2022	80,600	205,355	23,581	100.0
Xiangtan Yuetang District, No. 2018-20 Project	Residential	2021-2023	66,603	186,500	22,007	50.0
Xuchang Anno Domini (Dongcheng District Project) First Phase	Residential	2020	27,718	78,117	70,418	50.0
Xuchang Anno Domini (Dongcheng District Project) Second Phase	Residential	2022	27,632	77,943	–	50.0
Ürümqi Saybag District, Laoman City Project	Residential	2022	70,757	114,555	–	100.0
<i>South China</i>						
Shenzhen Pingshan District, Jiangshan Phase 1 Project	Residential	2022	88,200	229,200	–	50.0
Guangzhou CIFI Poly Flowers Bay	Residential/Commercial	2020-2022	40,508	110,118	94,008	23.5
Guangzhou Nansha District, Hengli, Town, Hengli, Avenue Project	Residential/Commercial	2022-2025	53,612	323,800	–	50.0
Fuzhou Cangshan District, Jinpu Old Factory Transfer Project	Residential	2021	12,762	31,900	26,425	70.0

Project	Primary Intended use of the project	Estimate Year of completion	Site Area (sq.m.)	Total GFA under development and held for future development (excluding car parks)	Pre-sold (sq.m.)	Interest attributable to the Group (%)
				(sq.m.)		
Fuzhou Cangshan District Olympic Sports 2019-48 Project	Residential	2021	94,700	178,100	19,312	70.0
Fuzhou Jinan District, Qianyu Village Project	Residential	2021	30,600	79,600	62,266	63.0
Fuzhou Jin'an District, Houpu Country 2020-02 Project	Residential	2021	20,700	45,500	–	100.0
Fuzhou Xindian Project	Residential	2021	31,885	82,319	35,283	100.0
Nanning Wuxiang Zongbao District, Yin Hai Da Dao 147 Acres Project	Residential	2022-2023	98,181	392,700	–	100.0
Xiamen Xiamenhuli Gaolin Project	Residential	2022	20,214	58,000	–	100.0
Xiamen Xiangan District, 12 Mu Project	Residential	2021	8,074	11,065	–	100.0
Foshan Sanshui Beijiang Project	Residential	2021-2022	79,015	246,759	77,748	33.0
Foshan Sanshui District, Yundonghai Street No. 009 Project	Residential	2020	27,916	69,383	22,602	100.0
Foshan Joy & Peace	Residential	2020-2022	81,455	195,741	43,510	33.0
Foshan Gaoming District, Xijiang New Town Project	Residential	2020-2021	81,136	232,682	73,396	34.0
Foshan Binjiang Mansion (Phase 2, Phase 3)	Residential	2021	36,373	124,229	51,940	33.3
Huizhou Midea Jiangshan Mansion	Residential	2021	42,702	118,090	33,403	50.0
Huizhou Huicheng District, Ma'an Town, GP2019-36 Project	Residential	2022	155,600	365,965	–	40.0
Jiangmen Nature Gift Garden	Residential	2022	51,233	153,272	10,831	49.0
Jiangmen The One Mansion	Residential	2021	59,612	166,322	76,872	40.0
Jiangmen Pengjiang District, No. 11 Project	Residential	2020	3,921	10,490	3,559	100.0
Zhongshan Nantou Town, Suixi Village No.162-163 Project	Residential	2021-2022	39,758	93,868	–	33.0
Zhongshan Nantou Town, Suixi Village No. W02-17-0135 Project	Residential	2021	11,029	32,080	–	33.0
Zhongshan Nantou Town, Suixi Village No. W02-17-0137 Project	Residential	2020	34,272	80,639	71,974	22.0
Zhongshan Nantou Town, Suixi Village Project	Residential	2020	26,323	61,861	33,726	34.0
Quanzhou Shishi CIFI City	Residential	2020-2021	67,964	168,496	56,320	20.0
Zhangzhou Longhai City, Jiaomei Town, 2019P01 Project	Residential	2021	23,900	71,600	23,389	70.0
Zhangzhou Longhai City, Jiaomei Town, 2019P02 Project	Residential	2021	15,748	30,536	–	70.0
Carpark				9,066,743	534,670	
<b>TOTAL GFA</b> of Properties under development and held for future development				<u>47,379,657</u>	<u>12,567,892</u>	
<b>GRAND TOTAL</b> (Completed, under development and for future development)				<u>52,658,936</u>		

During the six months ended 30 June 2020, the Group acquired interest in a total of 27 new projects. During the period, the Group continued utilizing joint ventures strategies to jointly develop the newly acquired projects.

Total planned GFA of the Group's land acquisition in the first half of 2020 amounted to approximately 4.6 million sq.m., out of which 3.4 million sq.m. were attributable to the Group's equity interests. Total contracted consideration of the Group's land acquisition in the first half of 2020 amounted to approximately RMB36,036.6 million, out of which RMB24,408.0 million were payable by the Group according to its equity interests in relevant projects. Based on the Group's attributable GFA acquired and the attributable acquisition considerations, the Group's average land acquisition cost in the first half of 2020 was approximately RMB7,758 per sq.m.

**Table 5: The Group's land acquisition in the first half of 2020**

City	Project	Intended Primary Use	The Group's equity interest (%)	Site area (sq.m.)	Planned GFA (excluding carparks) (sq.m.)	Attributable planned GFA (excluding carparks) (sq.m.)	Total consideration (RMB)	Attributable consideration (RMB)	Average land cost (excluding carparks) (RMB/sq.m.)
<b>Land acquisition from January to June 2020</b>									
Hangzhou	Lin'an District, Central Economic Development Zone Project	Residential	100.00	32,700	81,800	81,800	1,007,200,000	1,007,200,000	12,311
Luoyang	Xigong District, Shijiatun Project	Residential	100.00	42,600	149,000	149,000	312,980,000	312,980,000	2,100
Shanghai	Jiading District, Anting Town, 03-01A Project	Residential	100.00	29,600	68,100	68,100	953,000,000	953,000,000	14,000
Changsha	Yuhua District, No. 115 Project	Residential	50.00	122,400	489,600	244,800	2,546,000,000	1,273,000,000	5,200
Chongqing	Shapingba District, F-2/03 Project	Residential/Commercial	50.00	3,100	10,200	5,100	58,000,000	29,000,000	5,737
Fuzhou	Jin'an District, Houpu Country 2020-02 Project	Residential	100.00	20,700	45,500	45,500	542,000,000	542,000,000	11,903
Nanning	Wuxiang Zongbao District, Yin Hai Da Dao 147 Acres Project	Residential	100.00	98,200	392,700	392,700	1,532,000,000	1,532,000,000	3,900
Wenzhou	The Oujiang River Estuary Area, Bandao Qibu District, A-02 Project	Residential	100.00	30,100	87,400	87,400	339,000,000	339,000,000	3,878
Suzhou	Taicang High-tech Zone, Science and Education New Town, 2020-WG-1-1 Project	Residential	51.00	63,700	114,600	58,400	1,147,000,000	584,970,000	10,006
Hangzhou	Xiaoshan District, Xintang Unit, D-83-1/D-83-2 Project	Residential	50.00	63,400	164,700	82,400	2,137,000,000	1,068,500,000	12,977
Beijing	Miyun District, Tanying Town, 6023 Project	Residential	22.50	60,600	124,400	28,000	1,496,000,000	336,600,000	12,027
Qingdao	Jimo District, Zaohang Resettlement Project	Residential	100.00	59,500	141,800	141,800	252,570,000	252,570,000	1,781
Qingdao	Jimo District, Zaohang Development Project	Residential	100.00	111,900	241,700	241,700	654,390,000	654,390,000	2,708
Nanchang	Economic Development Zone, No. DAGJ2020004 Project	Residential/Commercial	100.00	415,700	498,800	498,800	2,020,090,000	2,020,090,000	4,050
Chongqing	Banan District, Yudong Yunzhuang Mountain, P07-03-01 Project	Residential	51.00	37,500	82,500	42,100	277,310,000	141,430,000	3,362
Wuxi	Jiangyin City, Yunting Street, Experimental Primary School North Project	Residential	33.00	46,000	81,800	27,000	777,150,000	256,460,000	9,498
Suzhou	Wujiang District, Yundong Dongtaihu Avenue North Project	Residential	50.00	91,000	163,700	81,900	1,980,480,000	990,240,000	12,098
Chengdu	Xindu District, Xindu Avenue, XD2019-18-252 Project	Residential	50.00	96,700	241,800	120,900	1,837,700,000	918,850,000	7,600
Hefei	Feixi Country, No.FX202005 Project	Residential	100.00	107,100	192,800	192,800	1,619,860,000	1,619,860,000	8,400
Wuxi	Economic Development Zone, Huazhuang Middle School Project	Residential	50.00	83,400	150,100	75,100	2,597,810,000	1,298,910,000	17,305
Wuxi	Binhu District Xinba Road, Project	Residential	100.00	90,700	127,000	127,000	1,946,100,000	1,946,100,000	15,322
Suqian	Suhu Park Tonghu, Avenue East Project	Residential	65.00	60,900	121,800	79,200	543,100,000	353,020,000	4,459

City	Project	Intended Primary Use	The Group's equity interest (%)	Site area (sq.m.)	Planned GFA (excluding car parks) (sq.m.)	Attributable planned GFA (excluding car parks) (sq.m.)	Total consideration (RMB)	Attributable consideration (RMB)	Average land cost (excluding car parks) (RMB/sq.m.)
Beijing	Chaoyang District, Dongba 613 Project	Residential	33.00	16,200	45,300	14,900	2,055,000,000	678,150,000	45,336
Guangzhou	Nansha District, Hengli, Town, Hengli, Avenue Project	Residential/Commercial	50.00	53,600	323,800	161,900	3,804,800,000	1,902,400,000	11,750
Qingdao	Huangdao District, Chang'an Road Project	Residential	100.00	83,400	158,500	158,500	366,840,000	366,840,000	2,314
Xiamen	Huli District, Gaolin Project	Residential	100.00	20,200	58,000	58,000	2,935,000,000	2,935,000,000	50,603
Linyi	Luozhuang District, Fenglin New Town Project	Residential	32.00	137,100	287,800	92,100	298,200,000	95,420,000	1,036
		First 6M 2020			<u>4,645,200</u>	<u>3,356,900</u>	<u>36,036,580,000</u>	<u>24,407,980,000</u>	<u>7,758</u>
<b>Land Acquisition Subsequent to 30 June 2020</b>									
Guiyang	Baiyun District, Qinglong Avenue Project	Residential	100.00	77,700	199,800	199,800	633,540,000	633,540,000	3,171
Kunming	Panlong District, Yanjia Shan Project	Residential/Commercial	100.00	151,700	515,300	515,300	3,211,760,000	3,211,760,000	6,232
Kunming	Chenggong District, KCJ2020-23 Project	Residential	100.00	46,700	116,800	116,800	553,980,000	553,980,000	4,744
Nanjing	Yuhuai District, G30 Fenghui Road Project	Residential/Commercial	40.00	47,300	118,200	47,300	1,360,000,000	544,000,000	11,504
Nanjing	Yuhuai District, Phase II of G37 Fenghui Road Project	Residential/Commercial	40.00	45,600	109,900	44,000	1,260,000,000	504,000,000	11,463
Suzhou	Industrial Park, Sports Park Gongyao Road Project	Residential	40.00	73,900	133,000	53,200	4,019,480,000	1,607,790,000	30,228
Nanning	Yongning District, Hehe Road Project	Residential	33.00	52,800	158,300	52,200	1,058,390,000	349,270,000	6,685
Hangzhou	Xiaoshan District, Chaoyang Metro Station Project	Residential	33.00	105,900	285,800	94,300	4,970,330,000	1,640,210,000	17,388

## LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

### Cash position

The Group had cash and bank balances of approximately RMB59,272.0 million (31 December 2019: approximately RMB58,536.7 million) and restricted bank deposits of approximately RMB96.2 million (31 December 2019: approximately RMB431.7 million).

### Indebtedness

As at 30 June 2020, the Group had outstanding total borrowings amounted to approximately RMB105,268.9 million (31 December 2019: approximately RMB103,698.6 million), comprising bank and other loans of approximately RMB61,123.5 million (31 December 2019: approximately RMB65,082.2 million), onshore corporate bonds with a carrying amount of approximately RMB14,973.9 million (31 December 2019: approximately RMB11,751.8 million), and offshore senior notes with a carrying amount of approximately RMB29,171.5 million (31 December 2019: approximately RMB26,864.5 million).

**Table 6: Breakdown of indebtedness***By type of borrowings and maturity*

	At 30 June 2020 RMB'000	At 31 December 2019 RMB'000
<b>Onshore bank loans</b>		
Within one year	2,317,387	5,424,754
Over one years and within two years	18,082,994	10,245,329
Over two years and within three years	18,253,304	27,533,386
Over three years and within four years	2,071,828	2,947,416
Over four years and within five years	23,000	1,115,000
Over five years	299,390	341,500
<b>Subtotal</b>	<b>41,047,903</b>	<b>47,607,385</b>
<b>Onshore corporate bonds</b>		
Within one year	6,003,128	4,006,799
Over one years and within two years	5,852,023	3,724,038
Over two years and within three years	2,118,720	4,020,958
Over four years and within five years	1,000,009	–
<b>Subtotal</b>	<b>14,973,880</b>	<b>11,751,795</b>
<b>Offshore bank loans</b>		
Within one year	9,358,817	8,516,499
Over one year and within two years	2,139,160	5,000,353
Over two years and within three years	4,360,451	417,052
Over three years and within four years	4,217,130	3,540,943
<b>Subtotal</b>	<b>20,075,558</b>	<b>17,474,847</b>
<b>Offshore senior notes</b>		
Within one year	7,575,933	3,190,356
Over one year and within two years	5,729,757	6,418,881
Over two years and within three years	4,305,004	5,631,334
Over three years and within four years	3,936,140	4,244,345
Over four years and within five years	3,549,695	7,379,628
Over five years	4,075,006	–
<b>Subtotal</b>	<b>29,171,535</b>	<b>26,864,544</b>
<b>TOTAL</b>	<b>105,268,876</b>	<b>103,698,571</b>

*By currency denomination*

	<b>At 30 June 2020 RMB'000</b>	At 31 December 2019 RMB'000
Analysis of borrowings by currency		
– Denominated in RMB	<b>58,678,244</b>	62,644,313
– Denominated in USD	<b>37,030,154</b>	31,354,506
– Denominated in HKD	<b>9,540,971</b>	9,680,245
– Denominated in other currencies	<b>19,507</b>	19,507
	<b>105,268,876</b>	103,698,571

*By fixed or variable interest rates*

	<b>At 30 June 2020 RMB'000</b>	At 31 December 2019 RMB'000
Fixed interest rates	<b>56,376,952</b>	52,791,219
Variable interest rates	<b>48,891,924</b>	50,907,352
	<b>105,268,876</b>	103,698,571

*Secured versus unsecured*

	<b>At 30 June 2020 RMB'000</b>	At 31 December 2019 RMB'000
Secured borrowings	<b>44,669,752</b>	51,941,407
Unsecured borrowings	<b>60,599,124</b>	51,757,164
	<b>105,268,876</b>	103,698,571

**Cost of borrowings**

The Group's total finance costs expensed and capitalized in first half of 2020 was approximately RMB3,468.8 million, representing an increase of 13.2% from RMB3,064.9 million in first half of 2019. The increase was due to the increase of the Group's total indebtedness level.

The Group's weighted average cost of all indebtedness (including bank and other loans, onshore corporate bonds and offshore senior notes) as at 30 June 2020 was 5.6%, compared to 6.0% as at 31 December 2019.

## Foreign currency risk

The Group conducts its business primarily in Renminbi. The Group's certain bank deposits are denominated in Hong Kong dollars and United States dollars, and the majority of the Group's offshore bank loans and senior notes are denominated in United States dollars and Hong Kong dollars. Certain of the Group's property projects are located in Hong Kong and are denominated in Hong Kong dollars.

Starting in early 2016, the Group has adopted a hedging policy to actively manage its currency risk exposure concerning non-RMB denominated indebtedness. The Group may, depending on the circumstances and trend of currency rates, consider and enter into hedging arrangements to mitigate the impact of RMB depreciation.

It is the Group's policy to utilize the most appropriate and cost effective hedging instruments to hedge its currency risk exposure of non-RMB denominated indebtedness. The Group's hedging arrangements shall, to the extent possible, match the value and the maturity of the relevant non-RMB denominated indebtedness being hedged.

Based on the above policy, the Group has entered into US dollar versus offshore RMB capped forward contracts to hedge certain of its foreign currency exposure in non-RMB denominated indebtedness.

Certain currency capped forward contracts entered into have "capped gain" feature; on the expiry date:

- if the then prevailing US dollar versus offshore RMB exchange rate ("Expiry Rate") is less than or equal to the pre-specific capped gain rate ("Capped Gain Rate"), the Group shall buy the contract amount of US dollar against offshore RMB at the pre-specified contract rate ("Strike Rate"); or
- if the Expiry Rate is greater than the Capped Gain Rate, the Group shall receive the amount of relevant depreciation amount of offshore RMB against US dollar up to the Cap Gain Rate ("Capped Gain Amount").

Certain capped forward contracts that we entered into have additional "capped loss" feature; on the expiry date:

- if the Expiry Rate is between the Capped Gain Rate and the pre-specific capped loss rate ("Capped Loss Rate") or equal to either rates, the Group shall buy the contract amount of US dollar against offshore RMB at the Strike Rate; or
- if the Expiry Rate is greater than the Capped Gain Rate, the Group shall receive Capped Gain Amount; or
- if the Expiry Rate is lower than the Cap Loss Rate, the Group shall pay the amount of relevant appreciation amount of offshore RMB against US dollar up to the Cap Rate ("Capped Loss Amount").



The capped forward contracts utilized by the Group had contract values and expiry dates matching the outstanding amounts and maturity dates of the specific US dollar or Hong Kong dollar denominated indebtedness being hedged. These capped forward contracts enable the Group to lock-in to the relevant pre-specified Strike Rate of US dollar versus RMB exchange rate for the repayment of its outstanding non-RMB denominated indebtedness. However, the Group's protection against RMB depreciation will be limited up to the extent of the relevant Capped Gain Rates.

Other than those disclosed above, the Group did not have any other material exposures to foreign exchange fluctuations or any other hedging arrangements as at 30 June 2020. The Group will monitor its foreign currency exposure closely and may, depending on the circumstances and trend of foreign currencies, consider adjusting its foreign currency hedging policy in the future.

### **Financial guarantees**

The Group has provided mortgage guarantees to PRC banks in respect of the mortgage loans provided by the PRC banks to the Group's customers. The Group's mortgage guarantees are issued from the dates of grant of the relevant mortgage loans and released upon the earlier of (i) the relevant property ownership certificates being obtained and the certificates of other interests with respect to the relevant properties being delivered to the mortgagee banks, or (ii) the settlement of mortgage loans between the mortgagee banks and the Group's customers. As at 30 June 2020, the Group provided mortgage guarantees in respect of mortgage loans provided by the PRC banks to the Group's customers amounting to approximately RMB27,105.3 million (31 December 2019: approximately RMB22,444.8 million).

During the period, certain of the Group's joint ventures and associates have utilized offshore and/or onshore bank loans. The Company provided guarantees on several basis covering its respective equity shares of outstanding obligations under certain offshore and/or onshore bank loans incurred by the joint ventures and associates developing their projects. As at 30 June 2020, the Group's aggregate share of such guarantees provided in respect of loans incurred by these joint venture companies amounted to approximately RMB11,950.1 million (31 December 2019: approximately RMB10,122.3 million) and associate companies amounted to approximately RMB2,483.9 million (31 December 2019: approximately RMB3,280.2 million).

### **Gearing ratio**

The Group's net debt-to-equity ratio (total indebtedness net of bank balances and cash divided by total equity) was approximately 63.2% as at 30 June 2020 versus approximately 65.6% as at 31 December 2019. The Group's debt-to-asset ratio (total indebtedness divided by total assets) was approximately 29.8% as at 30 June 2020 versus approximately 31.9% as at 31 December 2019. The Group's current ratio (current assets divided by current liabilities) was approximately 1.5 times as at 30 June 2020 versus approximately 1.6 times as at 31 December 2019.

## **PAYMENT OF INTERIM DIVIDEND**

The Board declared payment of an interim dividend for the six months ended 30 June 2020 of RMB9.8 cents per share (or equivalent to HK11 cents per share, which is based on the average middle rate of RMB to Hong Kong dollars as announced by the People's Bank of China for the five business days preceding the date of declaration of such dividend) (the "Interim Dividend"). Based on the total number of issued shares of the Company as at the date of the interim results announcement for 2020, the Interim Dividend amounts to approximately HK\$904.0 million (approximately RMB805.4 million). The Interim Dividend will be paid in Hong Kong dollars on Thursday, 29 October 2020 to the shareholders whose names appear on the register of members of the Company on Thursday, 8 October 2020.

## **CLOSURE OF THE REGISTER OF MEMBERS**

The register of members of the Company will be closed from Tuesday, 6 October 2020 to Thursday, 8 October 2020, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify for the Interim Dividend, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 5 October 2020.

## **CORPORATE GOVERNANCE PRACTICES**

The Board is of opinion that the Company had adopted, applied and complied with the code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") during the six months ended 30 June 2020.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules as its own code of conduct of dealings in securities of the Company by the directors of the Company (the "Directors"). Upon specific enquiries of all the Directors, each of them have confirmed that they complied with the required standards set out in the Model Code during the Relevant Period.

As required by the Company, relevant officers and employees of the Company are also bound by the Model Code, which prohibits them from dealing in securities of the Company at any time when they possess inside information in relation to those securities. No incident of non-compliance of the Model Code by the relevant officers and employees was noted by the Company.

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

During the Relevant Period, the Company has redeemed the US\$300,000,000 6.375% senior notes due 2020 (the "2020 Due USD Notes"), which matured on 2 May 2020, in full at their principal amount together with interest accrued to the maturity date. The 2020 Due USD Notes were cancelled and delisted from the Singapore Exchange Securities Trading Limited.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Relevant Period.

## **REVIEW OF INTERIM RESULTS**

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2020 have not been audited but have been reviewed by Deloitte Touche Tohmatsu, the auditor of the Company, 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.

The audit committee of the Company (the "Audit Committee") consists of three independent non-executive Directors, namely, Mr. TAN Wee Seng (chairman of the Audit Committee), Mr. GU Yunchang and Mr. ZHANG Yongyue. The Company's unaudited condensed consolidated interim results and financial report for the six months ended 30 June 2020 have been reviewed by the Audit Committee, which opines that applicable accounting standards and requirements have been complied with and that adequate disclosures have been made.

## **THE BOARD OF DIRECTORS**

As at the date of this announcement, the Board consisted of nine Directors comprising Mr. LIN Zhong (Chairman), Mr. LIN Wei (Vice-chairman), Mr. LIN Feng (Chief Executive Officer), Mr. CHEN Dongbiao and Mr. YANG Xin (Chief Financial Officer) as executive Directors; Mr. WANG Wei as non-executive Director; and Mr. GU Yunchang, Mr. ZHANG Yongyue and Mr. TAN Wee Seng as independent non-executive Directors.

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

This interim results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.cifi.com.cn](http://www.cifi.com.cn). The 2020 interim report will be dispatched to shareholders of the Company and available on the above websites in due course.

By order of the Board  
**CIFI Holdings (Group) Co. Ltd.**  
**LIN Zhong**  
*Chairman*

Hong Kong, 27 August 2020

*Notes:*

*The expression “we”, “us”, “CIFI” and “Company” may be used to refer to our Company or our Group as the context may require.*

*References to our “land bank”, “development projects”, “property projects” or “projects” refer to our property projects with land for which we have obtained land-use rights and property projects for which we have not obtained land-use rights but have entered into the land grant contracts or received successful tender auction confirmations as at the relevant dates.*

*The site area information for an entire project is based on the relevant land use rights certificates, land grant contracts or tender documents, depending on which documents are available. If more than one document is available, such information is based on the most recent document available.*

*The figures for GFA are based on figures provided in or estimates based on the relevant governmental documents, such as the property ownership certificate, the construction work planning permit, the pre-sale permit, the construction land planning permit or the land use rights certificate.*