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**GUANGDONG – HONG KONG GREATER BAY AREA
HOLDINGS LIMITED**

粵港灣控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1396)

**ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

INTERIM RESULTS

The board of directors (the “**Board**”) of Guangdong – Hong Kong Greater Bay Area Holdings Limited (“**GHKGBA Holdings**”, the “**Company**”, “**we**”, or “**our**”) hereby announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2022 (the “**Period**”), together with comparative figures for the preceding period as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2022

(Expressed in Renminbi)

		Unaudited	
		Six months ended 30 June	
	Note	2022	2021
		RMB'000	RMB'000
Revenue	3	1,321,716	2,604,255
Cost of sales		<u>(1,473,220)</u>	<u>(2,030,915)</u>
Gross (loss) / profit		(151,504)	573,340
Other income		2,155	70,249
Selling and distribution expenses		(97,874)	(71,984)
Administrative expenses		(153,507)	(152,407)
Impairment loss on assets		<u>(46,732)</u>	<u>(10,203)</u>
(Loss) / Profit from operations before fair value gain on investment properties		(447,462)	408,995
Fair value (loss) / gain on investment properties		<u>(165,857)</u>	<u>10,497</u>
(Loss) / Profit from operation after fair value gain on investment properties		(613,319)	419,492
Share of profits less losses of joint ventures		(1,020)	319
Finance income	4	16,194	19,382
Finance costs	4	<u>(300,577)</u>	<u>(173,289)</u>
(Loss) / Profit before taxation		(898,722)	265,904
Income tax	5	<u>24,620</u>	<u>(104,820)</u>
(Loss) / Profit for the period		<u>(874,102)</u>	<u>161,084</u>
Attributable to:			
Equity shareholders of the Company		(796,551)	75,900
Non-controlling interests		<u>(77,551)</u>	<u>85,184</u>
(Loss) / Profit for the period		<u>(874,102)</u>	<u>161,084</u>
(Loss) / Earnings per share			
Basic and diluted (RMB cents)	6	<u>(17.6)</u>	<u>1.7</u>

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

For the six months ended 30 June 2022

(Expressed in Renminbi)

	Unaudited	
	Six months ended 30 June	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
(Loss) / Profit for the period	<u>(874,102)</u>	<u>161,084</u>
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 subsidiaries outside the mainland China	<u>(4,752)</u>	<u>31,110</u>
Other comprehensive income for the period	<u>(4,752)</u>	<u>31,110</u>
Total comprehensive income for the period	<u><u>(878,854)</u></u>	<u><u>192,194</u></u>
Attributable to:		
Equity shareholders of the Company	<u>(801,303)</u>	<u>99,959</u>
Non-controlling interests	<u>(77,551)</u>	<u>92,235</u>
Total comprehensive income for the period	<u><u>(878,854)</u></u>	<u><u>192,194</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

(Expressed in Renminbi)

	<i>Note</i>	Unaudited 30 June 2022 RMB'000	Audited 31 December 2021 RMB'000
Non-current assets			
Property, plant and equipment		387,746	402,734
Investment properties		2,585,043	2,750,900
Intangible assets		14,008	15,882
Goodwill		2,252	2,252
Interests in joint ventures		218,916	213,213
Interests in associates		5,673	-
Deferred tax assets		169,165	193,616
Finance lease receivable		4,207	6,410
Other non-current assets		5,810	65,376
		<u>3,392,820</u>	<u>3,650,383</u>
Current assets			
Inventories and other contract costs		12,940,639	13,892,948
Other financial assets		709	10
Trade and other receivables	7	3,713,077	3,898,719
Prepaid tax		317,037	294,074
Pledged and restricted cash		1,229,052	763,517
Cash and cash equivalents		687,485	1,373,314
		<u>18,887,999</u>	<u>20,222,582</u>
Current liabilities			
Trade and other payables	8	3,682,410	5,947,883
Contract liabilities		4,200,229	3,902,358
Bank loans and other borrowings		646,362	531,631
Senior notes		491,634	468,614
Lease liabilities		8,125	8,473
Current tax liabilities		689,252	795,484
Deferred income		212,841	259,268
Other current liabilities		1,088,702	576,558
		<u>11,019,555</u>	<u>12,490,269</u>
Net current assets		<u>7,868,444</u>	<u>7,732,313</u>
Total assets less current liabilities		<u>11,261,264</u>	<u>11,382,696</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

(Expressed in Renminbi)

	Unaudited 30 June 2022 RMB'000	Audited 31 December 2021 RMB'000
Non-current liabilities		
Bank loans and other borrowings	3,935,795	2,739,692
Senior notes	1,970,095	1,877,848
Lease liabilities	24,405	27,322
Deferred tax liabilities	91,524	132,988
Other financial liabilities	768,009	947,719
	<u>6,789,828</u>	<u>5,725,569</u>
NET ASSETS	<u>4,471,436</u>	<u>5,657,127</u>
Capital and reserves		
Share capital	36,598	36,598
Reserves	4,253,579	5,051,474
Total equity attributable to equity shareholders of the Company	<u>4,290,177</u>	<u>5,088,072</u>
Non-controlling interests	181,259	569,055
TOTAL EQUITY	<u>4,471,436</u>	<u>5,657,127</u>

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

The interim results set out in this announcement do not constitute the Group's interim financial report for the six months ended 30 June 2022 but are extracted from that financial report.

This interim financial information has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), including compliance with International Accounting Standard ("**IAS**") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("**IASB**"). It was authorised for issue on 29 August 2022.

The interim financial information has been prepared in accordance with the same accounting policies adopted in the 2021 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2022 annual financial statements. Details of any changes in accounting policies are set out in note 2.

2 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 period beginning on 1 January 2022 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 3	Reference to the Conceptual Framework
Amendments to IAS 16	Property, Plant and Equipment: Proceeds before Intended Use
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to IFRS Standards 2018-2020	Annual improvements

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.

3 REVENUE

The principal activities of the Group are development, sales and operation of commercial trade and logistic centers and residential properties, and trading business in the Mainland China.

Revenue represents income from sales of properties, trading business, property management services income and rental income net of sales related taxes and is after deduction of any trade discounts.

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

	Unaudited	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
– Sales of properties	256,531	1,792,809
– Property management services	32,585	45,842
– Trading business	1,008,958	701,986
– Others	8,874	39,796
	<u>1,306,948</u>	<u>2,580,433</u>
Revenue from other sources		
– Rental income	14,768	23,822
	<u>1,321,716</u>	<u>2,604,255</u>

4 FINANCE INCOME AND FINANCE COSTS

	Unaudited	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Finance income		
Interest income	<u>(16,194)</u>	<u>(19,382)</u>
Finance costs		
Interest on bank loans and other borrowings	159,043	83,905
Interest on senior notes	151,811	148,557
Interest on amounts due to a non-controlling interest	56,845	19,821
Interest on lease liabilities	2,498	2,158
Accrued interest on significant financing component of contract liabilities	49,579	31,513
Other borrowing costs	1,133	13,154
	<u>420,909</u>	<u>299,108</u>
Less: interest expense capitalised into properties under development	<u>(118,771)</u>	<u>(125,627)</u>
	<u>302,138</u>	<u>173,481</u>
Net foreign exchange gain	<u>(1,561)</u>	<u>(192)</u>
	<u>300,577</u>	<u>173,289</u>

5 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Unaudited	
	Six months ended 30 June	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Current tax		
PRC Corporate Income Tax (“ PRC CIT ”)	2,769	65,484
PRC Land Appreciation Tax (“ PRC LAT ”)	<u>12,719</u>	<u>36,668</u>
	15,488	102,152
Deferred tax		
Origination and reversal of temporary differences	<u>(40,108)</u>	<u>2,668</u>
	<u>(24,620)</u>	<u>104,820</u>

- (a) Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in this jurisdiction.
- (b) No provision for Hong Kong Profits Tax was made as the Group did not earn any income subject to Hong Kong Profits Tax during the period (six months ended 30 June 2021: Nil).

(c) **PRC CIT**

The Group’s PRC subsidiaries are subject to statutory tax rate of 25% on their assessable profits.

(d) **PRC LAT**

PRC LAT which is levied on properties developed for sale by the Group in the Mainland China, at progressive rates ranging from 30% to 60% on the appreciation value.

In addition, certain subsidiaries of the Group were subject to PRC LAT which were calculated based on 6% to 8% of their revenue in accordance with the authorised tax valuation method approved by respective local tax bureau.

The directors of the Company are of the opinion that the authorised tax valuation method is one of the allowable taxation methods in the Mainland China and the respective local tax bureaus are the competent tax authorities to approve the authorised tax valuation method in charging PRC LAT to the respective PRC subsidiaries of the Group, and the risk of being challenged by the State Administration of Taxation or any tax bureau of higher authority is remote.

6 (LOSS) / EARNINGS PER SHARE

The calculation of basic (loss) / earnings per share is based on loss attributable to equity shareholders of the Company of RMB796,551,000 (six months ended 30 June 2021: profit of RMB75,900,000) and the weighted average of 4,537,354,000 ordinary shares (six months ended 30 June 2021: 4,537,354,000 ordinary shares) during the period, calculated as follows:

	Unaudited	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
(Loss) / Profit attributable to equity shareholders of the Company	(796,551)	75,900
	'000	'000
Weighted average number of shares (thousand shares)		
Issued ordinary shares	4,537,354	4,537,354

For the six months ended 30 June 2022 and 2021, the effect of deemed issue of shares under the Company's employee share option scheme for nil consideration was anti-dilutive.

7 TRADE AND OTHER RECEIVABLES

Trade receivables are primarily related to proceeds from the sale of properties and rental services provided. The ageing analysis of trade receivables (net of loss allowance) based on the date when the relevant trade receivables recognised, is as follows:

	Unaudited	Audited
	30 June	31 December
	2022	2021
	RMB'000	RMB'000
Within 1 month	2,451	12,228
1 to 3 months	3,337	5,858
3 to 6 months	10,527	12,932
6 to 12 months	35,259	34,010
Over 12 months	202,707	216,721
Trade and bill receivables, net of loss allowance	254,281	281,749
Finance lease receivables, net of loss allowance	3,659	11,199
Amounts due from joint ventures, net of loss allowance	61,426	58,982
Other debtors, net of loss allowance	1,520,454	1,563,996
Financial assets measured at amortised cost	1,839,820	1,915,926
Prepaid sales related tax and other taxes	347,173	325,193
Deposits and prepayments	1,526,084	1,657,600
	3,713,077	3,898,719

8 TRADE AND OTHER PAYABLES

Trade payables mainly represent amounts due to contractors. Payment to contractors is in installments according to progress and agreed milestones. The ageing analysis of trade and bills payables, based on due date, is as follows:

	Unaudited 30 June 2022 RMB'000	Audited 31 December 2021 <i>RMB'000</i>
Due within 1 month or on demand	119,730	254,197
Due after 1 month but within 3 months	227,341	393,694
Due after 3 months but within 6 months	172,672	472,663
Due after 6 months	1,430,946	1,404,463
Trade and bills payables	1,950,689	2,525,017
Other payables and accruals	1,384,238	3,056,728
Financial liabilities measured at amortised cost	3,334,927	5,581,745
Deposits	293,459	340,518
Receipts in advance	54,024	25,620
	3,682,410	5,947,883

9 DIVIDENDS

The Board resolved not to declare an interim dividend for the Period (2021 interim dividend: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The first half of 2022 saw the resurgence of global COVID-19 pandemic, increasing inflation and rising geopolitical conflict. To control inflation, major countries and economies have accelerated their paces of interest rate hike. The growth of world economy slowed down significantly. In the first half of the year, China's economy faced increased risks and complexity from internal and external environment with mounting downward pressures.

In the first half of 2022, property regulatory policies remained to be based on the general principle of “housing for living instead of speculation” and “region-specific regulatory policies”, and of “stabilising land prices, housing prices, and expectation”. However, in response to the demand for stabilising macro economic growth, local governments began to introduce a series of policies to support and relax the restrictions on the real estate market from the second quarter to maintain the benign cycle and healthy development of the real estate industry. The relaxation of regulatory policies has gradually demonstrated its support for the real estate market.

Being continuously affected by various unfavorable factors including macroeconomic environment, real estate market and financial environment, and multiple rounds of COVID-19 pandemics in the first half of 2022, there was a severe slowdown in real estate market and the confidence of buyers was seriously weakened, resulting in severe slowdown in property sales and decline in the selling prices of properties. The business development of the Group had been adversely challenged, as a result, the Group recorded contracted sales amount of approximately RMB1,097.6 million in the first half of 2022, which had decreased by approximately 64.0% as compared to the corresponding period in 2021 (six months ended 30 June 2021: RMB3,049.3 million), among which, sales from residential properties accounted for approximately 76.1%, and sales from commercial and other properties accounted for approximately 23.9%. As at 30 June 2022, the total land bank of the Group with land use rights confirmed was approximately 9.027 million sq.m..

FINANCIAL REVIEW

Revenue

In the first half of 2022, the Group's revenue was approximately RMB1,321.7 million, mainly generated from property development and related services and trading business, amongst which, revenue generated from property development and related services was approximately RMB312.8 million (six months ended 30 June 2021: approximately RMB1,902.3 million), representing a significant decrease of 83.6%, which was mainly due to the overall unfavourable operating environment in the real estate industry in China and the continuous impact of the novel coronavirus epidemic, which has resulted in a severe decline in the overall sales area and average selling price of properties when compared to the same period of last year; and revenue generated from trading business was approximately RMB1,009.0 million (six months ended 30 June 2021: approximately RMB702.0 million), representing an increase of 43.7%, which was mainly due to that the trading business only commenced in the first half of 2021 and became more developed during the Period.

Cost of Sales

In the first half of 2022, the Group's total cost of sales was approximately RMB1,473.2 million, and mainly encompassed land cost, construction cost, cost generated from trading business, capitalized interest and government grants credited to cost of sales. Amongst the total cost of sales of the Group for the Period, the cost of sales for the property development and related services was approximately RMB460.1 million (six months ended 30 June 2021: approximately RMB1,329.7 million), representing a decrease of 65.4%, which was mainly due to the decrease in delivered area of properties.

Gross (Loss) / Profit

In the first half of 2022, the Group recorded gross loss of approximately RMB151.5 million, while a gross profit of approximately RMB573.3 million was recorded in the same period of 2021. The turnaround from profit to loss was mainly due to the overall unfavourable operating environment in the real estate industry in China and the continuous impact of the novel coronavirus epidemic, which has resulted in a severe decline in the overall sales area and average selling price of properties.

Distribution and Administration Expenses

The total amount of distribution and administration expense were approximately RMB251.4 million for the Period (six months ended 30 June 2021: approximately RMB224.4 million), which maintained the similar level compare to the same period of last year.

Fair Value (Loss)/Gain on Investment Properties

In the first half of 2022, due to unfavorable effect of the overall slowdown of real estate market, a fair value loss of RMB165.9 million was recognised for the existing investment properties by the Group, while a fair value gain of RMB10.5 million for the existing investment properties was recognised in the same period of 2021 by the Group.

Finance Costs

Financial cost mainly included interest expense on bank loans, senior notes and other borrowings. In the first half of 2022, the Group's finance costs was approximately RMB300.6 million, representing an increase of 73.5% from approximately RMB173.3 million in the same period of 2021. The increase was mainly due to increase in bank loans and other borrowings.

Taxation

Income tax expense comprised PRC enterprise income tax, land appreciation tax and deferred taxation. During the first half of 2022, the Group recorded a minus tax expense, which was mainly due to that the Group recorded operating loss and fair value loss in investment properties.

Liquidity and Capital Resources

In the first half of 2022, the Group's capital resources primarily included cash flow generated from business operations, cash from bank loans and other borrowings, and advances from controlling shareholders, which were used in our business operations and investment in development of projects.

The Group expects that cash flow generated from business operations and borrowings will continue to be the main sources of funds in the coming year. Therefore, the Group will continue to strengthen cash flow management, improve the efficiency of capital returns of projects and stringently control the cost and various expenses. Meanwhile, the Group will make investment only after conducting stringent scientific assessment and considering changes in policies and markets. Besides, the Group will continue to explore the opportunities to cooperate with foreign and domestic investors, in order to provide other sources of funding for the business development.

Cash Position

As at 30 June 2022, the Group's total cash balances (including pledged and restricted cash) amounted to approximately RMB1,916.5 million (31 December 2021: approximately RMB2,136.8 million). The pledged and restricted cash was mainly pledged to banks for certain mortgage facilities granted to purchasers of the Group's properties, pledged for bank loans and pledged for bills payables.

Borrowings

The Group adopts a prudent financial policy for proactive conduct of debt management and optimizing debt structure to ensure balance in financial risks and cut-down of finance costs. As at 30 June 2022, the Group had bank loans and other borrowings of approximately RMB4,582.2million (as at 31 December 2021: approximately RMB3,271.3 million) and senior notes of approximately RMB2,461.7 million (31 December 2021: approximately RMB2,346.5 million), and financial liabilities measured at amortised cost of approximately RMB683.8 million (31 December 2021: RMB863.5 million) as follows:

	Unaudited	Audited
	30 June	31 December
	2022	2021
	RMB'000	RMB'000
Repayment Period		
Repayable on demand and within one year	1,137,996	1,000,245
Repayable after 1 year but within 2 years	4,248,041	3,534,735
Repayable after 2 years but within 5 years	2,051,437	1,555,297
Repayable after 5 years	290,237	391,043
Total	7,727,711	6,481,320

A portion of the bank loans and other borrowings were secured by a pledge of properties and equipment, land use rights, investment properties, properties under development, completed properties held for sale and cash at bank of the Group.

Contingent Liabilities

As at 30 June 2022, the Group had contingent liabilities relating to guarantees in respect of mortgage facilities provided by domestic banks to its customers amounting to approximately RMB3,138.4 million (31 December 2021: approximately RMB3,243.7 million). Pursuant to the terms of the guarantees, upon default in mortgage payments by a purchaser, the Group would be responsible for repaying the outstanding mortgage principal together with accrued interest and penalties owed by the defaulting purchaser to the bank, but the Group would be entitled to assume legal title to and possession of the related property. These guarantees will be released upon the earlier of (i) the due registration of the mortgage interest held by the commercial bank upon the subject property; or (ii) the satisfaction of the mortgage loan by the purchaser of the property.

Commitments

Capital commitments outstanding at the end of Period contracted but not provided for in the financial statements were as follows:

	Unaudited	Audited
	30 June	31 December
	2022	2021
	RMB'000	RMB'000
Construction and development contracts	4,585,449	5,000,054
Land agreements	<u>251,550</u>	<u>251,550</u>
Total	<u>4,836,999</u>	<u>5,251,604</u>

Key Financial Ratios

The following table sets out our key financial ratios as of the end of the reporting periods indicated.

	30 June	31 December
	2022	2021
Current ratio ⁽¹⁾	1.71	1.62
Gearing ratio ⁽²⁾	34.7%	27.1%

(1) Current ratio is calculated by dividing current assets by current liabilities.

(2) Gearing ratio is calculated by dividing bank loans and other borrowings, senior notes and other financial liabilities measured at amortised cost by total assets.

Foreign Exchange Exposure

The Group's businesses are principally conducted in Renminbi. Other than certain overseas bank deposits, interests in joint ventures, the senior notes and other borrowings denominated in foreign currencies, the Group does not have any material exposure directly due to foreign exchange fluctuations. The management will continue to closely monitor foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the Period, the Group had disposed of the entire equity interests in Well Harmony Enterprises Limited at a consideration of HK\$151,135,000. For details, please refer to the Company's announcement dated 3 March 2022.

Employment and Remuneration Policy

Human resource has always been the most valuable resource of the Group. In terms of the remuneration system, the Group built comprehensive value chains and diversified incentive mechanism, and formed a comprehensive remuneration system with basic salary, performance based salary, short term incentives as well as medium and long term incentives covering various businesses, which have greatly enhanced the enthusiasm of operation units and employees. The remuneration committee of the Company reviews such packages annually, or when occasion requires. The Company has also adopted a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Further details in relation to the share option scheme will be set out in section headed "Share Option Scheme" in the 2022 interim report of the Company to be issued in due course.

The Group also organized various culture-building activities from multiple dimensions so as to establish good channels for training and enhancement, cross-field development and remodeling for its employees. The Group firmly believes that talent is the most important corporate resource and always adheres to a people-oriented human resources development strategy, creating a sound working environment featuring harmonious development and positive interaction between the Group and its staff. As at 30 June 2022, the Group had 880 employees (31 December 2021: 1,275 employees).

OUTLOOK

Looking forward to the second half of the year, as the COVID-19 may likely to recur, inflation is running at a high level, interest rates in major countries and economies are increasing at a higher rate and faster pace, it is expected that global economic growth will continue to slow down. In the second half of this year, stabilising economic growth will remain to be the main goal of economic work for the central government. The central government is expected to continue to intensify its efforts to stabilise macroeconomic growth, adopt a proactive fiscal policy and a prudent and loose monetary policy, and maintain a reasonable level of adequate

liquidity.

In respect of the property policies, the government’s regulatory policies will continue to remain consistent and stable. Under the background where the keynote of policies for positioning “housing for living instead of speculation”, and stabilising land premium, housing price and expectation remains unchanged, the local governments are expected to issue various policies and measures supporting the property market more actively, so as to better support the property market to meet the reasonable demand of home buyers and promote the benign cycle and healthy development of the real estate industry.

In the second half of the year, it is expected that the property market will gradually recover with increased supporting policies of local governments. Against the strong wait-and-see sentiment in market brought about by the resurgence of the covid and economic downturn, the Group implemented precise marketing strategies, the Group will implement precise marketing strategy featuring “one city, one policy” and “one project, one policy” in accordance with the regulatory policies and market changes in the cities where those projects were located, and strive to achieve a growth in both sales scale and cash collection

CORPORATE GOVERNANCE

The Board is of the opinion that the Company had complied with the code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules during the Period.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions Conducted by the Directors of Listed Issuers (the “**Model Code**”) set forth in Appendix 10 of the Listing Rules as the code of conduct of the Company for Directors’ securities transactions. Having made specific enquiry to all Directors, all Directors have confirmed that they have complied with the required standard set out in the Model Code during the Period. Employees who are, or likely to be, in possession of unpublished inside information in relation to the Company or its shares are prohibited from dealing in the shares of the Company during the black-out period.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the Company’s unaudited condensed consolidated interim results and financial report for the Period, and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The Audit Committee has also discussed the auditing, internal control and financial reporting matters.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Period (for the six months ended 30 June 2021: nil).

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

EVENTS AFTER THE REPORTING PERIOD

The following significant events took place after the end of the Period:

- (a) KPMG has resigned as the auditor of the Company with effect from 1 August 2022. The Board has appointed REANDALAU&AU YEUNG (HK) CPA Limited as the new auditor of the Company with effect from 3 August 2022 to fill the casual vacancy following the resignation of KPMG and to hold office until the conclusion of the next annual general meeting of the Company; and
- (b) On 17 August 2022, the Board proposes to implement a share consolidation on the basis that every ten (10) issued and unissued existing shares of the Company of HK\$0.01 each will be consolidated into one (1) consolidated Share of HK\$0.1 each ("**Consolidated Share(s)**") (the "**Share Consolidation**"), details of which are set out in the announcement of the Company dated 17 August 2022. If the Share Consolidation is approved by the shareholders at the extraordinary general meeting of the Company tentatively to be held on 23 September 2022 (the "**EGM**"), assuming no further shares will be allotted, issued or repurchased from the date of this announcement up to the date of the EGM, upon the Share Consolidation becoming effective, there will be 453,735,400 Consolidated Shares in issue.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.youngogroup.com. The 2022 interim report will be dispatched to the shareholders of the Company and will be available on the above websites in due course.

By order of the Board
**Guangdong – Hong Kong Greater Bay
Area Holdings Limited**
ZENG Yunshu
Chairman and Executive Director

Hong Kong, 29 August 2022

As at the date of this announcement, the executive Directors are Mr. Zeng Yunshu, Mr. Wong Choi Hing, Mr. Cai Hongwen, Mr. He Fei and Ms. Wei Haiyan; the non-executive Director is Mr. Feng Ke and the our independent non-executive Directors are Mr. Dai Yiyi, Mr. Guan Huanfei and Mr. Han Qinchun.