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新城发展

SEAZEN GROUP LIMITED

新城發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1030)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2023

RESULTS HIGHLIGHTS

- Commercial operating income* was approximately RMB5,201 million, representing a period-on-period increase of 10.24%;
- Revenue was approximately RMB42,532 million;
- Net profit attributable to equity holders of the Company was approximately RMB1,431 million;
- Core earnings** attributable to equity holders of the Company was approximately RMB1,565 million;
- The net debt-to-equity ratio was 47.2%; and
- The weighted average interest rate of bank borrowings, senior notes and corporate bonds was 6.35%.

* Tax-included rental income includes rentals, management fee, carpark, various operation and other sporadic management income from shops, office buildings and shopping centres

** Core earnings equals to net profit less after-tax fair value gains or losses on investment properties and financial assets and unrealized foreign exchange gains or losses relating to borrowings and financial assets and after-tax profit or loss on disposal of subsidiaries

The board (the “**Board**”) of directors (the “**Directors**”) of Seazen Group Limited (the “**Company**” or “**Seazen**”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively referred to as the “**Group**” or “**Seazen Group**”) for the six months ended 30 June 2023 (the “**Reporting Period**”), together with comparative figures for the corresponding period in 2022, as follows:

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	<i>Note</i>	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		7,604,102	7,987,902
Right-of-use assets		1,130,525	1,475,120
Investment properties		114,612,361	113,262,575
Intangible assets		327,101	366,147
Investment in associates		13,061,380	12,832,996
Investment in joint ventures		12,671,730	12,958,270
Deferred income tax assets		7,957,823	7,640,630
Financial assets at fair value through profit or loss		359,567	359,942
Financial assets at amortised costs		236,185	219,687
Goodwill		777	777
Trade and other receivables and prepayments	5	650	630
Total non-current assets		157,962,201	157,104,676
Current assets			
Prepayments for leasehold land		2,498,583	2,498,583
Properties held or under development for sale		189,207,334	204,412,729
Trade and other receivables and prepayments	5	59,030,753	61,516,856
Contract costs		3,677,421	3,789,212
Financial assets at fair value through other comprehensive income		604,112	641,455
Financial assets at fair value through profit or loss		386,623	545,199
Financial assets at amortised costs		562,691	511,917
Restricted cash		8,283,375	10,017,870
Cash and cash equivalents		20,728,472	22,435,399
Total current assets		284,979,364	306,369,220
Total assets		442,941,565	463,473,896

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	<i>Note</i>	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
EQUITY			
Equity attributable to owners of the Company			
Share capital: nominal value	6	5,822	5,822
Reserves		<u>45,772,716</u>	<u>44,747,790</u>
		45,778,538	44,753,612
Non-controlling interests		<u>47,283,234</u>	<u>48,260,729</u>
Total equity		<u>93,061,772</u>	93,014,341
LIABILITIES			
Non-current liabilities			
Borrowings	7	47,926,915	43,874,405
Lease liabilities		631,019	599,709
Deferred income tax liabilities		<u>7,456,156</u>	<u>7,712,480</u>
Total non-current liabilities		<u>56,014,090</u>	52,186,594
Current liabilities			
Trade and other payables	8	99,725,657	106,949,413
Advances from lessees		1,129,099	861,548
Contract liabilities		156,793,837	164,832,371
Current income tax liabilities		10,520,244	9,886,047
Borrowings	7	25,615,822	35,663,149
Lease liabilities		<u>81,044</u>	<u>80,433</u>
Total current liabilities		<u>293,865,703</u>	<u>318,272,961</u>
Total liabilities		<u>349,879,793</u>	<u>370,459,555</u>
Total equity and liabilities		<u>442,941,565</u>	<u>463,473,896</u>

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2023

		Six months ended 30 June	
	<i>Note</i>	2023	2022
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	9	42,532,349	43,351,645
Cost of sales and services	10	(35,116,886)	(34,696,196)
Gross profit		7,415,463	8,655,449
Fair value gains on investment properties		127,593	771,036
Fair value gains/(losses) on financial instruments at fair value through profit or loss		40,804	(26,876)
Selling and marketing costs	10	(1,680,048)	(1,716,899)
Administrative expenses	10	(2,060,162)	(2,351,486)
Net impairment gains on financial assets		21,568	129,087
Other income		183,671	284,236
Other expenses		(6,541)	(11,283)
Other gains/(losses) – net		295,208	(141,712)
Operating profit		4,337,556	5,591,552
Finance income	11	169,303	194,232
Finance costs	11	(1,355,159)	(1,253,647)
Finance costs – net	11	(1,185,856)	(1,059,415)
Share of results of associates		291,323	(165,177)
Share of results of joint ventures		310,451	386,577
Profit before income tax		3,753,474	4,753,537
Income tax expense	12	(1,449,101)	(1,792,587)
Profit for the period		2,304,373	2,960,950
Profit for the period attributable to:			
– Equity holders of the Company		1,431,155	1,789,211
– Non-controlling interests		873,218	1,171,739
		2,304,373	2,960,950
Earnings per share for profit attributable to equity holders of the Company			
– Basic earnings per share	13	RMB0.20	RMB0.28
– Diluted earnings per share	13	RMB0.20	RMB0.28

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2023

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Profit for the period	<u>2,304,373</u>	<u>2,960,950</u>
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
– Currency translation differences	(359,272)	(349,848)
– Changes in fair value of debt instruments at fair value through other comprehensive income	10,160	(25,627)
<i>Items that will not be reclassified subsequently to profit or loss</i>		
– Currency translation differences attributable to non-controlling interests	(177,054)	(167,220)
– Share of other comprehensive income of an associate accounted for using the equity method	–	(3,688)
– Changes in fair value of debt instruments at fair value through other comprehensive income attributable to non-controlling interests	4,354	(17,084)
– Changes in fair value of equity investments at fair value through other comprehensive income	(9,111)	(1,901)
Other comprehensive loss for the period, net of tax	<u>(530,923)</u>	<u>(565,368)</u>
Total comprehensive income for the period	<u>1,773,450</u>	<u>2,395,582</u>
Total comprehensive income for the period attributable to:		
– Equity holders of the Company	1,075,665	1,408,908
– Non-controlling interests	697,785	986,674
	<u>1,773,450</u>	<u>2,395,582</u>

1 GENERAL INFORMATION

Seazen Group Limited (the “**Company**”) was incorporated in the Cayman Islands on 23 April 2010 as an exempted company with limited liability under the Companies Act (2010 Revision) of the Cayman Islands. The address of its registered office is Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, Grand Cayman KY1-1205, Cayman Islands.

The principal activities of the Company and its subsidiaries (together, the “**Group**”) are property development and property investment in the People’s Republic of China (the “**PRC**”). The Company’s parent company is Wealth Zone Hong Kong Investments Limited and the Company’s ultimate holding company is First Priority Group Limited, both of which are incorporated in the British Virgin Islands (“**BVI**”). The ultimate controlling party of the Group is Mr. Wang Zhenhua (“**Mr. Wang**” or the “**Controlling Shareholder**”).

The Company’s shares began to list on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 29 November 2012 (the “**Listing**”).

The condensed consolidated interim financial statements are presented in thousands of Renminbi (“**RMB’000**”), unless otherwise stated, and were approved and authorized for issue by the board of directors of the Company on 30 August 2023.

The condensed consolidated interim financial statements have not been audited.

2 BASIS OF PREPARATION

The condensed consolidated interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting”, issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

The interim results announcement does not include all the notes of the type normally included in an annual financial report. Accordingly, the condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2022, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA.

3 ACCOUNTING POLICIES

The accounting policies adopted are consistent with the annual consolidated financial statements of the Group for the year ended 31 December 2022, except for the estimation of income tax and the adoption of new and amended standards as set out below.

Income tax expense is recognised based on management’s estimation of the weighted average effective annual income tax rate expected for the full financial year.

3.1 New standards, amendments and interpretation adopted by the Group for the six months ended 30 June 2023

- HKFRS 17 Insurance Contracts
- Disclosure of Accounting Policies – Amendments to HKAS 1 and HKFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to HKAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to HKAS 12

The adoption of the above new amendments starting from 1 January 2023 did not give rise to significant impact on the Group's results of operations and financial position for the six months ended 30 June 2023.

3.2 New standards and interpretations not yet adopted

Certain new accounting standard, amendments and interpretation have been published but are not mandatory for the financial year beginning 1 January 2023 and have not been early adopted by the Group. These new accounting standard, amendments and interpretation are not expected to have a material impact on the Group's financial statements when they become effective.

4 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker (the “**CODM**”) that are used to make strategic decisions. The board of directors have been identified as the CODM.

The Group manages its business by two operating segments, which is consistent with the way in which information is reported internally to the Group's CODM for the purpose of resources allocation and performance assessment. No operating segments have been aggregated to form the following reportable segments.

- Seazen Holdings Co., Ltd., a company listed on the Shanghai Stock Exchange (the “**A share company**” or “**Seazen Holdings**”).
- Other service companies not within the A share company (the “**Non-A share companies**”).

The A share company is mainly engaged in development of residential properties and mixed-use complexes for sale and investment, while the Non-A share companies are mainly engaged in services. Corporate expenses are also primarily included in the Non-A share companies segment. All the property development projects are in the PRC, and accordingly majority of the revenue of the Group are derived from the PRC and most of the assets are located in the PRC.

The CODM assesses the performance of the operating segments based on a measure of revenue and profit before income tax. The measurement basis excludes the effects of income tax expense.

	Six months ended 30 June 2023 (Unaudited)				Total Group RMB'000
	A share company RMB'000	Non-A share companies RMB'000	Total segment RMB'000	Elimination RMB'000	
Segment revenue	41,768,384	898,446	42,666,830	(134,481)	42,532,349
– At a point in time	36,555,008	806,072	37,361,080	(10,372)	37,350,708
– Over time	2,539,276	89,914	2,629,190	(56,328)	2,572,862
– Rental income	2,674,100	2,460	2,676,560	(67,781)	2,608,779
Segment profit before income tax expense	3,833,511	16,517	3,850,028	(96,554)	3,753,474
Fair value gains on investment properties	143,673	–	143,673	(16,080)	127,593
Fair value gains on financial instruments at fair value through profit or loss	–	40,804	40,804	–	40,804
Finance income	153,491	226,145	379,636	(210,333)	169,303
Finance costs	(1,235,100)	(330,392)	(1,565,492)	210,333	(1,355,159)
Depreciation and amortisation	(154,516)	(147,888)	(302,404)	–	(302,404)
Share of results of associates	289,389	17,491	306,880	(15,557)	291,323
Share of results of joint ventures	310,422	29	310,451	–	310,451

A reconciliation to profit for the period is as follows:

	Six months ended 30 June 2023 RMB'000 (Unaudited)
Total segment profits before income tax expense after elimination	3,753,474
Income tax expense	(1,449,101)
Profit for the period	<u>2,304,373</u>

	As at 30 June 2023 (Unaudited)				
	A share company RMB'000	Non-A share companies RMB'000	Total segment RMB'000	Elimination RMB'000	Total Group RMB'000
Segment assets	437,844,581	14,023,034	451,867,615	(8,926,050)	442,941,565
Segment assets include:					
Investments in associates	12,441,223	1,875,480	14,316,703	(1,255,323)*	13,061,380
Investments in joint ventures	12,648,114	23,616	12,671,730	–	12,671,730
Additions to non-current assets (other than financial instruments and deferred tax assets)	1,438,717	29,823	1,468,540	–	1,468,540
Segment liabilities	348,343,382	7,509,433	355,852,815	(5,973,022)	349,879,793

* The elimination mainly represents the Non-A share companies' associate interests in companies controlled by the A share company.

	Six months ended 30 June 2022 (Unaudited)				
	A share company RMB'000	Non-A share companies RMB'000	Total segment RMB'000	Elimination RMB'000	Total Group RMB'000
Segment revenue	42,803,047	668,387	43,471,434	(119,789)	43,351,645
– At a point in time	37,985,614	455,202	38,440,816	(1,262)	38,439,554
– Over time	2,309,712	210,788	2,520,500	(62,333)	2,458,167
– Rental income	2,507,721	2,397	2,510,118	(56,194)	2,453,924
Segment profit before income tax expense	5,008,412	(220,791)	4,787,621	(34,084)	4,753,537
Fair value gains on investment properties	664,059	–	664,059	106,977	771,036
Fair value losses on financial instruments at fair value through profit or loss	(16,595)	(10,281)	(26,876)	–	(26,876)
Finance income	165,025	376,101	541,126	(346,894)	194,232
Finance costs	(948,369)	(652,172)	(1,600,541)	346,894	(1,253,647)
Depreciation and amortisation	(195,554)	(206,391)	(401,945)	–	(401,945)
Share of results of associates	(180,299)	66,874	(113,425)	(51,752)	(165,177)
Share of results of joint ventures	386,570	7	386,577	–	386,577

A reconciliation to profit for the period is as follows:

	Six months ended 30 June 2022 <i>RMB'000</i> (Unaudited)
Total segment profits before income tax expense after elimination	4,753,537
Income tax expense	<u>(1,792,587)</u>
Profit for the period	<u>2,960,950</u>

	As at 30 June 2022 (Unaudited)				
	A share company <i>RMB'000</i>	Non-A share companies <i>RMB'000</i>	Total segment <i>RMB'000</i>	Elimination <i>RMB'000</i>	Total Group <i>RMB'000</i>
Segment assets	514,882,681	16,064,776	530,947,457	(10,476,402)	520,471,055
Segment assets include:					
Investments in associates	12,592,536	2,620,450	15,212,986	(1,999,340)*	13,213,646
Investments in joint ventures	13,072,515	22,698	13,095,213	–	13,095,213
Additions to non-current assets (other than financial instruments and deferred tax assets)	4,798,810	328,986	5,127,796	–	5,127,796
Segment liabilities	<u>418,235,093</u>	<u>10,764,607</u>	<u>428,999,700</u>	<u>(6,664,042)</u>	<u>422,335,658</u>

* The elimination mainly represents the Non-A share companies' associate interests in companies controlled by the A share company.

5 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
Trade accounts receivables	596,806	654,252
Notes receivables	10,938	164,468
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Total trade receivables	607,744	818,720
Less: Impairment losses	(17,062)	(15,075)
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Trade receivables – net	590,682	803,645
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Prepayments		
– Prepaid income tax and land appreciation tax	6,853,205	7,051,447
– Prepaid value-added tax and input VAT to be deducted	8,552,038	8,945,059
– Prepaid surcharges and other taxes	513,472	430,727
– Prepayments for construction costs	111,090	191,690
– Others	1,818,172	1,044,955
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	17,847,977	17,663,878
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Other receivables		
– Receivables from government related bodies	4,685,650	4,919,080
– Due from related parties	11,363,017	12,578,225
– Receivables from joint ventures partners	1,527,812	1,608,945
– Receivables from non-controlling shareholders of subsidiaries	21,013,761	21,567,016
– Receivables from other deposits	1,147,899	1,087,771
– Others	2,206,891	2,670,695
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	41,945,030	44,431,732
Less: Impairment losses	(1,352,286)	(1,381,769)
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	40,592,744	43,049,963
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Trade and other receivables and prepayments – net	59,031,403	61,517,486
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Less: Non-current portion	(650)	(630)
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Current portion	59,030,753	61,516,856
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Trade receivables are mainly arisen from sales of properties, leases of investment properties and various services. Proceeds in respect of properties sold are normally received within three months after signing of related sales and purchase agreements, and rentals in respect of leased properties are generally received in advance. Customers of other services businesses are generally granted a credit term of 30 days to 90 days.

The aging of trade accounts receivables and notes receivables based on invoice date as at 30 June 2023 and 31 December 2022 are as follows:

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
Within 1 year	574,254	741,073
Between 1 and 2 years	27,218	71,520
Between 2 and 3 years	6,272	6,127
	<u>607,744</u>	<u>818,720</u>

The maximum exposure to credit risk at 30 June 2023 and 31 December 2022 is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral security.

As at 30 June 2023 and 31 December 2022, the fair values of trade and other receivables are approximately as their carrying amounts.

As at 30 June 2023 and 31 December 2022, the carrying amounts of trade and other receivables and prepayments are primarily denominated in RMB.

6 SHARE CAPITAL

(a) Authorised shares

	Number of authorised shares HKD share
As at 1 January 2022, 30 June 2022, 1 January 2023 and 30 June 2023 (par value of HKD0.001)	<u>10,000,000,000</u>

(b) Issued shares

	Number of issued shares HKD0.001 each	Ordinary shares RMB'000
As at 1 January 2023 and 30 June 2023	<u>7,065,741,521</u>	<u>5,822</u>

7 BORROWINGS

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
Non-current, secured:		
– Loans from banks and non-bank financial institutions	42,219,130	43,652,041
– Middle term notes	3,000,000	3,000,000
– Senior notes	3,962,204	5,206,964
– Financing under securitisation arrangements	2,726,871	5,637,000
	<u>51,908,205</u>	<u>57,496,005</u>
Non-current, unsecured:		
– Loans from banks and non-bank financial institutions	2,264,686	2,483,800
– Middle term notes	1,240,000	1,800,000
– Private placement notes	–	170,000
– Corporate bonds	2,159,920	1,971,172
– Senior notes	10,802,095	10,398,787
	<u>16,466,701</u>	<u>16,823,759</u>
Less: Current portion of long-term borrowings	<u>(20,447,991)</u>	<u>(30,445,359)</u>
	<u>47,926,915</u>	<u>43,874,405</u>
Current, secured:		
– Loans from banks and non-bank financial institutions	3,840,099	3,797,224
	<u>3,840,099</u>	<u>3,797,224</u>
Current, unsecured:		
– Loans from banks and non-bank financial institutions	–	10,000
– Senior notes	722,580	696,460
	<u>722,580</u>	<u>706,460</u>
Interest payable of short-term borrowings	<u>60,833</u>	<u>98,523</u>
Current portion of long-term borrowings	<u>20,447,991</u>	<u>30,445,359</u>
Interest payable of long-term borrowings	<u>544,319</u>	<u>615,583</u>
	<u>25,615,822</u>	<u>35,663,149</u>

8 TRADE AND OTHER PAYABLES

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Trade payables	40,445,272	44,471,953
Notes payable	3,593,897	6,104,692
Payables to related parties	24,671,050	25,361,592
Payables for acquisition of subsidiaries, joint ventures and associates	114,370	137,451
Output VAT on contract liabilities to be transferred	13,799,455	14,429,422
Advances from non-controlling shareholders of subsidiaries	3,250,385	3,111,370
Amounts received for potential investments in property projects	1,113,809	1,215,164
Accrued expenses	2,804,108	2,816,927
Value-added tax and other taxes payable	747,169	1,084,495
Deposits for construction biddings and rental deposits	4,299,437	4,042,821
Accrued payroll	912,997	822,130
Others	3,973,708	3,351,396
	99,725,657	106,949,413
Less: Non-current portion	–	–
Current portion	99,725,657	106,949,413

The aging analysis of trade payables and notes payable based on the invoice date or demand note as at 30 June 2023 and 31 December 2022 is as follows:

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Within 1 year	39,495,956	45,025,778
Between 1 and 2 years	4,543,213	5,550,867
	44,039,169	50,576,645

As at 30 June 2023 and 31 December 2022, the fair values of trade and other payables are approximately their carrying amounts.

As at 30 June 2023 and 31 December 2022, the carrying amounts of trade and other payables are primarily denominated in RMB.

9 REVENUE

	Six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contract with customers recognised at a point in time		
A share Company		
– Sales of properties	36,342,486	37,735,699
– Other services	212,522	249,915
Non-A share Companies		
– Other services	795,700	453,940
	37,350,708	38,439,554
Revenue from contract with customers recognised over time		
A share Company		
– Commercial property management services	2,134,691	1,808,466
– Other services	348,257	438,913
Non-A share Companies		
– Other services	89,914	210,788
	2,572,862	2,458,167
Rental income		
A share Company	2,606,319	2,451,527
Non-A share Companies	2,460	2,397
	2,608,779	2,453,924
	42,532,349	43,351,645

10 EXPENSES BY NATURE

Expenses included in cost of sales and services, selling and marketing costs and administrative expenses are analysed as follows:

	Six months ended 30 June	
	2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Construction costs	16,655,266	16,509,701
Land use rights costs	12,228,459	11,935,096
Capitalised interest	3,014,070	3,207,143
Staff costs	1,795,599	2,130,575
Advertising and publicity costs and sales commission	1,048,649	773,392
Tax and surcharges	578,350	663,583
Depreciation of property, plant and equipment	238,887	347,437
Professional fees	122,115	155,845
Provision for impairment of properties held or under development for sale	112,879	162,647
Bank charges	96,095	85,702
Amortisation of right-of-use assets and intangible assets	63,517	54,508
Travelling expenses	54,095	46,972
Entertainment expenses	40,666	44,686
Rental expenses of low-value and short-term leases	1,864	5,482
Auditor's remuneration	1,050	1,050
Other expenses	2,805,535	2,640,762
Total cost of sales and services, selling and marketing costs and administrative expenses	38,857,096	38,764,581

11 FINANCE COSTS – NET

	Six months ended 30 June	
	2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Finance costs		
– Interest on borrowings	(2,285,399)	(3,014,643)
– Significant financing component of pre-sale contracts	(1,486,618)	(3,095,954)
– Interest and finance charges paid/payable for lease liabilities	(23,382)	(22,674)
– Less: Interest capitalised	2,571,692	5,363,798
	(1,223,707)	(769,473)
– Net foreign exchange losses	(131,452)	(484,174)
Total finance costs	(1,355,159)	(1,253,647)
Finance income		
– Interest income on bank deposits	169,303	194,232
Net finance costs	(1,185,856)	(1,059,415)

12 INCOME TAX EXPENSE

	Six months ended 30 June	
	2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Current income tax		
– PRC land appreciation tax	436,806	472,156
– PRC corporate income tax	1,589,258	430,484
	<hr/>	<hr/>
	2,026,064	902,640
Deferred income tax	(576,963)	889,947
	<hr/>	<hr/>
Total income tax charged for the period	1,449,101	1,792,587

Cayman Island income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

British Virgin Islands income tax

BVI income tax under the current laws of BVI, our subsidiaries incorporated in BVI and all dividends, interest, rents, royalties, compensation and other amounts paid by such subsidiaries incorporated in the BVI to persons who are not resident in the BVI and any capital gains realised with respect to any shares, debt obligations, or other securities of such subsidiaries incorporated in the BVI by persons who are not resident in the BVI are exempt from all provisions of the Income Tax Ordinance in the BVI. In addition, upon payments of dividends by our BVI subsidiaries to us, no BVI withholding tax is imposed.

Hong Kong profits tax

Hong Kong profits tax has been provided at a tax rate of 16.5%, for as the Group has assessable profits in Hong Kong during the six months ended 30 June 2023 (for the six months ended 30 June 2022: 16.5%).

The mainland China corporate income tax

Under the Corporate Income Tax Law of the mainland China (“CIT Law”), the CIT rate applicable to the Group’s subsidiaries located in the mainland China is 25%.

The CIT Law and its implementation rules impose a withholding tax at 10% for dividends distributed by the mainland China resident enterprise to its immediate holding company outside the mainland China for earnings generated beginning 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. A lower 5% withholding tax rate may be applied when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the mainland China and Hong Kong. For the six months ended 30 June 2023, the Group accrued for withholding tax based on the tax rate of 5% on a portion of the earnings generated by its mainland China entities. The Group controls the dividend policies of these subsidiaries and it has been determined that it is probable that a majority of these earnings will not be distributed in the foreseeable future.

Land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including lease charges for land use rights and all property development expenditures, and is included in the condensed consolidated statement of profit or loss as income tax expense.

13 EARNINGS PER SHARE

Basic earnings per share for the six months ended 30 June 2023 and 2022 is calculated by dividing the profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2023 (Unaudited)	2022 (Unaudited)
Consolidated profit attributable to ordinary equity holders of the Company (RMB'000)	1,431,155	1,789,211
Weighted average number of ordinary shares in issue ('000)	7,065,742	6,441,105
Basic earnings per share (RMB)	<u>0.20</u>	<u>0.28</u>

The share options and awarded shares granted by the Company have potential dilutive effect on the earnings per share. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from share options granted by the Company (collectively forming the denominator for computing the diluted earnings per share). The Company has share options outstanding for the six months ended 30 June 2023. However, they are anti-dilutive for the six months ended 30 June 2023.

	Six months ended 30 June	
	2023 (Unaudited)	2022 (Unaudited)
Profit attributable to equity holders of the Company (RMB'000)	1,431,155	1,789,211
Dilution effect arising from share-based awards issued by the A share company (RMB'000)	–	(2,411)
Profit attributable to equity holders of the Company for the calculation of diluted earnings per share (RMB'000)	1,431,155	1,786,800
Weighted average number of ordinary shares in issue ('000)	7,065,742	6,441,105
Add: number of dilutive shares ('000)	–	–
Weighted average number of ordinary shares in issue and potential ordinary shares used as the denominator in calculating diluted earnings per share ('000)	7,065,742	6,441,105
Diluted earnings per share (RMB)	<u>0.20</u>	<u>0.28</u>

14 DIVIDENDS

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2023 (for the six months ended 30 June 2022: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Review and Prospects

In the first half of 2023, amid severe challenges at home and abroad, the Group actively devoted its heart and strength in response to the government's calling for "guaranteeing house delivery and stabilizing people's livelihood", and delivered over 50,000 units of residential flat on schedule. For the first half of 2023, the Group recorded core net profit of approximately RMB1,565 million. The total commercial operating income amounted to approximately RMB5.201 billion, representing a year-on-year increase of 10.24%. Against the backdrop of a period of industry adjustment, the Company has gained competitive edges with its "dual-driver" strategy.

In the first half of 2023, affected by overall macroeconomic environment and the policies, the demand on real estate market continued to be weak with shrinking market scale. Though the entire industry was under substantial economic pressure, the Group managed to achieve contracted sales of approximately RMB42.4 billion and contracted sales of approximately 5.16 million square meters ("sq.m.") in gross floor area ("GFA") for the first half of 2023. We are clearly aware that no matter whether the trend of the market is moving upward or downward, quality products and services have always been the foundation of an enterprise. We are committed to gradually optimize our product structure and work hard to restore our profitability in the future.

Large-scale market presence will continue to support the Group in overcoming the industry cycle. In the first half of 2023, the Group has newly opened 6 Wuyue Plazas. As of 30 June 2023, the number of Wuyue Plazas in operation has reached 146. The number of urban complexes of Wuyue Plazas in operation and under development by the Group across the country has reached 205. As the economy has gradually stabilized and the consumer's confidence has cautiously restored, Wuyue Plaza will, with its more diversified types of operation and trendy brands that are popular among consumers, enhance the value of its shopping space while promoting regional economic growth.

Seazen placed its focus on healthy cash flow, closely monitored the scale of its liabilities and continued to optimize its debt structure. Supported by its healthy and manageable financial position, Seazen strived for creating a strong fundamental for debt repayment so as to ensure the settlement of each debt before or when due. Seazen continued to proactively seek more financing sources and has successfully issued senior notes in the principal amount of US\$100 million, corporate bonds of RMB1.1 billion and middle term notes of RMB850 million since 2023. Though in the period of industry adjustment, the Group, with its robust financial performance, was rated "BB-" by Standard & Poor's, an international rating agency.

This year marks the 30th anniversary of the establishment of Seazen Group. Thanks to the opportunities brought by the fatherland and the times, Seazen people have endeavored to develop and grow with the understanding and under the support of the stakeholders such as the Company's shareholders (the "**Shareholders**"), investors and customers. Business has its ups and downs, but Seazen will always muster its courage to face the reality and the resilience to face the future. In the new stage of development, we look forward to walking hand in hand with each of you and sharing the fruits of future success.

Business Review

Property Development

For the six months ended 30 June 2023, the contracted sales of the Group amounted to approximately RMB42,401 million, the total GFA sold was approximately 5.1665 million sq.m. and the average contracted selling price (excluding parking spaces sales) amounted to approximately RMB10,057 per sq.m..

Table 1: Breakdown of the Group's contracted sales for the first half of 2023

The following table sets out the geographic breakdown of the Group's contracted sales for the first half of 2023:

Province/Region	Contracted GFA sold (sq.m.)	Contracted sales (RMB million)
Yangtze River Delta Area		
Jiangsu Province	1,450,592	14,463
Zhejiang Province	209,989	3,139
Shanghai City	51,748	603
Anhui Province	90,581	387
Central and Western China Area		
Hubei Province	409,422	2,293
Hunan Province	221,156	1,569
Henan Province	280,110	1,650
Chongqing City	225,685	1,526
Jiangxi Province	144,286	1,317
Sichuan Province	200,170	1,076
Yunnan Province	186,415	916
Guizhou Province	84,852	601
Xinjiang Uygur Autonomous Region	180,184	1,682
Shaanxi Province	60,589	321
Guangxi Zhuang Autonomous Region	67,335	348
Shanxi Province	74,458	351
Qinghai Province	905	13
Gansu Province	11,163	110
Inner Mongolia Autonomous Region	3,411	6
Ningxia Hui Autonomous Region	9,062	10

Province/Region	Contracted GFA sold (sq.m.)	Contracted sales (RMB million)
Bohai Rim Area		
Shandong Province	569,956	3,634
Tianjin City	282,178	3,063
Beijing City	13,564	109
Hebei Province	101,145	842
Liaoning Province	5,715	5
Jilin Province	431	3
Greater Bay Area and Other Areas		
Guangdong Province	223,374	2,286
Fujian Province	7,989	78
Hainan Province	—	—
Total	5,166,465	42,401

As at 30 June 2023, the pre-sold but not delivered properties of the Group (including joint ventures and associates) amounted to approximately RMB258,817 million, with a total GFA of approximately 29.49 million sq.m..

Rentable and Saleable Land Resources

The geographic spread of the rentable and saleable land resources of the Group as at 30 June 2023 was as follows, among which the area for future residential sales is about 43.60 million sq.m.:

Table 2: Breakdown of Rentable and Saleable Land Resources of the Group

Province/Region	Rentable and saleable area (sq.m.)	Accumulative contracted area as of 30 June 2023 (sq.m.)
Yangtze River Delta Area		
Jiangsu Province	37,581,498	26,359,545
Zhejiang Province	8,243,676	5,993,469
Anhui Province	6,420,479	4,438,656
Shanghai City	966,768	718,345
Central and Western China Area		
Hubei Province	9,445,995	5,177,065
Hunan Province	8,640,311	5,159,734
Yunnan Province	6,138,877	2,583,813
Chongqing City	5,142,511	2,854,249
Guizhou Province	5,100,837	2,120,174
Henan Province	5,014,323	2,748,591
Sichuan Province	4,074,707	2,654,990
Guangxi Zhuang Autonomous Region	2,870,566	2,030,384
Shaanxi Province	2,563,856	1,588,513
Shanxi Province	2,702,568	1,414,879
Xinjiang Uygur Autonomous Region	2,160,003	579,570
Jiangxi Province	1,895,334	858,598
Inner Mongolia Autonomous Region	1,277,307	865,274
Qinghai Province	573,864	321,284
Ningxia Hui Autonomous Region	601,287	432,824
Gansu Province	420,288	169,544

Province/Region	Rentable and saleable area (sq.m.)	Accumulative contracted area as of 30 June 2023 (sq.m.)
Bohai Rim Area		
Shandong Province	15,169,181	7,263,192
Tianjin City	5,864,776	3,663,160
Hebei Province	3,524,374	2,222,897
Beijing City	1,141,656	765,083
Liaoning Province	971,298	653,235
Greater Bay Area and Other Areas		
Guangdong Province	6,459,389	3,756,068
Fujian Province	1,066,403	209,891
Total	146,032,131	87,603,029

Property Investment

The Group recorded rental and management fee income from investment properties of approximately RMB4,856 million for the six months ended 30 June 2023, representing a period-on-period increase of 10%.

Table 3: Breakdown of rental and management fee income from investment properties of the Group for the first half of 2023

Province/Region	Number of plazas	Occupancy rate	Rental and management fee income for the first half of 2023 RMB'000	Rental and management fee income for the first half of 2022 RMB'000
Jiangsu Province	39	98.27%	1,540,614	1,437,451
Zhejiang Province	16	96.99%	701,335	712,898
Anhui Province	13	93.30%	364,212	348,587
Shaanxi Province	7	97.01%	273,756	233,593
Shandong Province	9	87.04%	245,554	235,251
Hunan Province	4	93.21%	142,642	145,229
Guangxi Zhuang Autonomous Region	5	93.38%	117,496	118,646
Yunnan Province	6	98.96%	147,483	122,598
Hubei Province	6	98.16%	182,425	130,252
Jiangxi Province	4	97.78%	125,894	94,886
Sichuan Province	5	91.31%	126,733	124,362
Jilin Province	3	89.91%	84,698	66,531
Hainan Province	1	100.00%	80,486	74,624
Tianjin City	3	94.29%	98,232	96,000
Hebei Province	3	94.24%	78,938	73,370
Shanghai City	2	93.11%	68,431	53,542
Guizhou Province	2	100.00%	51,950	45,971
Qinghai Province	1	97.32%	36,263	40,007
Inner Mongolia Autonomous Region	3	91.11%	36,019	42,364
Fujian Province	1	98.86%	26,898	25,275
Liaoning Province	2	77.05%	69,619	36,708
Henan Province	2	98.12%	57,035	36,149
Ningxia Autonomous Region	1	97.01%	37,412	40,576
Chongqing City	5	88.65%	57,662	39,661
Guangdong Province	1	98.94%	32,906	29,585
Shanxi Province	2	99.27%	24,418	–
Gansu Province	1	100.00%	47,119	–

Notes:

1. The data of Shanghai includes the occupancy of the offices of Shanghai Seazen Holdings Tower B.
2. Rental income includes rentals, management fee, carpark, various operation and other sporadic management income.
3. The Company's total commercial operating income from January to June 2023 was RMB5.201 billion (i.e. tax-included rental income), including: rentals, management fee, carpark, various operation and other sporadic management income from shops and shopping centres.
4. The occupancy rate represents the occupancy of the commercial property as at 30 June 2023.

Property Delivery and Revenue from Sale of Properties

In the first half of 2023, the revenue of the Group's property development business was approximately RMB36,342 million. Properties with a total GFA of 3,957,466 sq.m. were delivered. The average selling price of properties delivered and recognized as sales was approximately RMB9,183 per sq.m..

Table 4: Breakdown of property development revenue by provinces for the first half of 2023

The following table sets forth the revenue information relating to the properties the Group delivered for sale during the first half of 2023:

Province/Region	Revenue <i>(RMB million)</i>	GFA <i>(sq.m.)</i>	Average selling price <i>(RMB/sq.m.)</i>
Jiangsu Province	10,990	1,168,460	9,406
Tianjin City	4,653	318,683	14,601
Shandong Province	3,872	582,300	6,650
Anhui Province	2,522	342,740	7,358
Zhejiang Province	2,493	114,499	21,775
Hunan Province	1,852	232,545	7,964
Sichuan Province	1,824	280,934	6,494
Chongqing City	1,799	179,779	10,009
Guangdong Province	1,384	90,165	15,345
Hebei Province	1,126	120,647	9,334
Guizhou Province	916	105,595	8,677
Shanghai City	512	36,783	13,918
Hubei Province	506	107,432	4,714
Guangxi Zhuang Autonomous Region	426	83,444	5,105
Liaoning Province	373	39,556	9,435
Yunnan Province	359	55,197	6,506
Henan Province	340	60,930	5,575
Jiangxi Province	199	16,920	11,732
Ningxia Hui Autonomous Region	89	13,814	6,417
Shaanxi Province	72	3,317	21,711
Shanxi Province	28	2,627	10,631
Jilin Province	7	1,102	6,188
Total	36,342	3,957,466	9,183

Financial Review

Revenue

For the six months ended 30 June 2023, the Group's revenue amounted to approximately RMB42,532.3 million. The amount of revenue of each significant category is as follows:

	Six months ended 30 June	
	2023	2022
	RMB million	RMB million
Revenue from sale of properties	36,342.5	37,735.7
Revenue from commercial property management services	2,134.7	1,808.5
Rental income	2,608.8	2,453.9
Other income	1,446.3	1,353.5
	<u>42,532.3</u>	<u>43,351.6</u>

Fair Value Gains on Investment Properties

The Group develops and holds several commercial properties such as shopping malls and car parks for rental income or capital appreciation. The Group's investment properties are appraised semi-annually by an independent property valuer. Any appreciation or depreciation in the Group's investment property value is recognized as fair value gains or losses in the Group's consolidated statements of income. Due to the increase in overall capital value, valuation gains on investment properties for the six months ended 30 June 2023 were approximately RMB127.6 million.

Gross Profit

For the six months ended 30 June 2023, the gross profit of the Group was approximately RMB7,415.5 million with a gross profit margin of 17.4%.

Selling and Marketing Costs

For the six months ended 30 June 2023, the selling and marketing costs of the Group decreased by 2.1% to approximately RMB1,680.0 million from approximately RMB1,716.9 million for the same period in 2022, which was primarily attributable to a decrease in employees' salaries.

Administrative Expenses

For the six months ended 30 June 2023, the administrative expenses of the Group decreased by 12.4% to approximately RMB2,060.2 million from approximately RMB2,351.5 million for the same period in 2022, which was mainly due to a decrease in employees' salaries.

Other Gains – Net

For the six months ended 30 June 2023, the net other gains of the Group were approximately RMB295.2 million, which was mainly attributable to gain from disposal of industrial land.

Finance Costs – Net

For the six months ended 30 June 2023, net finance costs of the Group increased by 11.9% to approximately RMB1,185.9 million from approximately RMB1,059.4 million for the same period in 2022 primarily because of a decrease in interest capitalization.

Income Tax Expense

Income tax expense comprises the corporate income tax and land appreciation tax. The corporate income tax and land appreciation tax of the Group for the six months ended 30 June 2023 were approximately RMB1,012.3 million and approximately RMB436.8 million, respectively.

Financial Resources and Liquidity Ratios

As at 30 June 2023, the Group had cash at bank and on hand (including restricted cash) of approximately RMB29,011.8 million (as at 31 December 2022: approximately RMB32,453.3 million), current and non-current borrowings of approximately RMB73,542.7 million (as at 31 December 2022: approximately RMB79,537.6 million), of which interest payable was approximately RMB605.2 million (as at 31 December 2022: approximately RMB714.1 million). The maturity grouping of borrowings based on the remaining period as at 30 June 2023 and 31 December 2022, respectively, to the maturity date is as follows:

<i>Borrowing Terms</i>	30 June 2023 RMB million	31 December 2022 RMB million
Within 1 year	25,615.8	35,663.1
Over 1 year but within 2 years	15,392.7	19,072.0
Over 2 years but within 5 years	19,440.2	16,532.0
Over 5 years	13,094.0	8,270.5
	73,542.7	79,537.6

The weighted average interest rate for the Group's bank borrowings, senior notes and corporate bonds, etc. as at 30 June 2023 was 6.35%.

As at 30 June 2023, the Group's net debt-to-equity ratio was 47.2% (as at 31 December 2022: 49.9%). Net debt-to-equity ratio is calculated as net debt at the end of the period divided by total equity and multiplied by 100%. Net debt is calculated as total borrowings less interest payable, cash and cash equivalents and restricted cash.

The Directors believed that the risks associated with the debt level of the Group are under control and that the Group is fully capable of coping with and withstanding any market volatility.

Contingent Liabilities

Pursuant to the mortgage contracts, banks require the Group to guarantee its purchasers' mortgage loans. The Group's guarantee period typically starts from the date of the grant of the mortgage. Guarantees for mortgages on pre-sold residential properties are generally discharged at the earlier of: (i) the issue of the real estate ownership certificate by government authorities to the purchasers; or (ii) the satisfaction of mortgage loans by the purchasers of the properties. The Group has provided guarantees to financial institutions for mortgage loan facilities granted to purchasers of the Group's properties.

As at 30 June 2023, the Group provided guarantees to financial institutions for mortgage loan facilities granted to purchasers of the Group's properties amounting to approximately RMB60,597.9 million (as at 31 December 2022: approximately RMB62,295.9 million).

There are certain corporate guarantees provided by the Company's subsidiaries for each other in respect of borrowings as at 30 June 2023. The Directors considered that the subsidiaries have sufficient financial resources to settle their obligations.

As at 30 June 2023, the Group provided a pledge to guarantee the borrowings of such joint ventures and associates in which the Group holds their equity interests. As at 30 June 2023, the Group provided guarantees with the amount of approximately RMB4,442.9 million (as at 31 December 2022: approximately RMB4,924.4 million) to its joint ventures and associates.

Save as disclosed in this announcement, the Group had no other material contingent liabilities as at 30 June 2023.

Foreign Exchange Risks

As at 30 June 2023 and 31 December 2022, the cash balances held by the Group are as follows:

	30 June 2023	31 December 2022
	<i>RMB million</i>	<i>RMB million</i>
Denominated in RMB	28,934.5	31,400.2
Denominated in USD	31.8	33.4
Denominated in HKD	45.5	1,019.7
	29,011.8	32,453.3

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in Renminbi. The Group is exposed to foreign currency risks arising from the exposure of U.S. dollars and Hong Kong dollars against Renminbi as certain cash balances of the Group are primarily in U.S. dollars or Hong Kong dollars and its certain general and administrative expenses and other loans are settled in U.S. dollars or Hong Kong dollars.

The Company currently does not have any foreign exchange hedging policy and each of the Directors will continue to closely monitor the scale of assets and liabilities in foreign currencies to minimize the foreign exchange risks.

In addition, Renminbi is not freely convertible into foreign currencies and the conversion of Renminbi into foreign currencies is subject to rules and regulations of the foreign exchange control promulgated by the PRC government.

Material Acquisition and Disposal

During the Reporting Period, the Group did not have any material acquisitions or disposals of subsidiaries, associates or assets.

Future Plans for Material Investments or Capital Assets

The Directors confirmed that as at the date of this announcement, the Group currently has no intention to acquire any material investments or capital assets other than those acquired in the Group's ordinary business of property development.

Dividend

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2023 (for the six months ended 30 June 2022: nil).

Employees and Compensation Policy

As at 30 June 2023, the Group had 24,294 full-time employees in the PRC and Hong Kong.

The Group determines the remuneration packages of all the employees (including Directors) based on their performance, work experience and the prevailing market wage level, and provides promotional opportunities with reference to their individual strengths and potentials.

The remuneration package of the employees consists of basic salary, cash bonus and share-based payments. The Group has established a performance appraisal system to evaluate the performance of its employees on an annual basis and use the evaluation results to determine their salary increment or promotion accordingly.

Purchase, Sale or Redemption of any Listed Securities of the Company

During the six months ended 30 June 2023, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

EVENTS DURING THE REPORTING PERIOD

Resignation of Vice-chairman of the Board, Non-executive Director and Member of the Environmental, Social and Governance Committee

On 16 February 2023, Mr. Qu Dejun resigned as vice-chairman of the Board, non-executive Director and member of the environmental, social and governance committee due to his inability to perform his duties. For details of the resignation, please refer to the announcements of the Company dated 10 February 2023 and 16 February 2023, respectively.

Proposal for the Non-public Issuance by Seazen Holdings

On 29 March 2023, Seazen Holdings's extraordinary general meeting approved the proposal for the non-public issuance of A shares, pursuant to which Seazen Holdings will issue not more than 676,686,800 A shares. It is expected that the proceeds to be raised will be not more than RMB8.0 billion.

SIGNIFICANT EVENT SUBSEQUENT TO THE REPORTING PERIOD

The Group had no significant event subsequent to the end of the Reporting Period and up to the date of this announcement.

MATERIAL CHANGES

Save as disclosed in this announcement, there have been no material changes in respect of the future development of the business of the Group (including the Company's prospects for the current financial year) since the publication of the Company's 2022 annual report.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its own code of corporate governance. The Company has complied with the code provisions as set out in part 2 of the CG Code for the six months ended 30 June 2023. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. The Company has made specific enquiries with all the Directors, and each of the Directors has confirmed that he has complied with the Model Code during the Reporting Period.

REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The audit committee of the Company, comprising all the independent non-executive Directors, namely Mr. Chen Huakang (Chairman), Mr. Zhu Zengjin and Mr. Zhong Wei, has reviewed with the management the accounting principles and policies adopted by the Group and the unaudited interim results of the Group for the six months ended 30 June 2023.

PUBLICATION OF THE INTERIM RESULTS AND 2023 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.seazengroup.com.cn), and the 2023 interim report containing all the information required under the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Seazen Group Limited
Wang Xiaosong
Chairman

The PRC, 30 August 2023

As at the date of this announcement, the Directors are Mr. Lv Xiaoping and Mr. Lu Zhongming as executive Directors, Mr. Wang Xiaosong and Mr. Zhang Shengman as non-executive Directors, and Mr. Chen Huakang, Mr. Zhu Zengjin and Mr. Zhong Wei as independent non-executive Directors.

* *Denotes English translation of the name of a Chinese company or entity and is provided for identification purpose only.*