GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED
金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1232)

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

FINANCIAL HIGHLIGHTS

- Total contracted sales increased by 83.4% to RMB3,218.4 million for the six months ended 30 June 2021 (30 June 2020: RMB1,754.8 million).
- Revenue increased by 184.3% to RMB1,246.3 million for the six months ended 30 June 2021 (30 June 2020: RMB438.3 million).
- Loss for the period amounted to RMB77.2 million (30 June 2020: loss for the period of RMB139.9 million).
- Total equity amounted to RMB4,839.7 million as at 30 June 2021 (31 December 2020: RMB4,919.9 million) with net asset value per share amounting to RMB2.69 per share (31 December 2020: RMB2.73 per share).*(Note)*
- As of 30 June 2021, the Group had total cash and bank deposits of RMB1,979.4 million (31 December 2020: RMB1,413.3 million).
- Total investment properties as at 30 June 2021 amounted to RMB6,488.7 million (31 December 2020: RMB6,628.6 million).
- Net gearing ratio was reduced to 81.8% as at 30 June 2021 (31 December 2020: 95.6%).

Note: Net asset value per share is calculated by dividing the total equity by the weighted average number of shares.

The board (the "**Board**") of directors (the "**Directors**", and each a "**Director**") of Golden Wheel Tiandi Holdings Company Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2021, together with the comparative figures for the corresponding period of 2020, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30 June	
		2021	2020
	NOTES	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Revenue	3	**1,246,306**	438,292
Cost of sales		**(1,232,993)**	(310,610)
Gross profit		**13,313**	127,682
Changes in fair value of investment properties		**58,250**	(59,424)
Other income, expenses, gains and losses	4(b)	**131,650**	15,890
Selling and marketing expenses		**(43,827)**	(25,104)
Administrative expenses		**(81,854)**	(78,769)
Profit/(loss) from operations		**77,532**	(19,725)
Finance costs	4(a)	**(122,922)**	(105,704)
Share of (losses)/profits of associates		**(11,246)**	22,235
Share of profits/(losses) of joint ventures		**24,328**	(1,993)
Loss before taxation	4	**(32,308)**	(105,187)
Income tax	5	**(44,925)**	(34,692)
Loss for the period		**(77,233)**	(139,879)
Attributable to:			
Equity shareholders of the Company		**(76,299)**	(151,842)
Non-controlling interest		**(934)**	11,963
Loss for the period		**(77,233)**	(139,879)

	NOTES	Six months ended 30 June 2021 RMB'000 (unaudited)	2020 RMB'000 (unaudited)
Loss per share			
Basic *(RMB per share)*	6	**(0.042)**	(0.084)
Diluted *(RMB per share)*	6	**(0.042)**	(0.084)
Other comprehensive income for the period (after tax and reclassification adjustments):			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of the entities with functional currencies other than RMB		**(1,587)**	(718)
Other comprehensive income for the period		**(1,587)**	(718)
Total comprehensive income for the period		**(78,820)**	(140,597)
Attributable to:			
Equity shareholders of the Company		**(77,886)**	(152,560)
Non-controlling interest		**(934)**	11,963
Total comprehensive income for the period		**(78,820)**	(140,597)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTES	**At 30 June 2021** *RMB'000* **(unaudited)**	At 31 December 2020 *RMB'000* (audited)
Non-current assets			
Property, plant and equipment	7	**534,306**	266,713
Investment properties	7	**6,488,737**	6,628,565
Interests in associates		**95,653**	204,233
Interests in joint ventures		**437,392**	413,064
Other financial assets	8	**12,948**	289,529
Restricted bank deposits		**23,782**	181,011
Deferred tax assets		**126,950**	143,629
		7,719,768	8,126,744
Current assets			
Properties under development for sale		**3,790,940**	5,254,447
Completed properties for sale		**2,600,506**	1,903,760
Contract costs		**15,623**	15,205
Trade and other receivables	9	**802,493**	534,943
Land appreciation tax and income tax prepaid		**114,591**	51,929
Other financial assets	8	**275,296**	39,966
Restricted bank deposits		**979,895**	383,182
Cash and cash equivalents		**975,730**	849,120
		9,555,074	9,032,552
Current liabilities			
Trade and other payables	10	**2,126,313**	2,175,139
Contract liabilities		**2,352,313**	1,881,711
Rental received in advance		**39,314**	32,106
Lease liabilities		**47,504**	45,862
Bank loans		**2,526,629**	1,831,855
Current taxation		**513,059**	556,871
Senior notes		**1,935,145**	1,221,429
		9,540,277	7,744,973
Net current assets		**14,797**	1,287,579
Total assets less current liabilities		**7,734,565**	9,414,323

	NOTES	At 30 June 2021 RMB'000 (unaudited)	At 31 December 2020 RMB'000 (audited)
Non-current liabilities			
Lease liabilities		**198,434**	215,188
Bank loans		**564,316**	979,651
Deferred tax liabilities		**1,215,906**	1,200,435
Rental received in advance		**3,606**	15,647
Senior notes		**912,599**	2,083,456
		2,894,861	4,494,377
NET ASSETS		**4,839,704**	4,919,946
CAPITAL AND RESERVES			
Share capital	11(a)	**112,883**	113,099
Reserves		**4,634,859**	4,713,951
Total equity attributable to equity shareholders of the Company		**4,747,742**	4,827,050
Non-controlling interests		**91,962**	92,896
TOTAL EQUITY		**4,839,704**	4,919,946

1. GENERAL AND BASIS OF PREPARATION

Golden Wheel Tiandi Holdings Company Limited (the "**Company**") was incorporated as an exempted Company with limited liability in the Cayman Islands on 26 April 2012 and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with effect from 16 January 2013.

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") are principally engaged in property development, property leasing and hotel operation.

The unaudited condensed consolidated financial statements are presented in Renminbi ("**RMB**"), the currency of the primary economic environment in which the principal subsidiaries of the Company operate (same as the functional currency of the Company).

This interim financial statements of the Group have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("**IAS**") 34, Interim financial reporting, issued by the International Accounting Standard Board ("**IASB**"). It was authorised for issue on 30 August 2021.

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

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

The interim financial statements contain unaudited consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2020 annual financial statements. The unaudited condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The interim financial statements are unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

2. CHANGE IN ACCOUNTING POLICIES

The Group has applied the following amendments to IFRSs issued by the IASB to these financial statements for the current accounting period:

- Amendment to IFRS 16, Covid-19-related rent concessions beyond 30 June 2021; and

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, Interest rate benchmark reform – phase 2.

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in the interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE AND SEGMENT REPORTING

The principal activities of the Group are property development, property leasing and hotel operation. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified three operating and reportable segments.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by business lines and geographical location of customers is as follows:

	Six months ended 30 June	
	2021	2020
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Property development	**1,110,568**	336,758
Property leasing	**104,895**	89,420
Hotel operation	**30,843**	12,114
Total revenue	**1,246,306**	438,292
Disaggregated by geographical location of customers		
Mainland China	**1,242,328**	438,292
Hong Kong	**3,978**	–
	1,246,306	438,292

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 3(b).

(b) Information about profit or loss, assets and liabilities

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below. No segment assets and liabilities are presented as they were not regularly provided to the chief operating decision maker for the purposes of resource allocation and performance assessment.

	Property development		Property leasing		Hotel operation		Total	
For the six months ended	**2021**	2020	**2021**	2020	**2021**	2020	**2021**	2020
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
Disaggregated by timing of revenue recognition								
Point in time	**1,110,568**	336,758	**–**	–	**–**	–	**1,110,568**	336,758
Over time	**–**	–	**104,895**	89,420	**30,843**	12,114	**135,738**	101,534
Reportable segment revenue	**1,110,568**	336,758	**104,895**	89,420	**30,843**	12,114	**1,246,306**	438,292
Reportable segment profit/ (loss)	**(131,278)**	5,996	**47,921**	37,400	**(3,774)**	(7,101)	**(87,131)**	36,295

(c) Reconciliations of reportable segment profit or loss

	Six months ended 30 June	
	2021	2020
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Reportable segment (loss)/profit	**(87,131)**	36,295
Changes in fair value of investment properties	**58,250**	(59,424)
Other income, expenses, gains and losses	**131,650**	15,890
Unallocated head office and corporate expenses	**(25,237)**	(12,486)
Finance costs	**(122,922)**	(105,704)
Share of (losses)/profits of associates	**(11,246)**	22,235
Share of profits/(losses) of joint ventures	**24,328**	(1,993)
Consolidated loss before taxation	**(32,308)**	(105,187)

4. LOSS BEFORE TAXATION

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

(a) Finance costs

	Six months ended 30 June	
	2021	2020
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest on bank loans	**96,590**	108,222
Interest on lease liabilities	**7,883**	8,770
Interest on senior notes	**241,193**	192,919
Less: Interest expense capitalised into properties under development for sale and investment properties under development	**(222,744)**	(204,207)
Total finance costs	**122,922**	105,704

(b) Other income, expenses, gains and losses

	Six months ended 30 June	
	2021	2020
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Dividend and interest income	**33,820**	33,198
Government grant	**616**	798
Compensation income from early termination of leasing contract	**1,811**	3,173
Net foreign exchange gain/(loss)	**94,871**	(47,206)
Changes in fair value of financial assets at FVTPL	**680**	5,948
(Loss)/gain on disposal of financial assets at FVTPL	**(1,528)**	1,662
Gain from repurchases of senior notes	**2,867**	19,533
Donation	**(166)**	(91)
Others	**(1,321)**	(1,125)
Total	**131,650**	15,890

(c) Other items

	Six months ended 30 June	
	2021	2020
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Cost of properties sold	**1,189,128**	287,470
Cost of rental income	**16,165**	11,114
Depreciation of property, plant and equipment	**14,096**	10,729
Impairment loss recognised in respect of investments in debt instruments	**883**	1,517

5. INCOME TAX

	Six months ended 30 June	
	2021	2020
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Current tax – Hong Kong Profits Tax	**–**	–
Current tax – People's Republic of China ("**PRC**") corporate income tax ("**CIT**")	**15,557**	17,313
Current tax – Land appreciation tax ("**LAT**")	**(2,782)**	30,537
Deferred taxation	**32,150**	(13,158)
	44,925	34,692

No provision for taxation has been recognised for companies incorporated in the Cayman Island and the British Virgin Islands as they are not subject to any tax during both periods.

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2020: 16.5%) to the six months ended 30 June 2021. Under the two-tiered profits tax rates regime, the first Hong Kong Dollars ("**HK$**") 2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The provision for PRC income tax is based on the respective corporate income tax rates applicable to the subsidiaries located in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC.

The LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures including payments made for acquisition of land use rights, costs and expenses for the development of the land or for construction of new buildings and supporting facilities, or the assessed value for old buildings and structures, tax payable relating to transfer of the real estate and other deductible items prescribed by the Ministry of Finance. Apart from the aforementioned deductions, property developers enjoy an additional deduction, which is equal to 20% of the payment made for acquisition of land use rights and the costs of land development and construction of new buildings or related facilities.

6. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to equity shareholders of the Company of RMB76,299,000 (six months ended 30 June 2020: loss of RMB151,842,000) and the weighted average of 1,800,761,000 ordinary shares (2020: 1,802,456,000 shares) in issue during the interim period.

(b) Diluted loss per share

The computation of diluted loss per share does not assume the exercise of the Company's outstanding share options because the exercise price of those options was higher than the average market price for shares for both reporting periods. Accordingly, the diluted loss per share was same as the basic loss per share for both periods.

7. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

The Group entered into a number of lease agreements for use of metro leasing and hotels. During the six months ended 30 June 2021, the group did not receive rent concessions in the form of a discount on the lease payments to contain the spread of COVID-19.

(b) Acquisitions and disposals of owned assets

During the six months ended 30 June 2021, the Group acquired items of plant, property and equipment with a cost of RMB78,773,000 (six months ended 30 June 2020: RMB7,937,000). No plant, property and equipment was disposed of during the six months ended 30 June 2021 and six months ended 30 June 2020. Certain investment properties were transferred to plant, property and equipment, amounting to RMB211,000,000 (six months ended 30 June 2020: nil).

(c) Valuation

The valuations of investment properties and land and buildings held for rental income carried at fair value were updated at 30 June 2021 by the Group's independent valuer using the same valuation techniques as were used by this valuer when carrying out the December 2020 valuations.

As a result of the update, a net gain of RMB58,250,000 (2020: net loss of RMB59,424,000), and the deferred tax thereon of RMB14,563,000 (2020: RMB14,856,000), have been recognised in profit or loss for the period in respect of investment properties.

8. OTHER FINANCIAL ASSETS

	At 30 June 2021 RMB'000 (unaudited)	At 31 December 2020 RMB'000 (unaudited)
Financial assets		
Financial assets measured at FVTPL		
– Held-for-trading	–	39,966
– Unlisted equity securities	193,120	192,440
– Others	92,171	93,255
Financial assets measured at FVTOCI	2,953	3,834
Total	288,244	329,495
Less: Amounts due within one year shown under current assets	(275,296)	(39,966)
Amounts shown under non-current assets	12,948	289,529

9. TRADE AND OTHER RECEIVABLES

Trade receivables mainly comprises certain consideration for sale of properties and rental receivable in respect of self-owned investment properties and sub-leased properties and hotel operation. Consideration in respect of sale of properties is receivable in accordance with the terms of related sale and purchase agreements. Rentals are usually received in advance. Rental receivables are normally due within 30 days. However, longer credit periods might grant to certain customers on a discretions basis.

As of the end of the reporting period, the ageing analysis of trade receivables net of allowance for credit losses presented based on the date of delivery of properties/date of rendering of services, is as follows:

	At 30 June 2021 RMB'000 (unaudited)	At 31 December 2020 RMB'000 (unaudited)
Within 1 year	94,194	77,996
Trade receivables, net of loss allowance	94,194	77,996
Amount due from associates and joint ventures	304,774	110,427
Other debtors	285,208	253,914
Less: Allowance for credit losses	(27,714)	(27,714)
Financial assets measured at amortised cost	656,462	414,623
Advances to contractors	23,769	12,023
Other taxes prepaid	122,262	108,297
	802,493	534,943

10. TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade creditors and bills payables (which are included in trade and other payables), based on the invoice date, is as follows:

	At 30 June 2021	At 31 December 2020
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Within 180 days	**997,305**	1,175,729
181 to 365 days	**58,431**	114
Over 1 year	**98,372**	85,095
Total creditors and bills payable	**1,154,108**	1,260,938
Other creditors and accrued charges	**797,694**	654,058
Amounts due to joint ventures and associates	**174,511**	260,143
Financial liabilities measured at amortised cost	**2,126,313**	2,175,139

11. CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital

The number of issued and fully paid shares is 1,799,020,000 and the share capital is RMB112,883,000 at 30 June 2021. The Company repurchased 1,600,000 shares, 1,158,000 shares and 678,000 shares at the prices of HK$0.53, HK$0.55 and HK$0.59 respectively on 31 March, 1 April and 7 April 2021. As of 30 June 2021, all the repurchased shares had been cancelled.

(b) Dividends

(i) Dividends payable to equity shareholders attributable to the interim period

	2021	2020
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interim dividend declared and paid after the interim period is nil (2020: nil)	**–**	–

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

(ii) ***Dividends payable to equity shareholders attributable to the previous financial year, approved and paid during the interim period***

	Six months ended 30 June	
	2021	2020
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Final dividend in respect of the previous financial year, approved and paid during the following interim period is nil (six months ended 30 June 2020: HK$0.016(equivalent to RMB0.015)	**–**	26,313

The calculation of dividend per share is based on 1,802,456,000 ordinary shares (2020: 1,802,456,000 ordinary shares).

(c) Purchase of own shares

During the interim period, the Company repurchased its own shares on Stock Exchange as follows:

Month/year	**Number of shares repurchased**	**Highest price paid per share** *HK$*	**Lowest price paid per share** *HK$*	**Aggregate price paid** *HK$*
March 2021	1,600,000	0.53	0.53	856,000
April 2021	1,836,000	0.59	0.55	1,042,000
				1,898,000

The total amount paid on the repurchased shares in the sum of HK$1,898,000 (RMB1,537,000) was paid wholly out of retained profits. All the repurchased shares were cancelled.

BUSINESS REVIEW

The global economy was continuously and adversely affected by the COVID-19 pandemic in the first half of 2021. Although vaccines have come to the market since late 2020, the variant of the COVID-19 virus had rendered the vaccines less effective and confirmed cases of COVID-19 continued to rise. Nevertheless, since the Chinese government has successfully contained the spread of the pandemic in most of the cities in China, market sentiment has gradually improved since the second quarter of 2020. In the first six months of 2021, the Group has accelerated the launch of its pre-sale projects in order to meet the objective of deleveraging the Group's overall borrowings. As a result, despite the negative impact of the COVID-19 pandemic, the Group still managed to achieve a high amount of contracted sales during the reporting period, which was in line with its budget. For the six months ended 30 June 2021, contracted sales of the Group and its joint ventures and associates amounted to RMB3,218.4 million.

For the six months ended 30 June 2021, property leasing and hotel operation business of the Group have mostly returned to pre-pandemic period. Average occupancy rates for property leasing and hotel operation have increased to 87% (30 June 2020: 80%) and 79% (30 June 2020: 56%), respectively.

Property development

Contracted sales

The Group currently has more than 18 projects on sale. During the reporting period, the Group has launched the pre-sale of two new projects in Lianyungang and Yangzhou, namely Galaxy Light and Kaichen Yuan respectively. For the six months ended 30 June 2021, the Group and its joint ventures and associates recorded total contracted sales value and contracted sales area of approximately RMB3,218.4 million (30 June 2020: RMB1,754.8 million) and approximately 228,290 sq.m. (30 June 2020: 130,487 sq.m.), respectively.

Property sales

For the six months ended 30 June 2021, the Group's revenue from sale of properties amounted to approximately RMB1,110.6 million with an aggregate gross floor area ("**GFA**") of approximately 74,336 sq.m. being sold and delivered. The average selling price of these sold properties amounted to approximately RMB14,940 per sq.m.

As at 30 June 2021, there were total unrecognised contracted sales of RMB3,700.9 million. These unrecognised contracted sales are expected to be recognised in the second half of 2021 and in 2022 as and when the related projects are completed and delivered.

Land bank of the Group

As affected by the COVID-19 pandemic, the Group adopted a more prudent approach in new land acquisition during the first half of 2021. As a result, the Group did not acquire any new land but only invested in one new joint venture during the first half of 2021. The project of the new joint venture was located in Lianyungang city, with a land area of 15,279 sq.m.

As at 30 June 2021, the Group had a total land bank of GFA of 1,596,739 sq.m., including 119,594 sq.m. of completed but unsold properties, 32,819 sq.m. of own used properties, 170,475 sq.m. of completed investment properties, 673,734 sq.m. of properties under development and 600,117 sq.m. of properties developed by joint venture and associate entities.

Property leasing

Rental income and occupancy rate of the Group's leasing business had basically returned to the normal level for the reporting period. For the corresponding period last year, as a result of the outbreak of the COVID-19 pandemic, the Group had voluntarily granted rental waivers of around one to three months to its lessees with an aim to ease the financial pressure on the Group's customers and to maintain customer relationship.

As at 30 June 2021, the Group had completed investment properties with a total GFA of approximately 170,475 sq.m. The overall occupancy rate of the Group's investment properties for the six months ended 30 June 2021 was over 85%.

Metro leasing and operational management business

In March 2020, the Group has established a subsidiary, namely Wuxi Metro City Commercial Management Company Ltd (無錫地鐵商業管理有限公司), with Wuxi Metro Resource Development Company (無錫地鐵資源開發有限公司). The Group's equity interest in the subsidiary is 60%. During the reporting period, the subsidiary had signed the leasing and operational management contract with the local authority in relation to the underground commercial space in 8 stations on Wuxi Metro Lines 3 and 4 for a term of 10 years. The total leasable GFA of these 8 stations amounted to approximately 45,500 sq.m..

As at 30 June 2021, the Group had leasing and operational management contracts of 23 metro station shopping malls in five cities in mainland China, namely, Nanjing, Suzhou, Wuxi, Changsha and Xuzhou with a total leasable GFA of around 128,200 sq.m. As at 30 June 2021, 10 metro station shopping malls were under operation and the overall occupancy rate was over 85%.

Hotel operation

After the disposal of Silka West Kowloon Hotel in Hong Kong in 2019, the Group has since focused its hotel business only in Mainland China.

In April 2021, the Group's new hotel, namely Nanjing Golden Wheel Courtyard Marriott, commenced operation.

As at 30 June 2021, the Group had four hotels under operation, namely Golden Wheel Atour Hotel in Nanjing, Golden Wheel Hampton by Hilton in Changsha, Golden Wheel Hampton by Hilton in Yangzhou and Nanjing Golden Wheel Courtyard Marriott. Total number of rooms for these four hotels amounts to 674. Average room occupancy rate of these four hotels during the reporting period was 79%.

Significant investments held

The Group considers desirable investment opportunities from time to time, taking into account interests of the Group and its shareholders as a whole. On 14 July 2020, the Group subscribed for 20,000,000 shares of Ganglong China Property Group Limited ("**Ganglong China Property**") at a total consideration of approximately HK$79,393,000. Subsequently, the Group has disposed all of its holding in Ganglong China Property by a series of transactions conducted between December 2020 and May 2021 with a total gain on the disposal of approximately HK$5,970,000.

As at 30 June 2021, the Group's major investment was its equity investment in the shares of Xiamen International Bank Co., Ltd., which were 34 million (31 December 2020: 34 million) unlisted equity shares of Xiamen International Bank Co., Ltd with a carrying value of RMB193.1 million (31 December 2020: RMB192.4 million).

Golden Wheel Plaza in Hong Kong

The Group's first commercial project in Hong Kong, namely Golden Wheel Plaza, has completed and the occupancy permit was obtained in July 2020. The project is located near Tin Hau MTR Station in Hong Kong and is a commercial building with a total GFA of approximately 51,975 square feet.

The outbreak of the COVID-19 pandemic has caused severe disruptions to Hong Kong economics and business activities, resulting in an increase in vacancy of office building as well as a decrease in rental for offices and retail shops. As such, the Group's first commercial project in Hong Kong has faced much more difficulties when the Group launched the project in the second half of 2020. Nevertheless, as a result of the hard work of the Group's marketing team in Hong Kong, as of the date of this interim announcement, more than 75% of the property was leased out.

Financing

On 6 January 2021, the Group issued additional senior notes in an aggregate principal amount of USD85 million with coupon rate of 14.25% per annum and due in January 2023 (the "**Additional Notes**"). The Additional Notes were consolidated and formed a single class with the USD 2023 Notes, which were issued on 9 July 2020 by the Group in an aggregate principal amount of USD170 million with a coupon rate of 14.25% per annum (the "**USD 2023 Notes**"). The Additional Notes, together with the USD2023 Notes, have been admitted to the official list of the Singapore Exchange Securities Trading Limited (the "**Singapore Exchange**"). Proceeds from the Additional Notes were applied to refinance its then existing indebtedness. Details of the Additional Notes are set out in the announcement of the Company dated 6 January 2021.

On 31 May 2021, the Group offered to exchange its then existing outstanding 12.95% senior notes due 2022 (the "**USD 2022 Notes**") and its existing outstanding USD 2023 Notes for the USD denominated senior notes due 2023 issued by the Company on 11 June 2021 (the "**USD 2023 July Notes**") up to the aggregate maximum acceptance amount of USD145 million (the "**Exchange Offer**"). On 11 June 2021, the Exchange Offer was completed and the Group issued an aggregate principal amount of USD144,999,000 of the USD 2023 July Notes with a coupon rate of 16%. Following completion of the Exchange Offer, USD74,494,000 of the USD 2022 Notes, representing 37.25% of the total aggregate principal amount of the outstanding USD 2022 Notes, has been cancelled and exchanged for USD74,494,000 of the USD 2023 July Notes. The remaining outstanding principal amount of the USD 2022 Notes is USD125,506,000 after such cancellation. Meanwhile, USD70,505,000 of the USD 2023 Notes, representing 27.65% of the total aggregate principal amount of the outstanding USD 2023 Notes, has been cancelled and exchanged for USD70,505,000 of the USD 2023 July Notes. The remaining outstanding principal amount of the USD 2023 Notes is USD184,495,000 after such cancellation. The principal purpose of the Exchange Offer is to extend the maturity profile of the Group's foreign-currency denominated debt and improve the Group's debt structure, enabling the Group to develop more steadily and strengthen its balance sheets and cash flows management. Details of the Exchange Offer are set out in the announcements of the Company dated 31 May 2021, 9 June 2021 and 11 June 2021.

OUTLOOK

The demand for China's property loan has slowed down amid COVID-19 resurgence in the Mainland China. Together with the tighten policies adopted by the local governments, it is expected that China's property sector will experience a downward trend in the second half 2021. In addition, in July 2021, another coronavirus cluster which was the most serious COVID-19 outbreak in China since February 2021 took place in Nanjing city, in which the Group's major business is located. Therefore, the Group's business, including properties sales, leasing business and hotel operation would be further adversely affected in the second half of 2021.

To ensure continuous growth in the Group's property development business, it is the strategy of the Group to have a land bank that can support the Group's stable growth for at least the next three years. As at 30 June 2021, the Group had a land bank of GFA of 1,596,739 sq.m. which should meet the needs of the Group's new three-year development plan. In the second half of 2021, the Group will exercise extra caution when looking for good development opportunities. More co-operation with local major property developers will be expected. Moreover, the Group will also focus more on residential projects so as to achieve a faster capital turnover rate.

For property development, it was expected that in the second half of 2021, two projects, namely Nanjing Golden Wheel Cuiyong Hua Ting and Yangzhou No. 1 Golden Bay, will be completed and delivered.

For leasing business, since the funding cost of the Group has continued to increase, it is the intention of the management to dispose some of the Group's investment properties so as to deleverage the Group's overall borrowings and reduce its total finance cost. Therefore, it is expected that certain investment properties located in less prime locations will be disposed of in the coming 12 months.

After the disposal of its entire interest in Double Advance Group Limited, which owns the Silka West Kowloon Hotel in Hong Kong, in 2019, the Group has since focused its hotel business only in Mainland China. As at 30 June 2021, the Group had four hotels under operations. It is the management's intention to further expand the Group's hotel business in Mainland China and therefore the Group will actively identify new hotel development opportunities in the future.

Looking ahead, the Group will continue to carry out its core strategy, that is "Focusing on the development and operation of projects that are physically connected to metro stations or other transportation hub". Together with the Group's prudent financial management, the Group believes it could maintain its competitive edge for further development and expansion.

FINANCIAL REVIEW

Results of operation

Revenue

The Group's revenue consists of revenue derived from (i) sale of developed properties; (ii) rental income from property leasing; and (iii) income from hotel operation. The following table sets forth a breakdown of the Group's revenue and the percentage of total revenue for the periods indicated:

	For the six months ended			
	30 June 2021 (unaudited)		30 June 2020 (unaudited)	
	RMB'000	***%***	*RMB'000*	*%*
Property development	**1,110,568**	**89.1**	336,758	76.8
Property leasing	**104,895**	**8.4**	89,420	20.4
Hotel operation	**30,843**	**2.5**	12,114	2.8
Total	**1,246,306**	**100.0**	438,292	100.0

The Group's revenue was primarily generated from its sale of developed properties, which accounted for 89.1% of its revenue for the six months ended 30 June 2021 (six months ended 30 June 2020: 76.8%), rental income from property leasing, which accounted for 8.4% of its revenue for the six months ended 30 June 2021 (six months ended 30 June 2020: 20.4%) and income from hotel operation, which accounted for 2.5% of its revenue for the six months ended 30 June 2021 (six months ended 30 June 2020: 2.8%). Revenue substantially increased by 184.3% from RMB438.3 million for the six months ended 30 June 2020 to RMB1,246.3 million for the six months ended 30 June 2021, primarily due to the increase in revenue generated from all business segments of the Group for the current period.

Property development

Revenue derived from the property development business increased by 229.8% from RMB336.8 million for the six months ended 30 June 2020 to RMB1,110.6 million for the six months ended 30 June 2021. This increase was primarily due to the increase in the total GFA sold and delivered during the first half of 2021 as the construction and sales activities of the Group returned to normal whereas during the corresponding period last year, sales activities of the Group were seriously affected during the first quarter of 2020 due to the outbreak of the COVID-19 pandemic. In addition, during the reporting period, the Group had 2 new projects completed and delivered, while no project was completed and delivered in the corresponding period last year.

Property leasing

Revenue derived from property leasing increased by 17.3% to RMB104.9 million for the six months ended 30 June 2021 (six months ended 30 June 2020: RMB89.4 million). The increase was mainly because the Group's leasing business has largely returned to normal during the six months ended 30 June 2021. During the corresponding period last year, the Group's leasing business was greatly affected by the outbreak of the COVID-19 pandemic as the Group had voluntarily granted rental waivers of around one to three months to its lessees in view of the on-going outbreak of the COVID-19 pandemic, with an aim to ease the financial pressure on the Group's customers and to maintain customer relationship.

Hotel operation

Revenue derived from hotel operation increased substantially by 154.6% to RMB30.8 million for the six months ended 30 June 2021 (six months ended 30 June 2020: RMB12.1 million). The increase was primarily due to the addition of two new hotels in China. One of the two hotels commenced operation in October 2020 and the other one commenced operation in April 2021. In addition, due to the outbreak of the COVID-19 pandemic, the Group's hotels in China were temporarily closed for more than two months as required by the local government authorities in the first quarter of 2020 and there was no such closure during the reporting period.

Cost of sales

The following table sets forth a breakdown of the Group's cost of sales for the periods indicated:

	For the six months ended			
	30 June 2021 (unaudited)		30 June 2020 (unaudited)	
	RMB'000	*%*	*RMB'000*	*%*
Property development				
– Land acquisition costs	**462,178**	**37.5**	105,366	33.9
– Construction costs	**609,922**	**49.5**	145,474	46.8
– Capitalised finance costs	**107,456**	**8.7**	33,698	11.0
– Tax expenses	**9,572**	**0.8**	2,932	0.9
Subtotal	**1,189,128**	**96.5**	287,470	92.6
Property leasing	**16,165**	**1.3**	11,114	3.6
Hotel operation	**27,700**	**2.2**	12,026	3.8
Total	**1,232,993**	**100.0**	310,610	100.0

Cost of sales increased substantially by 297.0% from RMB310.6 million for the six months ended 30 June 2020 to RMB1,233.0 million for the six months ended 30 June 2021, primarily due to the increase in cost of sales from property development, which was in line with the increase in revenue arising from the sales of developed properties.

Gross profit and gross profit margin

Gross profit decreased by 89.6% from RMB127.7 million for the six months ended 30 June 2020 to RMB13.3 million for the six months ended 30 June 2021, primarily due to the gross loss generated from the sale of developed properties.

Gross profit margin of the Group decreased from 29.1% for the six months ended 30 June 2020 to 1.1% for the six months ended 30 June 2021, primarily due to a loss incurred from the sale of developed properties.

For the six months ended 30 June 2021, the Group had incurred a loss from its sale of developed properties whereas during the corresponding period last year, the gross profit margin of the sale of developed properties was 14.6% . The reason for such loss was primarily due to the fact that one of the Group's residential project in Nanjing had made a loss of RMB153 million. This was mainly resulted from the restricted selling price policy adopted by the local government and the Group had acquired that project just before the adoption of this pricing policy. If the loss of this project is not considered, the gross profit margin for the remaining sale of completed properties was 12.7%.

The gross profit margin for property leasing decreased slightly from 87.6% for the six months ended 30 June 2020 to 84.6% for the six months ended 30 June 2021. Due to the outbreak of the COVID-19 pandemic, there was in general a slight reduction in rental on renewal of leases during the current reporting period.

The gross profit margin for hotel operation increased from 0.7% for the six months ended 30 June 2020 to 10.2% for the six months ended 30 June 2021. These was a temporary closure of hotels of the Group in China for more than two months as a result of the COVID-19 pandemic during the first quarter of 2020 but there was no such closure for the current reporting period, which primarily contributed to the increase in the gross profit margin for hotel operation. Nevertheless, the gross profit margin for the reporting period was still below the normal level because the new hotels which started operation in the last quarter of 2020 and the second quarter of 2021 had incurred more operating costs at their start-up period.

Changes in fair value of investment properties

The Group's investment properties were revaluated at the end of each of the relevant periods as at 30 June 2021 and 30 June 2020 on an open market value or existing use basis by an independent property valuer.

For the six months ended 30 June 2021, the Group recorded a fair value gain on investment properties of RMB58.3 million (for the six months ended 30 June 2020: a fair value loss of RMB59.4 million). The fair value gain for this period arose mainly because of the addition of new investment properties and the overall increase in rental income as the business of most of the Group's shopping malls had returned to normal business. The unrealised revaluation loss for the corresponding period last year was mainly caused by the outbreak of the COVID-19 pandemic which adversely affected the rental income generated by the Group's operating investment properties.

Other income, expenses, gains and losses

The Group had a net gain of RMB131.7 million for other income, expenses, gains and losses for the six months ended 30 June 2021 (for the six months ended 30 June 2020: RMB15.9 million). The net gain for the six months ended 30 June 2021 mainly consisted of dividend and interest income of RMB33.8 million (for the six months ended 30 June 2020: RMB33.2 million), gain on repurchases of senior notes of RMB2.9 million (for the six months ended 30 June 2020:RMB19.5 million) and net foreign exchange gain of RMB94.9 million (for the six months ended 30 June 2020: net foreign exchange loss of RMB47.2 million).

Selling and marketing expenses

Selling and marketing expenses primarily consisted of advertising and promotional expenses.

Selling and marketing expenses increased from RMB25.1 million for the six months ended 30 June 2020 to RMB43.8 million for the six months ended 30 June 2021, mainly due to the increase in advertising and promotional expenses for the pre-sale activities of projects during the reporting period.

Administrative expenses

Administrative expenses primarily consisted of staff salaries and benefits, depreciation and amortisation, office expenses, travelling expenses, professional fees, utilities and property tax, land use tax and stamp duty.

Administrative expenses increased from RMB78.8 million for the six months ended 30 June 2020 to RMB81.9 million for the six months ended 30 June 2021, representing an increase of approximately 3.9% as compared with that in the corresponding period of last year. The increase was mainly attributable to the Group's business growth, leading to an expansion in the scale of sales and projects management. The Group will continue to exercise stringent control over expenses and costs whilst striving to continue with the Group's business expansion.

Share of profits of associates and joint ventures

The Group's share of profit of associates and joint ventures amounted to RMB13.1 million during the six months ended 30 June 2021 (for the six months ended 30 June 2020: RMB20.2 million), which is mainly attributable to the share of a profit of RMB18.0 million from one of the Group's joint ventures, and offset by the share of loss amounting to RMB11.2 million in total from a number of associates. During the six months ended 30 June 2021, one of the Group's joint ventures, in which the Group owned 20% equity interest had completed and delivered its project, generated a net profit of RMB90.0 million. On the other hand, the losses incurred by these associates were mainly due to administrative expenses incurred during the reporting period as these associates were still in their development stage and therefore no profit has been generated for the reporting period.

Finance costs

Finance costs consisted primarily of interest expenses on borrowings net of capital finance costs. Finance costs increased from RMB105.7 million for the six months ended 30 June 2020 to RMB122.9 million for the six months ended 30 June 2021, primarily due to the increase in the average cost of borrowings. The average cost of borrowings had increased from 10.4% in 2020 to 11.8% in 2021.

Income tax

Tax expenses increased by RMB10.2 million from RMB34.7 million for the six months ended 30 June 2020 to RMB44.9 million for the six months ended 30 June 2021. The increase was mainly due to the increase in deferred taxation arising from the valuation gain on investment properties.

Loss for the period

Due to the decrease in gross profit, the Group incurred a net loss of RMB77.2 million for the six months ended 30 June 2021 (for the six months ended 30 June 2020: RMB139.9 million).

Liquidity, financial and capital resources

Cash position

As at 30 June 2021, the Group's cash and bank balances were RMB1,979.4 million (31 December 2020: RMB1,413.3 million), including restricted bank deposits of RMB1,003.7 million (31 December 2020: RMB564.2 million). The increase in cash and bank balances was mainly due to the increase in proceeds received from property sales which was a result of the substantial increase in contracted sales during the reporting period.

Bank and other borrowings

As at 30 June 2021, the Group's bank and other borrowings were RMB5,938.7 million (including senior notes of RMB2,847.7 million), representing a decrease of RMB177.7 million from RMB6,116.4 million as at 31 December 2020 (including senior notes of RMB3,304.9 million). Of the bank borrowings, RMB2,526.7 million are repayable within one year or on demand, RMB135.8 million are repayable between one and two years and RMB428.5 million are repayable between two and five years. Senior notes of RMB1,935.1 million are repayable within one year and RMB912.6 million are repayable after one year.

As at 30 June 2021, the Group's bank borrowings of RMB2,943.6 million were secured by the properties, including property, plant and equipment, investment properties, properties under development for sale and completed properties held for sale, and cash of the Group with a total carrying value of RMB9,774.4 million. The senior notes were secured by the share pledge of a majority of the Group's subsidiaries incorporated outside the PRC.

Except for the senior notes, the majority of the Group's bank borrowings carried a floating interest rate linked with the base lending rate of the People's Bank of China, London Inter-bank offered rate or Hong Kong Inter-bank offered rate. The Group's interest rate risk is mainly associated with the floating interest rates of its bank borrowings.

Cost of borrowings

For the six months ended 30 June 2021, the Group's total cost of borrowings was RMB337.8 million, representing an increase of RMB36.7 million or 12.2% as compared to the figure in the corresponding period in 2020 which was RMB301.1 million. The increase was primarily due to the increase in average borrowing cost in the reporting period as compared to the corresponding period in 2020. The Group's average costs of borrowings during the six months ended 30 June 2021 and 2020 were approximately 11.8% and 10.4%, respectively.

Gearing ratio

The net gearing ratio was calculated by dividing the total borrowings net of cash and restricted bank deposits by the total equity. As at 30 June 2021, the net gearing ratio of the Group was 81.8% (31 December 2020: 95.6%).

The Group's debt-to-asset ratio (total indebtedness minus contract liabilities divided by total assets) was approximately 58.3% as at 30 June 2021 versus approximately 60.4% as at 31 December 2020.

Foreign exchange rate risk

The Group operates its businesses mainly in China and a majority of the Group's bank deposits and bank and other borrowings are denominated in Renminbi. Certain bank deposits, bank borrowings and senior notes are denominated in Hong Kong dollars or United States dollars. Fluctuations in foreign currencies' exchange rates have had and will continue to have an impact on the business, financial condition and results of operations of the Group. The Group currently does not have a foreign currency hedging policy but the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Contingent liabilities

The Group typically provides guarantees to banks in connection with its customers' mortgage loans to finance their purchases of the Group's properties. The Group's guarantees are released upon the banks receiving the individual property ownership certificate of the respective properties from the customers as pledges for security to the mortgage loan granted. If any such customer defaults on the mortgage payment during the terms of the respective guarantees, the banks may demand the Group to repay the outstanding amount of the mortgage loan of such defaulting customer and any accrued interest thereon.

As at 30 June 2021, mortgage loan guarantees provided by the Group to the banks in favour of its customers amounted to RMB165.7 million (31 December 2020: RMB268.6 million). In the opinion of the Directors, the fair value of the guarantees at initial recognition is insignificant as the default rate is low.

Employees and remuneration policies

As at 30 June 2021, the Group had a total of approximately 858 (31 December 2020: 825) full-time employees in Hong Kong and China. The Group enters into employment contracts with its employees to cover matters such as job position, terms of employment, wage, employee benefits and liabilities for breaches and grounds for termination. Remuneration of the Group's employees includes basic salaries, allowances, pensions, performance bonuses and share options. Remuneration is determined with reference to the performance, skills, qualifications and experience of the employee concerned and the prevailing industry practice.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained the public float as required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") during the period under review.

CORPORATE GOVERNANCE PRACTICES

The Board and management of the Company are committed to maintaining high standards of corporate governance. The Board firmly believes that conducting the Group's business in a transparent and responsible manner and following good corporate governance practices serve its long-term interests and those of shareholders.

During the six months ended 30 June 2021, the Company has complied with the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules and most of the recommended best practices contained therein.

The Board will continue to review and monitor the practices of the Company with an aim to maintaining and improving a high standard of corporate governance practices.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") with specific terms of reference explaining its role and authorities delegated by the Board. The Audit Committee currently consists of three independent non-executive Directors: Mr. Li Sze Keung (Chairman), Mr. Lie Tak Sen and Mr. Wong Cho Kei, Bonnie, who together have sufficient accounting and financial management expertise and business experience to carry out their duties.

The primary duties of the Audit Committee are: to review and supervise the Company's financial reporting process, half-yearly and annual results, risk management and internal control systems, effectiveness of the internal audit function performed by the internal audit department of the Group and provide advice and comments to the Board. The Audit Committee meets with the external auditors and the management of the Group to ensure that the audit findings are addressed properly.

The Audit Committee had reviewed the unaudited interim condensed consolidated financial statements for the six months ended 30 June 2021 and discussed with the Company's management regarding risk management, internal control and other important matters.

REMUNERATION COMMITTEE

The Company has established a remuneration committee (the "**Remuneration Committee**") with specific terms of reference which deal clearly with its authorities and duties. The Remuneration Committee currently consists of two independent non-executive Directors and an executive Director: Mr. Wong Cho Kei, Bonnie (Chairman), an independent non-executive Director, Mr. Wong Kam Fai, an executive Director, and Mr. Lie Tak Sen, an independent non-executive Director.

The primary duties of the Remuneration Committee are: to make recommendations to the Directors on the Company's policy and structure for all remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; to assess the performance of each executive Director; to recommend to the Board on the terms of the specific remuneration package of each executive Director and senior management (adopted the approach under code provision B.1.2(c)(ii)); and to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time.

NOMINATION COMMITTEE

The Company has established a nomination committee (the "**Nomination Committee**") with specific terms of reference explaining its role and authorities delegated by the Board. The Nomination Committee currently consists of two independent non-executive Directors and an executive Director: Mr. Wong Yam Yin (Chairman), an executive Director, Mr. Wong Ying Loi, an independent non-executive Director, and Mr. Li Sze Keung, an independent non-executive Director.

The primary duties of the Nomination Committee are: to review the structure, size and composition of the Board on a regular basis; to make recommendations to the Board regarding any proposed changes; to identify, select or make recommendations to the Board on the selection of individuals nominated for directorships; to assess the independence of the independent non-executive Directors; and to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors.

A Director appointed by the Board is subject to election by shareholders at the first annual general meeting after his appointment in case of the appointment of an additional Director or at the first general meeting after his appointment in case of filling of casual vacancy.

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**") as set out in Appendix 10 to the Listing Rules as its code for securities transactions by the Directors. The Company has made specific enquiries with all the Directors and all of them have confirmed that they have complied with the required standards set out in the Model Code during the period under review.

ISSUANCE OF SENIOR NOTES

Please refer to the section headed "Financing" in this announcement for information regarding the Group's issuance of the Additional Notes and the Exchange Offer regarding the USD 2022 Notes, USD 2023 Notes and the USD 2023 July Notes.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

With respect to the senior notes in the principal amount of USD400 million with a coupon rate of 7% per annum and due in January 2021 (the "**USD 2021 Notes**"), the Company repurchased and cancelled part of the USD 2021 Notes in the aggregate principal amount of USD43,353,000, USD43,085,000, USD17,500,000, USD119,992,000, USD20,000,000 and USD18,496,000 (the "**Purchased Notes**"). After cancellation of the Purchased Notes, the aggregate outstanding principal amount of the USD 2021 notes as at 31 December 2020 was USD137,574,000. The USD 2021 Notes matured on 18 January 2021, and the Company has completed the redemption of the outstanding notes in full in an aggregate principal amount of USD137,574,000. The USD 2021 Notes were then cancelled and delisted from the Singapore Exchange.

With respect to the shares of the Company (the "**Share(s)**"), the Company repurchased 1,600,000 Shares, 1,158,000 Shares and 678,000 Shares on 31 March 2021, 1 April 2021 and 7 April 2021, respectively, under the repurchase mandate approved by the shareholders of the Company on 22 May 2020 during the annual general meeting. All of the repurchased Shares during the reporting period, which amounted to 3,436,000 Shares in total, were cancelled on 19 April 2021 and the total number of issued Shares as at the date of this announcement is 1,799,020,000.

Save as disclosed above, there was no purchase, sale or redemption of any of the Company's listed securities by the Company or any of its subsidiaries during the six months ended 30 June 2021.

INTERIM DIVIDEND

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

EVENTS AFTER THE END OF THE REPORTING PERIOD

With effect from 5 July 2021, the principal place of business of the Company in Hong Kong has been changed to 27–28/F, Golden Wheel Plaza, 68 Electric Road, Tin Hau, Hong Kong.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.gwtd.com.hk). The interim report of the Group for the six months ended 30 June 2021 containing all the information required by the Listing Rules will be despatched to shareholders of the Company and published on the above websites in due course.

By Order of the Board
Golden Wheel Tiandi Holdings Company Limited
Wong Yam Yin
Chairman

Hong Kong, 30 August 2021

As at the date of this announcement, the Board of Directors of the Company consists of Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Tjie Tjin Fung, and Mr. Janata David as Executive Directors; Mr. Suwita Janata and Mr. Gunawan Kiky as Non-Executive Directors; Mr. Wong Ying Loi, Mr. Lie Tak Sen, Mr. Wong Cho Kei, Bonnie and Mr. Li Sze Keung as Independent Non-Executive Directors.