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**China VAST Industrial Urban Development Company Limited**

**中國宏泰產業市鎮發展有限公司**

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

**(Stock code: 6166)**

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

**FINANCIAL HIGHLIGHTS**

	<b>Six months ended 30 June</b>		<b>Change</b>
	<b>2021</b>	<b>2020</b>	
	<b>RMB'000</b>	<b>RMB'000</b>	
Revenue	<b>679,053</b>	1,425,584	-52.4%
Gross profit	<b>414,054</b>	1,177,771	-64.8%
Profit before tax	<b>139,290</b>	879,218	-84.2%
Profit for the period	<b>96,322</b>	581,435	-83.4%
Earnings per share (basic) (RMB)	<b>0.06</b>	0.35	-82.9%
Earnings per share (diluted) (RMB)	<b>0.06</b>	0.35	-82.9%

Revenue of the Group for the six months ended 30 June 2021 amounted to RMB679.1 million, representing a decrease of 52.4% compared with RMB1,425.6 million for the same period in 2020. The decrease in revenue was mainly due to the decrease in the revenue from land development business as compared with the same period last year.

The board of directors (the “**Board**”) of China VAST Industrial Urban Development Company Limited (the “**Company**”) hereby announces the unaudited condensed consolidated financial results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2021, which was prepared in accordance with IAS 34 “Interim Financial Reporting” and had been reviewed by the Company’s audit committee and the independent auditor of the Company, Deloitte Touche Tohmatsu, in accordance with the International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”.

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

For the six months ended 30 June 2021

		<b>Six months ended 30 June</b>	
	<i>Notes</i>	<b>2021</b>	2020
		<b>RMB'000</b>	<b>RMB'000</b>
		<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Revenue</b>			
Goods and services		<b>658,341</b>	1,409,565
Rental		<b>20,712</b>	16,019
		<hr/>	<hr/>
<b>Total Revenue</b>	3	<b>679,053</b>	1,425,584
Cost of sales and services		<b>(264,999)</b>	(247,813)
		<hr/>	<hr/>
Gross profit		<b>414,054</b>	1,177,771
Other income		<b>80,709</b>	80,414
Other expenses		<b>(6,834)</b>	(5,377)
Other gains and losses		<b>38,342</b>	(19,924)
Selling and marketing expenses		<b>(26,388)</b>	(43,037)
Administrative expenses		<b>(153,170)</b>	(168,852)
Finance costs		<b>(160,228)</b>	(173,896)
Impairment losses under expected credit loss model, net of reversal		<b>300</b>	–
Change in fair value of trade receivables		<b>(33,070)</b>	(17,092)
Change in fair value of investments at fair value through profit or loss		<b>(5,700)</b>	–
Change in fair value of derivative		<b>(1,200)</b>	527
Change in fair value of investment properties		<b>(6,731)</b>	51,952
Share of gains (losses) of associates		<b>1,456</b>	(1,994)
Share of losses of joint ventures		<b>(2,250)</b>	(1,274)
		<hr/>	<hr/>
Profit before tax		<b>139,290</b>	879,218
Income tax expense	4	<b>(42,968)</b>	(297,783)
		<hr/>	<hr/>
Profit and total comprehensive income for the period		<b>96,322</b>	581,435
		<hr/>	<hr/>
Profit and total comprehensive income (expenses) for the period attributable to:			
Owners of the Company		<b>103,525</b>	582,652
Non-controlling interests		<b>(7,203)</b>	(1,217)
		<hr/>	<hr/>
		<b>96,322</b>	581,435
		<hr/>	<hr/>
Earnings per share			
Basic (RMB)	5	<b>0.06</b>	0.35
Diluted (RMB)	5	<b>0.06</b>	0.35
		<hr/>	<hr/>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 30 June 2021*

	<i>Notes</i>	<b>At 30 June 2021</b>	At 31 December 2020
		<b>RMB'000</b>	<b>RMB'000</b>
		<b>(unaudited)</b>	<b>(audited)</b>
<b>Non-current assets</b>			
Right-of-use assets		<b>184,808</b>	187,602
Property, plant and equipment		<b>1,096,796</b>	1,078,932
Investment properties		<b>1,250,300</b>	1,256,900
Interests in associates		<b>249,477</b>	269,180
Interests in joint ventures		<b>118,240</b>	12,000
Investments at fair value through profit or loss (“FVTPL”)		<b>139,603</b>	154,730
Amounts due from related parties		<b>154,739</b>	144,955
Trade receivables	7	<b>2,051,183</b>	1,649,147
Prepayments and other receivables		<b>191,390</b>	207,633
Restricted bank deposits		<b>187,035</b>	176,615
Deferred tax assets		<b>136,873</b>	131,054
		<hr/> <b>5,760,444</b>	<hr/> 5,268,748
<b>Current assets</b>			
In-progress land development arrangements		<b>4,607,426</b>	4,444,957
Properties under development for sale		<b>1,945,689</b>	1,797,150
Completed properties for sale		<b>707,440</b>	819,825
Trade receivables	7	<b>442,200</b>	1,106,708
Prepayments and other receivables		<b>164,325</b>	163,216
Contract assets		<b>65,335</b>	75,905
Amounts due from related parties		<b>15,273</b>	15,273
Restricted bank deposits		<b>126,229</b>	122,175
Time deposits with original maturity over three months		<b>311,000</b>	311,000
Bank balances and cash		<b>462,602</b>	646,329
		<hr/> <b>8,847,519</b>	<hr/> 9,502,538
<b>Total assets</b>		<hr/> <b>14,607,963</b>	<hr/> 14,771,286

		At 30 June 2021	At 31 December 2020
	<i>Notes</i>	<b>RMB'000</b> <b>(unaudited)</b>	<b>RMB'000</b> <b>(audited)</b>
<b>Current liabilities</b>			
Trade and other payables	8	1,179,625	927,746
Advance from customers for rental business		25,654	15,083
Amounts due to related parties		633,279	5,586
Lease liabilities		1,582	2,238
Current tax liabilities		443,546	606,341
Contract liabilities		200,446	89,639
Bank and other borrowings		2,106,530	2,222,480
Convertible bonds, notes and senior notes		641,703	1,789,688
Derivative		1,198	–
Deferred income		734	1,646
		<u>5,234,297</u>	<u>5,660,447</u>
<b>Net current assets</b>		<u>3,613,222</u>	<u>3,842,091</u>
<b>Total assets less current liabilities</b>		<u>9,373,666</u>	<u>9,110,839</u>
<b>Non-current liabilities</b>			
Bank and other borrowings		2,724,050	2,484,844
Amounts due to related parties		205,710	–
Lease liabilities		7,385	7,282
Deferred tax liabilities		250,059	284,291
Deferred income		2,473	2,473
Contract liabilities		84,161	84,161
		<u>3,273,838</u>	<u>2,863,051</u>
<b>Net assets</b>		<u>6,099,828</u>	<u>6,247,788</u>
<b>Capital and reserves</b>			
Share capital		13,141	13,141
Reserves		6,081,123	6,221,880
		<u>6,094,264</u>	<u>6,235,021</u>
<b>Equity attributable to owners of the Company</b>		<u>6,094,264</u>	<u>6,235,021</u>
Non-controlling interests		5,564	12,767
		<u>6,099,828</u>	<u>6,247,788</u>
<b>Total equity</b>		<u>6,099,828</u>	<u>6,247,788</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 June 2021*

### 1. 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 (“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.

### 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 2021 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2020.

#### **Application of amendments to IFRSs**

In the current interim period, the Group has applied the following amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to IFRS 9, IAS 39, IFRS 7, Interest Rate Benchmark Reform – Phase 2  
IFRS 4 and IFRS 16

#### **Impacts on early application of Amendment to IFRS 16 “Covid-19-Related Rent Concessions beyond 30 June 2021”**

The Group has early applied the amendment in the current interim period. The application of this amendment has had no material impact on the Group’s financial positions and performance for the current and prior periods.

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

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

***Modification of financial liabilities such as borrowings, trade and other payables, etc.***

When the contractual terms of a financial liability are modified, the Group assess whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 per cent.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities is calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

### **3. REVENUE AND SEGMENT INFORMATION**

The executive directors of the Group are identified as the chief operating decision maker (the “**CODM**”) of the Group for the purposes of resources allocation and performance assessment. The information reported to the CODM for the purposes of resources allocation and performance assessment focuses specifically on respective businesses of the Group. The Group's operating and reportable segments are as follows:

- Industrial town development – Land infrastructure and industrial town development and maintenance
- Property development – Development and sale of properties
- Property leasing – Lease of properties

## Segment revenue and results

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

	<b>Industrial town development RMB'000</b>	<b>Property development RMB'000</b>	<b>Property leasing RMB'000</b>	<b>Total RMB'000</b>
<b>Six months ended 30 June 2021 (unaudited)</b>				
Revenue from external customers and segment revenue	<u>484,902</u>	<u>173,439</u>	<u>20,712</u>	<u>679,053</u>
Segment results	<u>215,637</u>	<u>93,267</u>	<u>5,076</u>	<u>313,980</u>
Unallocated profit or loss items:				
Other income				7,686
Other gains and losses				19,190
Selling and marketing expenses				(850)
Administrative expenses				(62,339)
Finance costs				(131,477)
Change in fair value of derivative				(1,200)
Change in fair value of investments at FVTPL				<u>(5,700)</u>
Profit before tax				<u><b>139,290</b></u>
	<b>Industrial town development RMB'000</b>	<b>Property development RMB'000</b>	<b>Property leasing RMB'000</b>	<b>Total RMB'000</b>
<b>Six months ended 30 June 2020 (unaudited)</b>				
Revenue from external customers and segment revenue	<u>1,375,822</u>	<u>33,743</u>	<u>16,019</u>	<u>1,425,584</u>
Segment results	<u>1,022,926</u>	<u>(4,385)</u>	<u>44,840</u>	<u>1,063,381</u>
Unallocated profit or loss items:				
Other income				12,299
Other gains and losses				(17,693)
Selling and marketing expenses				(4,361)
Administrative expenses				(60,628)
Finance costs				(114,307)
Change in fair value of derivative				<u>527</u>
Profit before tax				<u><b>879,218</b></u>

#### 4. INCOME TAX EXPENSE

	Six months ended 30 June	
	2021 RMB'000 (unaudited)	2020 RMB'000 (unaudited)
Current tax		
– People's Republic of China enterprise income tax	54,489	226,419
– Land appreciation tax	13,356	12,027
– Under provision in prior period	15,175	16,316
	<u>83,020</u>	<u>254,762</u>
Deferred tax (credit) charge	(40,052)	43,021
	<u>42,968</u>	<u>297,783</u>

As at 30 June 2021, a deferred tax liability of RMB124,781,000 (31 December 2020: RMB159,031,000) for undistributed earnings of the subsidiaries located in the mainland China has been recognised as there is a plan of the dividends distribution out of the mainland China in the foreseeable future by these subsidiaries. Besides above, during the six months ended 30 June 2021 and 2020, deferred tax (credit) charge mainly represented temporary differences on advanced payment for property sale, change in fair value of investment properties, change in fair value of trade receivable, tax losses and the elimination of unrealised profits resulting from downstream transactions.

In accordance with the PRC tax circular (Guoshuihan [2008] 112) effective from 1 January 2008, the PRC withholding income tax at the rate of 5% is applicable to dividends to “non-resident” investors who do not have an establishment or business in the PRC. Deferred taxation has not been provided for in the condensed consolidated financial statements in respect of temporary differences attributable to the undistributed profits earned by the PRC subsidiaries as of 30 June 2021 amounting to RMB1,110,000,000 (31 December 2020: RMB973,000,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future.



## 5. EARNINGS PER SHARE

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

	<b>Six months ended 30 June</b>	
	<b>2021</b>	2020
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
<b>Earnings</b>		
Earnings for the purpose of basic earnings per share (Profit for the period attributable to owners of the Company)	<b>103,525</b>	582,652
Effect of dilutive potential ordinary shares:		
– impact of convertible bonds issued by the Company	–	18,740
Earnings for the purpose of diluted earnings per share	<b>103,525</b>	601,392
<b>Numbers of shares ('000)</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>1,651,237</b>	1,651,237
Effect of dilutive potential ordinary shares:		
– Convertible bonds	–	90,909
– Options	<b>148</b>	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<b>1,651,385</b>	1,742,146

The profit attributable to owners of the Company and the number of ordinary shares for the purposes of calculating diluted earnings per share for the six months ended 30 June 2020 had been adjusted assuming that the conversion of the convertible bonds has been effective from 1 January 2020, while the earnings per share for the six months ended 30 June 2021 had not been adjusted by the assumed conversion of the convertible bonds and the put option embedded in amount due to a related party as these impacts are anti-dilutive.

The computation of diluted earnings per share for the six months ended 30 June 2021 assume the exercise of certain share options because the adjusted exercise price of those options was lower than the average market price for shares for the periods presented. In contrast, the computation of diluted earnings per share for the six months ended 30 June 2020 does not assume the exercise of certain share options because the adjusted exercise price of those options was higher than the average market price for shares for the periods presented.

## 6. DIVIDEND

During the six months ended 30 June 2021, a final dividend of HK\$0.18 per share in respect of the year ended 31 December 2020 amounting to HK\$297,223,000 in aggregate (equivalent to RMB244,282,000) was declared, and during the six months ended 30 June 2020, a final dividend of HK\$0.2 per share in respect of the year ended 31 December 2019 amounting to HK\$330,247,000 in aggregate (equivalent to RMB301,648,000) was declared.

## 7. TRADE RECEIVABLES

	At 30 June 2021 RMB'000 (unaudited)	At 31 December 2020 RMB'000 (audited)
At amortised cost		
Receivables from industrial town development	257,499	627,595
Receivables from property sales	23,434	14,977
Receivables from property leasing	3,568	1,711
	<u>284,501</u>	<u>644,283</u>
Less: Allowance for trade receivables	(7,988)	(3,788)
	<u>276,513</u>	<u>640,495</u>
At fair value through profit or loss		
Receivables from industrial town development	2,216,870	2,115,360
Total	<u>2,493,383</u>	<u>2,755,855</u>
Analysis for reporting purpose as:		
At amortised cost		
– Current assets	268,288	633,386
– Non-current assets	8,225	7,109
	<u>276,513</u>	<u>640,495</u>
At fair value through profit or loss		
– Current assets	173,912	473,322
– Non-current assets	2,042,958	1,642,038
	<u>2,216,870</u>	<u>2,115,360</u>
Total		
– Current assets	442,200	1,106,708
– Non-current assets	2,051,183	1,649,147
	<u>2,493,383</u>	<u>2,755,855</u>

The aging analysis of the Group's trade receivables – at amortised cost, net of allowance for doubtful debts, presented based on revenue recognition date, at 30 June 2021 and 31 December 2020 are as follows:

	At 30 June 2021 <i>RMB'000</i> (unaudited)	At 31 December 2020 <i>RMB'000</i> (audited)
0 to 180 days	182,293	517,573
181 to 365 days	1,354	–
1-2 years	206	1,545
2-3 years	79,771	103,951
Over 3 years	12,889	17,426
	<u>276,513</u>	<u>640,495</u>

## 8. TRADE AND OTHER PAYABLES

	At 30 June 2021 <i>RMB'000</i> (unaudited)	At 31 December 2020 <i>RMB'000</i> (audited)
Trade payables	678,832	695,705
Payable for the acquisition of property, plant and equipment	13,347	15,670
Construction cost payable for the development of investment properties	4,630	4,922
Dividend payable	244,282	–
Other deposits received	27,541	23,864
Other payables	57,534	25,904
Refundable deposits	49,932	59,932
Accrued payroll	9,749	10,267
Tax payables	93,778	91,482
	<u>1,179,625</u>	<u>927,746</u>

The following is an aged analysis of trade payables based on services/materials received date at 30 June 2021 and 31 December 2020:

	At 30 June 2021 <i>RMB'000</i> (unaudited)	At 31 December 2020 <i>RMB'000</i> (audited)
Less than 1 year	163,219	368,891
1-2 years	274,554	192,513
2-3 years	160,715	33,845
Over 3 years	80,344	100,456
	<u>678,832</u>	<u>695,705</u>

## 9. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 16 July 2021, the Company issued a three-year term 6% US\$ convertible bonds due 2024 in an aggregate principal amount of US\$123,275,892 (equivalent to approximately RMB797,657,000) (the “2021 Convertible Bonds”). The total net proceeds from the issue of the 2021 Convertible Bonds are used for the purpose of financing its repayment of existing outstanding indebtedness, refinancing its existing indebtedness, meeting the current capital commitments of its investment projects, distribution of dividends and general working capital. The 2021 Convertible Bonds are jointly guaranteed by four subsidiaries of the Company.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Review

#### Revenue

Our revenue for the six months ended 30 June 2021 was mainly generated from (i) land development projects/arrangements, representing our fee income derived from development of industrial town projects, (ii) the sales of properties, and (iii) property leasing.

The table below sets forth a breakdown of our revenue:

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
Fee and service income relating to/arising from land development projects/arrangements	484,902	1,375,822
Revenue from property sales	173,439	33,743
Revenue from property leasing	20,712	16,019
	<u>679,053</u>	<u>1,425,584</u>

Revenue of the Group for the six months ended 30 June 2021 amounted to RMB679.1 million, representing a decrease of 52.4% compared with RMB1,425.6 million for the same period in 2020. The decrease in revenue was mainly due to the decrease in revenue from land development business as compared with the same period last year.

As for the land development business, we recorded a revenue of RMB484.9 million for the six months ended 30 June 2021, representing a decrease of 64.8% as compared with RMB1,375.8 million for the same period in 2020.

For the six months ended 30 June 2021, an aggregate of 176,738 sq.m. of land in Longhe Park was sold by the relevant local government at a total land premium of RMB172.0 million. Compared with the aggregate of 277,255 sq.m. of land in Longhe Park sold by the local government at a total land premium of RMB2,479.7 million for the same period in 2020, there were significant decreases in the area of land sold and the land premium during the period. For the period, we recorded a total fee income of RMB347.2 million from Longhe Park, representing a decrease of RMB907.5 million as compared with RMB1,254.7 million for the same period in 2020. The fee income recognised from sales of land was RMB108.8 million (for the same period in 2020 was RMB1,244.3 million), land preparation service income received from a successful land buyer was RMB53.3 million, one-off infrastructure services income received from the enterprises in the park was RMB176.0 million and other comprehensive services fee income was RMB9.1 million.

In addition, we also recorded revenue from land development projects in other parks. For VAST Ezhou Industrial Park, the Group recognised a revenue of RMB51.5 million and RMB65.7 million from land preparation and investment services and industrial development service respectively, while a revenue of RMB5.1 million and RMB12.2 million from land preparation and investment services and industrial development service in this park was recognised in the same period of 2020. For Shijiazhuang Gaocheng VAST Industrial Town Park, the Group recognised a revenue of RMB8.7 million from land preparation and investment services, while a revenue of RMB52.4 million from land preparation and investment services in this park was recognised in the same period of 2020. For Shijiazhuang General Aviation Industrial Town Park, no revenue was recognised by the Group for the period, while a revenue of RMB41.1 million from industrial development service in this park was recognised in the same period of 2020. The revenue from land preparation and investment services of the above three parks was calculated under the cost-plus method, and the revenue from industrial development service was calculated according to a certain percentage of the amount of investment in additional park establishment. The increase in the revenue of other parks was mainly attributable to the increase in the revenue from VAST Ezhou Industrial Park.

For the property development business, we recorded a revenue from the sales of properties of RMB173.4 million for the six months ended 30 June 2021, representing an increase of RMB139.7 million from RMB33.7 million for the same period in 2020. This was mainly due to the fact that we delivered the area of commercial, residential and industrial properties of 18,835 sq.m. during the period, representing an increase of 16,491 sq.m. as compared with the area of property delivered of 2,344 sq.m. for the same period in 2020, which resulted in an increase in the overall property sales revenue.

#### *Cost of Sales and Services*

Our cost of sales and services consists of (i) cost of land development projects, (ii) cost of properties sold, and (iii) direct operating expense of property leasing. For the six months ended 30 June 2021, our cost of sales and services amounted to RMB265.0 million, representing an increase of 6.9% as compared with RMB247.8 million for the same period in 2020, which was primarily due to the increase in the cost of sales of properties during the period.

#### *Gross Profit and Gross Profit Margin*

For the six months ended 30 June 2021, our gross profit amounted to RMB414.1 million, which represented a decrease of 64.8% as compared with RMB1,177.8 million for the same period in 2020. Our gross profit margin was 61.0% during the period, which decreased from 82.6% for the same period in 2020, mainly because the income from the sales of land use rights in Longhe Park during the period decreased by RMB1,135.5 million compared with the same period in 2020, and the revenue from sales of commercial and residential land accounted for only 8.7% of the overall revenue of Longhe Park, while the gross profit margin of sales of commercial and residential land is higher than that of sales of industrial land and the average gross profit margin of the service of the parks in other cities, resulting in a decrease of overall gross profit margin for the period.

### *Other Income*

Other income increased by RMB0.3 million from RMB80.4 million for the six months ended 30 June 2020 to RMB80.7 million during the period. Such increase was mainly due to the increase of RMB6.2 million in interest income on trade and other receivables, and partially offset by the decrease of RMB6.0 million in government grants.

### *Other Gains and Losses*

In terms of other gains and losses, we recorded net losses of RMB19.9 million for the six months ended 30 June 2020 and net gains of RMB38.3 million during the period, mainly attributable to the net exchange gains of RMB19.1 million recorded during the period and the gain of RMB18.2 million from the disposal of equity interest in an associate, as compared with net exchange losses of RMB20.6 million recorded for the same period last year.

### *Selling and Marketing Expenses*

For the six months ended 30 June 2021, our selling and marketing expenses amounted to RMB26.4 million, representing a decrease of 38.7% as compared with RMB43.0 million for the same period in 2020, mainly due to advertising costs during the period decreased by RMB17.7 million as compared with the same period last year.

### *Administrative Expenses*

For the six months ended 30 June 2021, our administrative expenses amounted to RMB153.2 million, representing a decrease of 9.3% as compared with RMB168.9 million for the same period in 2020, primarily due to the decrease in staff costs because of the decrease in number of employees of the Group.

### *Finance Costs*

Finance costs decreased by RMB13.7 million (or 7.9%) from RMB173.9 million for the six months ended 30 June 2020 to RMB160.2 million during the period. The decrease in finance costs was mainly due to an increase of RMB13.3 million in financing costs capitalized on in-progress land development arrangements over the same period last year.

### *Profit Before Tax*

As a result of the foregoing factors, profit before tax decreased by RMB739.9 million (or 84.2%) from RMB879.2 million for the six months ended 30 June 2020 to RMB139.3 million for the period.

### *Income Tax Expense*

Income tax expense decreased by RMB254.8 million (or 85.6%) from RMB297.8 million for the six months ended 30 June 2020 to RMB43.0 million for the period, which was primarily due to a decrease in profit before tax for the period.

### *Profit*

As a result of the foregoing factors, the net profit of the Group decreased by RMB485.1 million (or 83.4%) from RMB581.4 million for the six months ended 30 June 2020 to RMB96.3 million for the period.

### *Earnings Per Share*

The basic earnings per share for the six months ended 30 June 2021 was RMB0.06, while the diluted earnings per share was RMB0.06 (for the six months ended 30 June 2020: basic earnings per share was RMB0.35 and diluted earnings per share was RMB0.35). The above basic and diluted earnings per share were calculated based on the weighted average number of ordinary shares of 1,651,237,000 shares and 1,651,385,000 shares, respectively.

### *Cash Position*

Cash and cash equivalents decreased by RMB183.7 million from RMB646.3 million as at 31 December 2020 to RMB462.6 million as at 30 June 2021, principally attributable to: (i) the net cash inflow of RMB427.9 million from our operating activities; (ii) the net cash outflow of RMB121.1 million from investing activities, which was primarily a result of the capital contribution of RMB109.0 million to a joint venture, the payment of RMB52.5 million to purchase and build self-use assets and investment properties, and partially offset by the proceeds of RMB38.2 million from the disposal of the entire equity in an associate and the proceeds of RMB10.5 million from the disposal of a fund investment; (iii) the net cash outflow of RMB488.4 million from financing activities, which was primarily due to the repayment of bank loans and other loans of RMB1,151.8 million, repayment of senior notes of RMB1,162.8 million and the payment of interests of RMB265.0 million, and partially offset by new bank loans of RMB1,272.0 million and loans from related parties of RMB820.8 million.

### *Trade Receivables*

Trade receivables decreased from RMB2,755.9 million as at 31 December 2020 to RMB2,493.4 million as at 30 June 2021, which was mainly due to the collection of part of trade receivables from land development projects. Balances of trade receivables as at 30 June 2021 mainly consisted of: RMB1,122.3 million from Shijiazhuang General Aviation Industrial Town Park, RMB567.8 million from VAST Ezhou Industrial Park, RMB526.8 million from Shijiazhuang Gaocheng VAST Industrial Town Park, RMB209.9 million from Longhe Park and RMB40.0 million from Wuhan Development Zone General Aviation Industry Comprehensive Demonstration Zone.

### *Prepayments and Other Receivables*

Prepayments and other receivables decreased from RMB370.8 million as at 31 December 2020 to RMB355.7 million as at 30 June 2021, which was mainly due to the collection of part of other receivables.

### *In Progress Land Development Arrangements*

In progress land development arrangements increased from RMB4,445.0 million as at 31 December 2020 to RMB4,607.4 million as at 30 June 2021. Such increase was mainly due to the additional investment in land development in Longhe Park during the period.

### *Properties under Development for Sale*

Properties under development for sale increased from RMB1,797.2 million as at 31 December 2020 to RMB1,945.7 million as at 30 June 2021. Such increase was mainly due to the additional investment in the development of Foxconn City Phase III (Longhefengjing Phase II), Hubei Changjiang Zhihui Port Innovation Startup Base Phase I, Electronic Information Industrial Park Phase II and Wuhan Hangyaohong Technology Project during the period.

### *Trade and Other Payables*

Trade and other payables increased from RMB927.7 million as at 31 December 2020 to RMB1,179.6 million as at 30 June 2021, which was mainly attributable to the dividend payable of RMB244.3 million provided for the period.

### *Bank and Other Borrowings*

The total bank and other borrowings increased by RMB123.3 million from RMB4,707.3 million as at 31 December 2020 to RMB4,830.6 million as at 30 June 2021. Secured or guaranteed bank loans increased from RMB4,034.5 million as at 31 December 2020 to RMB4,232.3 million as at 30 June 2021, while other secured or guaranteed loans decreased from RMB672.8 million as at 31 December 2020 to RMB598.3 million as at 30 June 2021.

### *Convertible Bonds, Notes and Senior Notes*

The Company issued convertible bonds and notes amounting to US\$50 million (the “**2018 Convertible Bonds**”) and US\$110 million (the “**2018 Notes**”) respectively on 9 January 2018. The terms of 2018 Convertible Bonds and 2018 Notes are 3 years and 1 to 3 years respectively. The coupon rates of both are 6% with interest payable semi-annually. The 2018 Convertible Bonds can be converted to the shares of the Company at the initial conversion price of HK\$4.75 per share before maturity. The conversion price is subject to adjustments according to terms of the agreement. As of 30 June 2021, the Company redeemed 2018 Notes of US\$64 million.

On 8 January 2021, the Company and the initial investor entered into the deed of amendment to extend the maturity date of the 2018 Convertible Bonds and the remaining outstanding 2018 Notes to 10 January 2022, and amend certain terms of the subscription agreement, the terms of 2018 Convertible Bonds and 2018 Notes, and other relevant transaction documents. The conversion price of 2018 Convertible Bonds was revised to HK\$3.54 per share (subject to adjustment).

The Company issued senior notes of US\$180 million (the “**2019 Senior Notes**”) with a term of two years on 28 June 2019. The coupon rate is 13% with interest payable semi-annually. As of 30 June 2021, the Company repaid all 2019 Senior Notes of US\$180 million.

In addition, the Company issued convertible bonds of US\$123.3 million (the “**2021 Convertible Bonds**”) with a term of three years on 16 July 2021. The coupon rate is 6% with interest payable semi-annually. The 2021 Convertible Bonds can be converted to the shares of the Company at the initial conversion price of HK\$3.05 per share before maturity. The conversion price is subject to adjustments according to terms of the agreement.



## Business Review

### *Industrial Town Development*

We currently provide planning, development and/or operation services in eight different-themed industrial town projects, consisting of: (i) Longhe Park; (ii) Longhe Resort; (iii) Guangyang Technology Regeneration Park, (iv) Yongqing VAST Industrial Town Park, all of which are located in Langfang City, Hebei province; (v) Shijiazhuang General Aviation Industrial Town Park; (vi) Shijiazhuang Gaocheng Vast Industrial Town Park, both of which are located in Shijiazhuang City, Hebei province; (vii) VAST Ezhou Industrial Park in Ezhou City, Hubei province; and (viii) Wuhan Development Zone General Aviation Industry Comprehensive Demonstration Zone in Wuhan City, Hubei province. After over 10 years of development, Longhe Park is progressing towards its maturity in a fast development stage. The remaining seven projects are in the early stage of planning and development. However, with the improvement and betterment of the terms of cooperation agreements signed between the Company and local governments, some of our cooperation agreements enable us to record revenue in the early stage of development, thus providing support for developing project on a rolling basis.

The following table sets forth the project status, industry themes, scope of services and fee arrangement for each of our industrial town projects as of 30 June 2021.

Industrial town project	Industry theme	Scope of services	Fee arrangement	Status
<i>Langfang, Hebei Province</i>				
(I) Longhe Park  <i>Planned site area:</i> 28.0 million sq.m.	<ul style="list-style-type: none"> <li>Information technology, advanced manufacturing, modern services and property development</li> </ul>	<ul style="list-style-type: none"> <li>Planning and design, industry positioning, land preparation, infrastructure construction, marketing and follow-up services to manage and operate the project</li> </ul>	<ul style="list-style-type: none"> <li>Calculated with reference to a certain percentage of land sale proceeds and taxes paid by resident enterprises</li> </ul>	<ul style="list-style-type: none"> <li>Progressing towards an active development stage, and contributed to our income during the current period</li> </ul>
(II) Longhe Resort, Langfang  <i>Planned site area:</i> 9.5 million sq.m.	<ul style="list-style-type: none"> <li>Vacation home and facilities, business headquarters and culture business subject to finalization</li> </ul>	<ul style="list-style-type: none"> <li>Planning and design, industry positioning, land preparation, infrastructure construction, marketing and follow-up services to manage and operate the project</li> </ul>	<ul style="list-style-type: none"> <li>Calculated with reference to a certain percentage of land sale proceeds and taxes paid by resident enterprises</li> </ul>	<ul style="list-style-type: none"> <li>Binding agreement signed; land preparation and infrastructure construction not yet commenced</li> </ul>

<b>Industrial town project</b>	<b>Industry theme</b>	<b>Scope of services</b>	<b>Fee arrangement</b>	<b>Status</b>
(III) Guangyang Technology Regeneration Park  <i>Planned site area:</i> 15.0 million sq.m.	<ul style="list-style-type: none"> <li>Under planning</li> </ul>	<ul style="list-style-type: none"> <li>Planning and design, industry positioning, land preparation, infrastructure construction, marketing and follow-up services to manage and operate the project</li> </ul>	<ul style="list-style-type: none"> <li>A portion of the net land sale proceeds representing the sum of our actual investment amount with a pre-agreed return and a portion of the remaining net land sale proceeds in accordance with our equity interest in the relevant project company</li> </ul>	<ul style="list-style-type: none"> <li>Binding agreement signed; land preparation and infrastructure construction not yet commenced</li> </ul>
(IV) Yongqing Vast Industrial Town Park  <i>Planned site area:</i> 14.0 million sq.m.	<ul style="list-style-type: none"> <li>Intelligent equipment manufacturing, new energy, new material industry</li> </ul>	<ul style="list-style-type: none"> <li>Planning and design, industry positioning, land preparation, infrastructure construction and marketing</li> </ul>	<ul style="list-style-type: none"> <li>Commission services income, which is calculated based on a certain proportion of a fixed return and the aggregate investment in the park</li> </ul>	<ul style="list-style-type: none"> <li>Binding agreement signed; land preparation and infrastructure construction not yet commenced</li> </ul>
<b>Shijiazhuang, Hebei Province</b>				
(V) Shijiazhuang General Aviation Industrial Town Park  <i>Planned site area:</i> 20.0 million sq.m.	<ul style="list-style-type: none"> <li>General aviation industry, modern services and property development</li> </ul>	<ul style="list-style-type: none"> <li>Planning and design, industry positioning, land preparation, infrastructure construction and marketing</li> </ul>	<ul style="list-style-type: none"> <li>Commission services income, which is calculated based on a certain proportion of a fixed return and the aggregate cost incurred in the park</li> </ul>	<ul style="list-style-type: none"> <li>Binding agreement signed; land preparation and infrastructure construction commenced</li> </ul>
(VI) Shijiazhuang Gaocheng VAST Industrial Town Park  <i>Planned site area:</i> 27.1 million sq.m.	<ul style="list-style-type: none"> <li>Healthcare industry, eldercare industry and tourism</li> </ul>	<ul style="list-style-type: none"> <li>Planning and design, industry positioning, land preparation, infrastructure construction and marketing</li> </ul>	<ul style="list-style-type: none"> <li>Commission services income, which is calculated based on a certain proportion of a fixed return and the aggregate investment in the park</li> </ul>	<ul style="list-style-type: none"> <li>Binding agreement signed; land preparation and infrastructure construction commenced, and contributed to our income during the current period</li> </ul>
<b>Ezhou, Hubei Province</b>				
(VII) VAST Ezhou Industrial Park  <i>Planned site area:</i> 4.3 million sq.m.	<ul style="list-style-type: none"> <li>Intelligent manufacturing, e-commerce information and strategic emerging industries</li> </ul>	<ul style="list-style-type: none"> <li>Planning and design, industry positioning, land preparation, infrastructure construction and marketing</li> </ul>	<ul style="list-style-type: none"> <li>Commission services income, which is calculated based on a certain proportion of a fixed return and the aggregate investment in the park</li> </ul>	<ul style="list-style-type: none"> <li>Binding agreement signed; land preparation and infrastructure construction commenced, and contributed to our income during the current period</li> </ul>

Industrial town project	Industry theme	Scope of services	Fee arrangement	Status
<b>Wuhan, Hubei Province</b>				
(VIII)Wuhan Development Zone General Aviation Industry Comprehensive Demonstration Zone	• General aviation industry	• Planning and design, industry positioning, land preparation, infrastructure construction and marketing	• Commission services income, which is calculated based on a certain proportion of a fixed return and the aggregate investment in the park	• Binding agreement signed; land preparation and infrastructure construction commenced

Planned site area:

5.1 million sq.m.

### Longhe Park

After years of development, an accumulated land of 7,435,815 sq.m. (accounted for 38.1% of saleable land) were sold by local government for Longhe Park. For the six months ended 30 June 2021, the fee income derived from our development of industrial town project at Longhe Park was RMB108.8 million. The table below sets forth an excerpt of the land classification, planned site area and site area sold of Longhe Park as at 30 June 2021.

Classification	Planned site area <sup>(1)</sup>	Site area sold <sup>(2)</sup>		Saleable land unsold	
	sq.m.	sq.m.	%	sq.m.	%
<b>Saleable</b>					
• Residential and commercial area	10,288,300	3,411,967	33.2	6,876,333	66.8
• Industrial area	9,205,500	4,023,848	43.7	5,181,652	56.3
Subtotal of saleable land	19,493,800	7,435,815	38.1	12,057,985	61.9
<b>Non-saleable</b>					
• Roads	4,431,300	N/A	N/A	N/A	N/A
• Greenery space	4,074,900	N/A	N/A	N/A	N/A
Subtotal of non-saleable land	8,506,200	N/A	N/A	N/A	N/A
<b>Total</b>	<b>28,000,000</b>	<b>7,435,815</b>	<b>N/A</b>	<b>12,057,985</b>	<b>N/A</b>

Notes:

- (1) Planned site area is determined based on the planning approved by the local government.
- (2) Percentages are calculated as the site area sold by the local government through public auction, tendering or listing for sale as a portion of the total saleable site area under the same land classification.

The table below sets forth the details regarding the land sold by the local government, relevant average selling prices, land premiums and a breakdown of our income for the six months ended 30 June 2021.

	Land sold by local government <i>sq.m.</i>	ASP sold by local government <i>RMB/sq.m.</i>	Land premium <i>RMB'000</i>	Our fee income/ percentage of land premium <i>RMB'000</i>	<i>%</i>
Commercial land	12,271	4,555	55,900	30,161	54.0
Industrial land	164,467	706	116,114	78,672	67.8
<b>Total</b>	<b>176,738</b>	<b>973</b>	<b>172,014</b>	<b>108,833</b>	<b>63.3</b>

#### *Other Parks*

For the six months ended 30 June 2021, we maintained balanced development of Shijiazhuang General Aviation Industrial Town Park, Shijiazhuang Gaocheng VAST Industrial Town Park, VAST Ezhou Industrial Park and Wuhan Development Zone General Aviation Industry Comprehensive Demonstration Zone.

#### *Shijiazhuang General Aviation Industrial Town Park*

As at 30 June 2021, the accumulated area of land preparation started in the Park was approximately 1,650,000 sq.m.

#### *Shijiazhuang Gaocheng VAST Industrial Town Park*

As at 30 June 2021, the accumulated area of land preparation started in the Park was approximately 788,000 sq.m. During the six months ended 30 June 2021, the Group recognised income from land preparation and investment services of RMB8.7 million, calculated using the cost plus method.

#### *VAST Ezhou Industrial Park*

As at 30 June 2021, the accumulated area of land preparation started in the Park was approximately 740,000 sq.m. During the six months ended 30 June 2021, the Group recognised income arising from land preparation and investment services of RMB51.5 million, calculated using the cost plus method, and income from industrial development service of RMB65.7 million, calculated with reference to a certain percentage of the amount of investment in park establishment.

#### *Wuhan Development Zone General Aviation Industry Comprehensive Demonstration Zone*

As at 30 June 2021, the accumulated area of land preparation started in the Park was approximately 1,164,000 sq.m.

### ***Property Development***

The following table sets forth the revenue, gross floor area (“GFA”) or unit sold and average selling price (“ASP”) for each of our revenue-generating properties for the six months ended 30 June 2021.

<b>Industrial, Residential and Commercial Project</b>	<b>Revenue RMB'000</b>	<b>GFA sold For the six months ended 30 June 2021 sq.m.</b>	<b>ASP For the six months ended 30 June 2021 RMB/sq.m.</b>
Foxconn City Phase II Longhefengjing Residential	22,360	1,892	11,818
Hongtai Longdi Phase I Commercial	14,244	1,242	11,469
Hongtai Longdi Phase II Commercial	18,125	1,509	12,011
Hongtai Meishuguan Phase I Commercial	2,636	277	9,516
Hongtai Meishuguan Phase II Residential	2,572	244	10,541
Electronic Information Industrial Park Plant	26,407	2,739	9,641
Yulong Bay Phase I Residential	61,313	10,522	5,827
Yihejiayuan Commercial	4,377	410	10,676
Sub-total	<u>152,034</u>	<u>18,835</u>	<u>8,072</u>

<b>Ancillary Area Project</b>	<b>Revenue RMB'000</b>	<b>GFA sold For the six months ended 30 June 2021 sq.m.</b>	<b>ASP For the six months ended 30 June 2021 RMB/sq.m.</b>
Yulong Bay Phase I Underground Chamber	4,421	1,907	2,318
Underground chamber of other projects	113	172	657
Sub-total	<u>4,534</u>	<u>2,079</u>	<u>2,181</u>
<b>Ancillary Area Project</b>	<b>Revenue RMB'000</b>	<b>Unit sold For the six months ended 30 June 2021 Unit</b>	<b>ASP For the six months ended 30 June 2021 RMB/unit</b>
Yulong Bay Phase I Underground Car Park Unit	19,532	110	177,564
Underground car park unit of other projects	1,008	14	72,000
Sub-total	<u>20,540</u>	<u>124</u>	<u>165,645</u>
Total	<u>177,108</u>		
Less: Tax and surcharges	<u>(3,669)</u>		
Total revenue after tax	<u>173,439</u>		

### ***Property Leasing***

For the six months ended 30 June 2021, our property leasing income was RMB20.7 million. In the future, we will consider the synergies created by the property development business, to determine the input of resources on property investment.

## **Outlook**

In respect of our industrial town development business, we will focus on the development of Longhe Park and the foundation works of other outbound projects (including projects in Beijing-Tianjin-Hebei Region and projects in Yangtze River Delta Economic Zone) during the second half of 2021. We are confident that we can complete the annual development plan and revenue plan formulated by the management of the Group at the beginning of the year.

In respect of our property development business, we will focus on the construction of Foxconn City Phase III, Longhe Center, Yuehu Bay and Electronic Information Industrial Park during the second half of 2021. Revenue from sales of properties during the second half of 2021 is expected to be derived mainly from the sales of Foxconn City Phase II and the remaining units of Hongtai Longdi, Hongtai Meishuguan, Electronic Information Industrial Park and Yulong Bay Phase I.

Taking into account our cash and future operating cash flows, and bank and other borrowings available, we believe that we have sufficient funding to support these development plans.

Since China Jinmao Holdings Group Limited (“**China Jinmao**”) has become a substantial shareholder of the Company, we will actively seek collaboration and promote strategic synergy between the two parties. Relying on China Jinmao’s position of city operator, we will carry out comprehensive, mutually beneficial cooperation in fields of city operations and property development, leasing and operations of properties held, industrial finance and property services, green building technology and education services, and introduce various products and services such as technological residence, high star-level hotel, commercial and property management services of Mall of Splendor, regional energy stations and education brands of China Jinmao based on our needs and under appropriate circumstances, to realize positive results of linkage and integration as well as deep complementation of business features. Furthermore, we may utilize China Jinmao’s resources, innovate and explore in life science, materials science, basic chemical engineering, environmental science, mechanical equipment and other fields to realize stable, long-term enterprises development and extensive expansion of industrial resources.

## **OTHER INFORMATION**

### **INTERIM DIVIDEND**

The Board has resolved not to declared any interim dividend for the six months ended 30 June 2021.

### **EMPLOYEE REMUNERATION AND RELATIONS**

As at 30 June 2021, the Group had a total of 771 employees (31 December 2020: 838 employees). The Group provides its employees with competitive remuneration and benefits, and regularly reviews its remuneration policy based on employee performance and contribution and the industry remuneration level. In addition, the Group also provides various training courses to enhance the employees’ skills and capabilities in all aspects.

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

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities during the reporting period.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as the guidelines for the directors' dealings in the securities of the Company. Upon specific enquiries being made with all directors of the Company, each of them confirmed that they have complied with the required standards set out in the Model Code throughout the reporting period.

## **CORPORATE GOVERNANCE**

The Board and the management of the Group are committed to the maintenance of good corporate governance practices and procedures. During the reporting period, the Company has complied with the code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules (the "**Corporate Governance Code**") except for the deviation from the Code Provisions A.2.1, A.6.7 and E.1.2. The reason for the deviation from the Code Provision A.2.1 remains the same as that stated in the Company's 2020 annual report issued on 16 April 2021.

Under Code Provision A.6.7, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of the shareholders.

Due to other pre-arranged business commitments which must be attended, Ms. Zhao Ying, being the then non-executive director of the Company (resigned from her position as the non-executive director with effect from 19 July 2021), was not present at the annual general meeting of the Company held on 2 June 2021 (the "**AGM**"). However, Dr. Wong Wing Kuen, Albert, Ms. Hsieh Yafang and Professor Wang Yijiang, being independent non-executive directors and members of the audit committee of the Company, were present at the AGM to ensure an effective communication with the shareholders thereat.

Code provision E.1.2 provides that the chairman of the board should attend the annual general meeting. Mr. Wang Jianjun, the then Chairman of the Board (resigned from his position as the Chairman of the Board with effect from 19 July 2021), was unable to attend the AGM due to other pre-arranged business commitments which must be attended. Mr. Huang Peikun, the then executive director and chief financial officer of the Company (resigned from his positions as the executive director and chief financial officer with effect from 19 July 2021) who took the chair of the AGM, together with other members of the Board who attended the AGM, were of sufficient calibre for answering questions at the AGM and had answered questions at the AGM competently.



## **AUDIT COMMITTEE**

The Company has established an audit committee with written terms of reference in compliance with Rules 3.21 and 3.22 of the Listing Rules and Code Provision C.3 of the Corporate Governance Code. The audit committee consists of three independent non-executive directors, namely, Dr. Wong Wing Kuen, Albert, Ms. Hsieh Yafang and Professor Wang Yijiang, and is chaired by Dr. Wong Wing Kuen, Albert who possesses appropriate accounting and related financial management expertise. The primary duties of the audit committee are to assist the Board to fulfill the functions of reviewing and monitoring the financial reporting procedure and internal control of the Company and to perform other duties and responsibilities as assigned by the Board.

The audit committee has discussed with the independent auditor of the Company, Deloitte Touche Tohmatsu, and has reviewed the accounting principles and practices adopted by the Company, and has reviewed the unaudited financial results of the Group for the six months ended 30 June 2021.

## **PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT**

The interim results announcement is published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) as well as the website of the Company ([www.vastiud.com](http://www.vastiud.com)). The Company's 2021 interim report will be dispatched to shareholders and will be published on the aforementioned websites in due course.

By Order of the Board  
**China VAST Industrial Urban Development Company Limited**  
**Song Liuyi**  
*Chairman*

Hong Kong, 19 August 2021

*As at the date of this announcement, the executive directors of the Company are Mr. WANG Jianjun, Mr. ZHAO Lei, Mr. YANG Yun, Mr. WANG Yagang and Ms. WANG Wei; the non-executive director is Mr. Song Liuyi; and the independent non-executive directors are Dr. WONG Wing Kuen, Albert, Ms. HSIEH Yafang and Professor WANG Yijiang.*