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建業地產股份有限公司*

Central China Real Estate Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0832)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

FINANCIAL HIGHLIGHTS

- Revenue for the six months ended 30 June 2023 amounted to approximately RMB8,074 million, an increase of 10.6% compared with the corresponding period in 2022.
- Gross profit for the period amounted to approximately RMB1,056 million, an increase of 90.5% compared with the corresponding period in 2022.
- Gross profit margin for the period was 13.1%, an increase of 5.5 percentage points compared with 7.6% for the corresponding period in 2022.
- Loss attributable to equity shareholders of the Company for the period amounted to approximately RMB1,192 million, a decrease of 78.7% compared with the corresponding period in 2022.
- Loss for the period amounted to approximately RMB1,169 million, a decrease of 80.3% as compared with the corresponding period in 2022.
- Basic loss per share for the period was RMB40.67 cents, a decrease of 79.2% as compared with the corresponding period in 2022.

INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of Central China Real Estate Limited (the “**Company**”) hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2023, together with the relevant comparative figures in 2022 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2023

(Expressed in Renminbi)

		Six months ended 30 June	
		2023	2022
			(Note)
	Note	RMB'000	RMB'000
Revenue	3	8,074,292	7,300,552
Cost of sales		<u>(7,018,751)</u>	<u>(6,746,597)</u>
Gross profit		1,055,541	553,955
Other revenue	4	183,910	65,618
Other net losses	4	(843,538)	(2,620,375)
Selling and marketing expenses		(361,289)	(708,279)
General and administrative expenses		(392,342)	(615,340)
Impairment losses on trade and other receivables and contract assets	5	<u>(68,540)</u>	<u>(327,129)</u>
		(426,258)	(3,651,550)
Finance costs	5	(512,091)	(469,791)
Share of profits less losses of associates		36,925	3,380
Share of profits less losses of joint ventures		<u>2,700</u>	<u>(65,333)</u>
Loss before change in fair value of investment property and income tax		(898,724)	(4,183,294)
Net valuation gain/(loss) on investment property		<u>169,535</u>	<u>(1,513,625)</u>
Loss before taxation	5	(729,189)	(5,696,919)
Income tax	6	<u>(439,440)</u>	<u>(244,159)</u>
Loss for the period		<u>(1,168,629)</u>	<u>(5,941,078)</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2023 (Continued)

(Expressed in Renminbi)

	Six months ended 30 June	
	2023	2022
		(Note)
Note	RMB'000	RMB'000
Attributable to:		
Equity shareholders of the Company	(1,191,967)	(5,604,917)
Non-controlling interests	<u>23,338</u>	<u>(336,161)</u>
Loss for the period	<u>(1,168,629)</u>	<u>(5,941,078)</u>
Loss per share	7	
– Basic (RMB cents)	<u>(40.67)</u>	<u>(195.06)</u>
– Diluted (RMB cents)	<u>(40.67)</u>	<u>(195.06)</u>

Note: The Group has applied amendments to HKAS 12 and comparative information is restated.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2023

(Expressed in Renminbi)

	Six months ended 30 June	
	2023	2022
		<i>(Note)</i>
	RMB'000	RMB'000
Loss for the period	(1,168,629)	(5,941,078)
Other comprehensive income for the period (after tax and reclassification adjustments)		
<i>Items that will not be reclassified to profit or loss:</i>		
Equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling)	50,673	3,238
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on:		
– Translation of financial statements to the presentation currency	(269,209)	(239,943)
– Arising on a monetary item that forms part of net investment in foreign operations	(174,726)	(141,379)
Other comprehensive income for the period	(393,262)	(378,084)
Total comprehensive income for the period	(1,561,891)	(6,319,162)
Attributable to:		
Equity shareholders of the Company	(1,585,229)	(5,983,011)
Non-controlling interests	23,338	(336,151)
Total comprehensive income for the period	(1,561,891)	(6,319,162)

Note: The Group has applied amendments to HKAS 12 and comparative information is restated.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2023

(Expressed in Renminbi)

		At 30 June 2023	At 31 December 2022 (Note)
	Note	RMB'000	RMB'000
Non-current assets			
Property, plant and equipment		9,152,468	8,978,696
Investment property		4,124,350	3,805,990
Intangible assets and goodwill		1,081,824	1,086,541
Biological assets		126,892	178,481
Interests in associates	8	1,581,947	1,734,710
Interests in joint ventures	9	3,710,069	3,804,901
Other financial assets		691,385	628,051
Deferred tax assets		47,063	48,495
		20,515,998	20,265,865
Current assets			
Trading securities		3,320	4,496
Biological assets		29,131	34,451
Inventories and other contract costs	10	85,012,594	92,508,118
Contract assets		47,847	49,152
Trade and other receivables	11	6,274,901	6,524,266
Deposits and prepayments	12	11,180,424	11,768,748
Tax recoverable		3,088,661	3,449,389
Restricted bank deposits		2,006,240	2,462,406
Cash and cash equivalents		1,772,742	1,890,077
		109,415,860	118,691,103
Current liabilities			
Bank loans	13	(7,941,390)	(4,526,629)
Other loans	14	(1,559,070)	(2,123,570)
Trade and other payables	15	(55,916,557)	(57,339,130)
Contract liabilities		(46,510,188)	(51,666,372)
Senior notes	16	(13,849,592)	(6,234,757)
Lease liabilities		(31,434)	(36,355)
Taxation payable		(1,122,947)	(1,325,697)
		(126,931,178)	(123,252,510)
Net current liabilities		(17,515,318)	(4,561,407)
Total assets less current liabilities		3,000,680	15,704,458

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2023 (Continued)

(Expressed in Renminbi)

		At 30 June 2023	At 31 December 2022 (Note)
	Note	RMB'000	RMB'000
Non-current liabilities			
Bank loans	13	(90,963)	(3,519,385)
Other loans	14	–	(1,000)
Senior notes	16	–	(7,256,012)
Lease liabilities		(273,147)	(326,083)
Deferred tax liabilities		(1,398,221)	(1,273,977)
		<u>(1,762,331)</u>	<u>(12,376,457)</u>
NET ASSETS		<u>1,238,349</u>	<u>3,328,001</u>
CAPITAL AND RESERVES			
Share capital		266,528	266,528
Reserves		(1,216,232)	518,982
Total equity attributable to equity shareholders of the Company		(949,704)	785,510
Non-controlling interests		<u>2,188,053</u>	<u>2,542,491</u>
TOTAL EQUITY		<u>1,238,349</u>	<u>3,328,001</u>

Note: The Group has applied amendments to HKAS 12 and comparative information is restated.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Renminbi unless otherwise indicated)

Central China Real Estate Limited (“**the Company**”) is a limited liability company incorporated in the Cayman Islands on 15 November 2007. Its principal place of business is at Room 7701B-7702A, 77th Floor, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong and its registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. This interim financial report as at and for the six months ended 30 June 2023 comprises the Company and its subsidiaries (together referred to as “**the Group**”) and the Group’s interests in associates and joint ventures. The principal activity of the Company is investment holding and the Group is principally engaged in property development, property leasing and hotel operations in Henan Province in the People’s Republic of China (“**the PRC**”).

1 BASIS OF PREPARATION

This interim financial report has 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 Hong Kong Accounting Standard (HKAS) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (HKICPA).

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2022 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2023 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 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 year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed 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 2022 annual financial statements. The 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 HKFRSs.

Multiple material uncertainties relating to going concern

The Group incurred a net loss of RMB1,168,629,000. As at 30 June 2023, the Group's net current liabilities amounted to RMB17,515,318,000 and total bank and other loans and senior notes amounted to RMB23,441,015,000, out of which bank and other loans of RMB9,500,460,000 and offshore senior notes of RMB13,849,592,000 will be due for repayment within the next twelve months, while its cash and cash equivalents amounted to RMB1,772,742,000.

During the six months ended 30 June 2023, the real estate sector in the People's Republic of China ("the PRC") continued to experience volatility. This mainly includes the tightened policies adopted towards the real estate sector in 2021, resulting in the whole real estate sector suffering from short-term liquidity pressures. As a result, pre-sale of Chinese property developers has continued to decrease during the six months ended 30 June 2023. Although the Chinese governments has announced an array of policies to shore up the sector recently, the local market condition in the real estate sector of Henan Province still needs time to recover. Therefore, the Company anticipates that in the absence of a strong and quick recovery in the local market of Henan Province, the Group's real estate operation in Henan Province remains under pressure in the near term.

On 23 June 2023, the Company announced that it will suspend payments to all offshore creditors (the "Default") to ensure fair treatment among all offshore creditors. Such non-payment may lead to the Group's creditors demanding acceleration of repayment of their debts and/or take actions pursuant to the respective terms of the relevant financing arrangements. As at 30 June 2023, the Group's total existing offshore senior notes amounted to RMB13,849,592,000, such that they become due for immediate redemption once the relevant senior noteholder makes the request under the cross-default provision. If any of the senior note holders request immediate redemption of any of the senior notes and the Group cannot fulfill the request, the senior noteholders are entitled to take possession of the assets securing the senior notes.

All these events or conditions indicate the existence of multiple material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

In view of these circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern and pay its debts when they fall due. The directors are undertaking an offshore debt restructuring plan (the “**Debt Restructuring Plan**”), which includes the following plans and measures, to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due:

- (i) On 20 July 2023, the Group announced to seek a holistic solution to the offshore debts situation (the “**Holistic Solution**”) in order to ensure the sustainability of the operations. The Group has appointed BNP Paribas Securities (Asia) Limited and Haitong International Securities Company Limited as its financial advisors and Linklaters as its legal advisor.

The Group is actively seeking communication with offshore creditors in order to provide a Holistic Solution to resolve its current liquidity issue;

- (ii) The Group continues to negotiate with existing lenders, including banks and other financial institutions, material shareholders of the Company and state-owned real-estate funds, on the renewal or extension of the Group’s certain borrowings and seek for additional financing to settle its existing financial obligations and future operating expenditure;
- (iii) The Group continues to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties held for sale, and to speed up the collection of sales proceeds and other receivables;
- (iv) The Group closely monitors the process of construction of its property development projects to ensure that construction and related payments are fulfilled, the relevant properties sold under pre-sale arrangement are completed and delivered to the customers on schedule, such that the Group is able to release restricted pre-sale proceeds as planned, while maintaining more stringent cost control measures;
- (v) The Group will not commit on significant capital expenditures and land acquisitions before securing the necessary funding;
- (vi) The Group will continue to control administrative costs and contain unnecessary capital expenditures to preserve liquidity. The Group will also continue to actively assess additional measures to further reduce discretionary spending; and
- (vii) The Group has been proactive in seeking ways to settle the outstanding litigations of the Group. The Group has made relevant provisions for litigations and claims and will seek to reach an amicable solution on the charges and payment terms to the claims and litigations which have not yet reached a definite outcome.

The directors of the Company have reviewed the Group's cash flow projections prepared by management which cover a period of not less than twelve months from 30 June 2023 and consider multiple material uncertainties exist as to whether the Group will be able to achieve the plans and measures as described above. Specifically, whether the Group will be able to continue as a going concern will depend on the following:

- (i) successfully progress and complete the Holistic Solution, which will be subject to various external conditions that are beyond the Group's control, including but not limited to noteholders' acceptance of the amendments to be proposed, possible material adverse change in the market during the process and fulfilment of legal or regulatory requirements;
- (ii) successfully improve its liquidity position, generate sufficient cash flows to meet its obligations, recover from the volatility in the local real estate industry, expedite the sales of properties, and collect outstanding sales proceeds and other receivables, while maintaining more stringent cost control measures of containment of discretionary capital expenditures to address the Group's debt obligations within a reasonable timeframe;
- (iii) successfully negotiate with the existing lenders on the renewal or extension of the Group's certain borrowings and maintenance of the relationship with the Group's current finance providers so that they continue to provide finance to the Group, which is subject to current and ongoing regulatory environments and how the relevant policies and measures might affect the Group and the relevant lenders;
- (iv) successfully obtain additional new sources of financing;
- (v) successful implementation of the Group's business strategy plan and cost control measures so as to improve the Group's working capital and cash flow position; and
- (vi) reaching an amicable solution on the charges and payment terms in respect of the claims and litigations which have not yet reached a definite outcome.

The directors of the Company consider that, assuming the success of all the above-mentioned assumptions, plans and measures, the Group will have sufficient working capital to finance its operations and to meet its obligations as and when they fall due for at least twelve months from 30 June 2023. Accordingly, the directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

If the Group fail to achieve one or more of the above-mentioned plans and measures on a timely basis, it may not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

2 CHANGES IN ACCOUNTING POLICIES

New and amended HKFRSs

The Group has applied the following new and amended HKFRSs issued by the HKICPA to this interim financial report for the current accounting period:

- HKFRS 17, Insurance contracts
- Amendments to HKAS 8, Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates
- Amendments to HKAS 12, Income taxes: Deferred tax related to assets and liabilities arising from a single transaction
- Amendments to HKAS 12, Income taxes: International tax reform – Pillar Two model rules

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 this interim results announcement. 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

(a) Revenue

The principal activities of the Group are property development, property leasing and hotel operations. Revenue of the Group for the period is analysed as follows:

(i) Disaggregation of revenue

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

	Six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of HKFRS15		
Disaggregation by major products or service lines		
– Sales of properties	7,674,028	7,017,562
– Revenue from hotel operations	172,831	89,408
– Revenue from project management service	–	21,267
– Others	169,019	100,450
	<u>8,015,878</u>	<u>7,228,687</u>
Revenue from other sources		
– Rental income from investment properties	55,875	65,025
– Rental income from properties for sale	2,539	6,840
	<u>58,414</u>	<u>71,865</u>
	<u>8,074,292</u>	<u>7,300,552</u>

Disaggregation of revenue from contracts with customers by timing of revenue recognition is as follows:

	Six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
Point in time		
– Sales of properties	6,697,941	5,439,997
– Revenue from hotel operations	172,831	89,408
– Others	169,019	100,450
	<u>7,039,791</u>	<u>5,629,855</u>
Over time		
– Sales of properties	976,087	1,577,565
– Revenue from project management service	–	21,267
	<u>976,087</u>	<u>1,598,832</u>
	<u>8,015,878</u>	<u>7,228,687</u>

(b) Segment reporting

(i) *Products and services from which reportable segments derive their revenue*

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is more focused on the Group as a whole, as all of the Group's activities are considered to be primarily dependent on the performance on property development. Resources are allocated based on what is beneficial for the Group in enhancing its property development activities as a whole rather than any specific service. Performance assessment is based on the results of the Group as a whole. Therefore, management considers there to be only one operating segment under the requirements of HKFRS 8, *Operating segments*.

(ii) *Geographic information*

No geographical information is shown as the revenue and profit from operations of the Group is substantially derived from activities in the PRC.

4 OTHER REVENUE AND OTHER NET LOSSES

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Other revenue		
Interest income	8,602	28,235
Dividend income from equity securities	–	2,324
Government grants	166,428	19,273
Others	8,880	15,786
	<u>183,910</u>	<u>65,618</u>
Other net losses		
Net realised and unrealised loss on trading securities	(1,137)	(10,457)
Inventory write-down	(793,272)	(1,736,096)
Penalty accruals	(81,220)	(276,952)
Net gain on deemed disposals and disposals of joint ventures	383	3,276
Net gain/(loss) on deemed disposals and disposals of subsidiaries	3,934	(474,955)
Net gain on deemed disposals and disposals of associates	40,599	–
Changes in fair value of biological assets less cost to sell	(28,858)	(6,781)
Net gain/(loss) on disposals of property, plant and equipment	115	(25,068)
Net exchange gain/(loss)	7,396	(91,192)
Others	8,522	(2,150)
	<u>(843,538)</u>	<u>(2,620,375)</u>

5 LOSS BEFORE TAXATION

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

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
(a) Finance costs		
Interest on bank loans and other borrowings	1,182,649	1,163,617
Interest on lease liabilities	7,773	21,038
	<hr/>	<hr/>
Total interest expense on financial liabilities not at fair value through profit or loss	1,190,422	1,184,655
Interest accrued on advance payments from customers	535,493	715,159
Less: interest expense capitalised into properties under development	(1,218,364)	(1,441,477)
	<hr/>	<hr/>
	507,551	458,337
Net change in fair value of derivatives	4,540	11,454
	<hr/>	<hr/>
	512,091	469,791
	<hr/> <hr/>	<hr/> <hr/>
(b) Other items		
Amortisation	4,717	9,787
Depreciation charge		
– owned property, plant and equipment	104,413	111,362
– right-of-use assets	6,600	22,806
Impairment losses on trade and other receivables and contract assets	68,540	327,129
Cost of properties sold	6,813,354	6,565,831

6 INCOME TAX

	Six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
Current tax		
PRC Corporate Income Tax	220,895	43,240
PRC Land Appreciation Tax	<u>108,424</u>	<u>271,355</u>
	<u>329,319</u>	<u>314,595</u>
Deferred tax		
PRC Corporate Income Tax	98,409	(100,421)
PRC Land Appreciation Tax	<u>11,712</u>	<u>29,985</u>
	<u>110,121</u>	<u>(70,436)</u>
	<u>439,440</u>	<u>244,159</u>

- (a) Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands.
- (b) No Hong Kong Profits Tax has been provided for as the Group has no estimated assessable profits in Hong Kong.

(c) **PRC Corporate Income Tax (“CIT”)**

The provision for CIT is based on the respective applicable rates on the estimated assessable profits of the Company’s subsidiaries in the PRC (“**PRC subsidiaries**”) as determined in accordance with the relevant income tax rules and regulations of the PRC.

The PRC subsidiaries were subject to the actual taxation method, charged CIT at a rate of 25% (2022: 25%) on the estimated assessable profits for the period.

(d) **Land Appreciation Tax (“LAT”)**

All income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation of land value, with an exemption provided for property sales of ordinary residential properties (普通標準住宅) if their appreciation of land value do not exceed 20% of the sum of the total deductible items.

(e) **Withholding tax**

Withholding taxes are levied on the Company’s subsidiaries in Hong Kong (“**Hong Kong subsidiaries**”) in respect of dividend distributions arising from profit of PRC subsidiaries earned after 1 January 2008 and interest on inter-company balance received by Hong Kong subsidiaries from PRC subsidiaries ranged from 5% to 10%.

(f) **Pillar Two income tax**

The Group incorporated a holding entity in Hong Kong, which has recently enacted new tax laws to implement the Pillar Two model rules published by the OECD. The new tax laws take effect from 1 January 2025. When these laws take effect, the Group expects to be subject to a new top-up tax in Hong Kong in relation to its operations in Mainland China, where the additional tax deductions in connection with government support would result in an effective tax rate of lower than 15%. As the new tax laws are not yet effective, the Group does not expect any current tax impact for the year ending 31 December 2023 (2022: Nil).

The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and would account for the tax as current tax when incurred.

7 **LOSS PER SHARE**

(a) **Basic loss per share**

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB1,191,967,000 (2022: loss of RMB5,604,917,000) and the weighted average of 2,931,126,090 ordinary shares (2022: 2,873,478,898 shares) in issue during the interim period.

(b) **Diluted loss per share**

The calculation of diluted loss per share was based on the loss attributable to ordinary equity shareholders of the Company of RMB1,191,967,000 (2022: loss of RMB5,604,917,000) and the weighted average number of ordinary shares of 2,931,126,090 (2022: 2,873,478,898 shares).

(i) ***Loss attributable to ordinary equity shareholders of the Company (diluted)***

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Loss attributable to equity shareholders (diluted)	<u>(1,191,967)</u>	<u>(5,604,917)</u>

(ii) ***Weighted average number of ordinary shares (diluted)***

	Six months ended 30 June	
	2023	2022
Weighted average number of ordinary shares at 30 June	<u>2,931,126,090</u>	<u>2,873,478,898</u>
Weighted average number of ordinary shares (diluted) at 30 June	<u>2,931,126,090</u>	<u>2,873,478,898</u>

8 INTEREST IN ASSOCIATES

	At	At
	30 June	31 December
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Share of net assets	64,733	259,317
Amounts due from associates	<u>1,517,214</u>	<u>1,475,393</u>
	<u>1,581,947</u>	<u>1,734,710</u>

9 INTEREST IN JOINT VENTURES

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Share of net assets	1,448,669	1,621,207
Amounts due from joint ventures	<u>2,261,400</u>	<u>2,183,694</u>
	<u>3,710,069</u>	<u>3,804,901</u>

(a) Amounts due from joint ventures

Amounts due from joint ventures included amount of RMB1,112,411,000 (31 December 2022: RMB1,170,453,000) which are interest-bearing at 10% – 12% per annum, unsecured and have no fixed terms of payment. The remaining amounts due from joint ventures are unsecured, interest-free and have no fixed terms of payment. They are expected to be recovered after more than one year.

10 INVENTORIES AND OTHER CONTRACT COSTS

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Inventories		
– Properties held for future development and under development for sale	80,408,846	86,369,998
– Completed properties held for sale	4,303,435	5,783,940
– Others	<u>43,799</u>	<u>72,197</u>
	84,756,080	92,226,135
Other contract costs	<u>256,514</u>	<u>281,983</u>
	<u>85,012,594</u>	<u>92,508,118</u>

As at 30 June 2023, the Group's inventories of RMB360,473,000 (31 December 2022: RMB651,900,000) were pledged as securities of joint ventures' loans.

11 TRADE AND OTHER RECEIVABLES

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Trade debtors and bills receivable, net of loss allowance	100,399	93,385
Other debtors	2,636,633	2,225,786
Amounts due from joint ventures	53,253	58,353
Amounts due from associates	35,909	32,890
Amounts due from entities controlled		
by the ultimate controlling shareholder	263,140	149,867
Amounts due from entities jointly controlled by a close family		
member of the ultimate controlling shareholder	12,574	11,478
Amounts due from non-controlling interests	3,172,993	3,947,943
Financial assets measured at amortised cost	6,274,901	6,519,702
Derivative financial instruments		
– redemption call options embedded in senior notes	–	4,564
	6,274,901	6,524,266

Amounts due from joint ventures and non-controlling interests are unsecured, interest-free and have no fixed terms of repayment.

Amounts due from entities controlled by the ultimate controlling shareholder mainly represented amounts in relation to the lease, hotel and other miscellaneous services provided by the Group, which are unsecured and to be settled according to the contract terms.

Amounts due from joint venturers are unsecured, interest-bearing at 8%-12% per annum and expected to be repaid within one year.

(a) Aging analysis

The ageing analysis of bills and trade receivables, based on the invoice date (or date of revenue recognition, if earlier) and net of loss allowance, is as follows:

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Within 3 months	25,540	28,371
3 to 6 months	10,956	15,570
6 to 12 months	23,372	15,866
Over 1 year	40,531	33,578
	100,399	93,385

Trade debtors and bills receivable are due upon the invoicing.

12 DEPOSITS AND PREPAYMENTS

At 30 June 2023, the balance included deposits and prepayments for leasehold land for development purpose of RMB8,261,925,000 (31 December 2022: RMB8,530,873,000), which will be transferred to inventory upon the registration of the ownership interest in the land.

13 BANK LOANS

(a) As at 30 June 2023, bank loans were repayable as follows:

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Within 1 year or on demand	7,941,390	4,526,629
After 1 year but within 2 years	50,500	1,902,246
After 2 years but within 5 years	40,463	1,450,739
After 5 years	–	166,400
	<u>90,963</u>	<u>3,519,385</u>
	<u>8,032,353</u>	<u>8,046,014</u>

As at 30 June 2023, the borrowings with carrying amount of RMB3,621,686,000 (31 December 2022: RMB3,651,849,000) carry interest at variable rates based on the interest rates quoted by the People's Bank of China, the effective interest rate ranges from 4.0% to 8.68% (31 December 2022: from 4.25% to 9.04%) per annum and exposed the Group to cash flow interest rate risk. The remaining borrowings are arranged at fixed rate, the effective interest rate ranged from 5.22% to 12.0% (31 December 2022: from 5.22% to 12.0%) per annum as at 30 June 2023, and exposed the Group to fair value interest rate risk.

(b) As at 30 June 2023, the bank loans were secured as follows:

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Bank loans		
– secured	7,633,953	7,656,514
– unsecured	398,400	389,500
	<u>8,032,353</u>	<u>8,046,014</u>

- (c) As at 30 June 2023, the secured bank loans are secured over equity interest in subsidiaries of the Group and other assets as follows:

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Properties for sale	11,025,195	12,302,212
Property, plant and equipment	1,084,509	1,099,335
Investment property	205,000	205,000
	<u>12,314,704</u>	<u>13,606,547</u>

14 OTHER LOANS

- (a) As at 30 June 2023, other loans were repayable as follows:

	<i>Note</i>	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Within 1 year	<i>13(a)</i>	1,559,070	2,123,570
After 1 year but within 2 years		–	1,000
		<u>1,559,070</u>	<u>2,124,570</u>

- (b) As at 30 June 2023, the other loans were secured as follows:

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Other loans – secured	<u>1,559,070</u>	<u>2,124,570</u>

(c) As at 30 June 2023, the secured other loans are secured over interests in subsidiaries of the Group and other assets as follows:

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Properties for sale	4,378,340	4,325,142
Property, plant and equipment	<u>347,048</u>	<u>347,048</u>
	<u>4,725,388</u>	<u>4,672,190</u>

15 TRADE AND OTHER PAYABLES

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Trade creditors and bills payable	33,248,965	37,164,043
Other creditors and accrued charges	9,113,038	7,435,082
Amounts due to joint ventures	1,024,849	1,616,946
Amounts due to associates	605,664	136,623
Amounts due to entities controlled by the ultimate controlling shareholder	4,470,265	3,844,741
Amounts due to non-controlling interests	4,627,058	4,678,842
Amounts due to the shareholder with significant influence over the Group	<u>736,643</u>	<u>696,154</u>
Financial liabilities measured at amortised cost	----- 53,826,482	----- 55,572,431
Other tax payables	<u>2,090,075</u>	<u>1,766,699</u>
	<u>55,916,557</u>	<u>57,339,130</u>

Amounts due to joint ventures and associates are unsecured, interest-free and have no fixed terms of payment.

Amounts due to entities controlled by the ultimate controlling shareholder mainly included amount due to Central China New Life Limited 建業新生活有限公司 (“**Central China New Life**”) together with its subsidiaries of RMB1,221,770,000 (31 December 2022: RMB1,366,469,000) and amount due to DIT Group Limited 築友智造科技集團有限公司 (“**Drawin Intelligent Manufacture**”) together with its subsidiaries of RMB1,133,840,000 (31 December 2022: RMB655,268,000), for receiving services from these entities, which are interest free, unsecured and to be settled according to the contract terms.

Amounts due to non-controlling interests included amount of RMB1,688,208,000 (31 December 2022: RMB1,345,569,000) which are unsecured, interest bearing at 9%-18% (31 December 2022: 9%-18%) per annum and repayable within 1 year. The remaining amounts due to non-controlling interests are unsecured, interest-free and have no fixed terms of payment.

Amount due to the shareholder with significant influence over the Group is secured, interest bearing at 12% per annum and repayable within 1 year.

All trade and other payables are expected to be settled within one year except for the retention payable of RMB261,661,000 (31 December 2022: RMB131,424,000) which is expected to be settled after more than one year.

(a) Aging analysis

As of the end of the reporting period, the ageing analysis of trade creditors and bills payables based on the invoice date is as follows:

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Within 3 months	15,005,082	19,455,702
3-6 months	1,705,499	3,017,924
6-12 months	4,822,354	4,498,417
Over 12 months	11,716,030	10,192,000
	<u>33,248,965</u>	<u>37,164,043</u>

16 SENIOR NOTES

Liability component of the Senior Notes:

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
US\$200 million due in July 2024	1,433,660	1,386,450
US\$300 million due in August 2024	2,087,307	2,018,655
US\$300 million due in May 2024	2,135,124	2,065,439
US\$300 million due in April 2025	2,063,963	2,085,718
US\$260 million due in July 2025	1,848,302	1,785,468
US\$400 million due in August 2025	2,865,842	2,779,686
US\$200 million due in November 2025	<u>1,415,394</u>	<u>1,369,353</u>
	13,849,592	13,490,769
Representing:		
– Current	13,849,592	6,234,757
– Non-current	<u>–</u>	<u>7,256,012</u>
	<u>13,849,592</u>	<u>13,490,769</u>

As disclosed in Note 1, default of payment of senior notes triggered cross-default of total senior notes issued by the Group with carrying amount of USD1,925,803,000 (approximately RMB13,849,592,000) on 30 June 2023, such that they become due for immediately payment once the relevant lender makes the request under a cross-default provision. As a result, the balance is classified as current liability at 30 June 2023.

17 DIVIDENDS

Dividends payable to equity shareholders attributable to the interim period

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Interim dividend declared after the interim period:		
Nil (2022 interim: Nil per ordinary share)	<u> -</u>	<u> -</u>

18 COMMITMENTS

Capital commitments outstanding at 30 June 2023 not provided for in the interim financial report:

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Capital commitments for property development		
– Authorised but not contracted for	77,073,234	106,618,658
– Contracted but not provided for	<u>4,153,017</u>	<u>1,181,742</u>
	<u>81,226,251</u>	<u>107,800,400</u>

19 FINANCIAL GUARANTEE

(a) Guarantees given to financial institutions for mortgage facilities granted to buyers of the Group's, joint ventures' and associates' properties

The Group, joint ventures and associates provide guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by buyers of properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these buyers, the Group, joint ventures and associates are responsible to repay the outstanding mortgage loans together with any accrued interests and penalties owed by the defaulted buyers to banks. The Group's, joint ventures' and associates' guarantee periods commence from the dates of grants of the relevant mortgage loans and end after the buyers obtain the individual property ownership certificates of the properties purchased. The amount of guarantees given to banks for mortgage facilities granted to the buyers of the properties at 30 June 2023 are as follows:

	At 30 June 2023 <i>RMB'000</i>	At 31 December 2022 <i>RMB'000</i>
Guarantees given to banks for mortgage facilities granted to buyers of:		
– the Group's properties	45,528,438	52,568,796
– the joint ventures' and associates' properties (the Group's shared portion)	<u>2,679,617</u>	<u>2,124,882</u>
	<u>48,208,055</u>	<u>54,693,678</u>

The directors do not consider it is probable that the Group, joint ventures and associates will sustain a loss under these guarantees during the periods as the Group, joint ventures and associates have not applied for individual property ownership certificates for these buyers and can take over the ownership of the related properties and sell the properties to recover any amounts paid by the Group, joint ventures and associates to the banks. The Group, joint ventures and associates have not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the directors. The directors also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the Group, joint ventures and associates in the event that the buyers default payments to the banks.

(b) Guarantees given to financial institutions for bank loans and other loans granted to joint ventures and associates

The Group provided guarantees to bank loans and other loans of joint ventures and associates amounting to RMB1,324,998,000 as at 30 June 2023 (31 December 2022: RMB1,708,360,000). The Group closely monitors the repayment progress of the relevant loans by those joint ventures and associates. At the end of the reporting period, the directors do not consider it is probable that claims will be made against the Group under these guarantees.

(c) Guarantee given to Henan Hongdao

On 24 December 2019, the Group entered into an arrangement to provide guarantee to Henan Hongdao, which is controlled by Mr. Wu Po Sum.

As at 30 June 2023, Henan Hongdao's bank loan amounting to RMB337,000,000 due in 2027 is subject to an annual guarantee fee at 1% of the principal amount outstanding.

During the period ended 30 June 2023, income from the above financial guarantee of RMB1,661,000 was recognised in the consolidated statement of profit or loss (2022: RMB10,786,000).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Overall performance

For the six months ended 30 June 2023, the Group achieved total property contracted sales of RMB10,025 million, representing a period-on-period decrease of 28.6%, with a total contracted sales GFA of 1,450,548 sq.m., representing a period-on-period decrease of 24.2%, and with the average selling price per sq.m. amounted to RMB6,911, representing a period-on-period decrease of 5.7%.

The cash and cash equivalents and restricted bank deposits of the Group in total amounted to approximately RMB3,779 million as at 30 June 2023 (31 December 2022: RMB4,352 million).

As at 30 June 2023, the total net borrowings were approximately RMB19,662 million (31 December 2022: approximately RMB19,309 million). The Group continued to adopt prudent financial principles to maintain reasonable cash and level of borrowings.

During the six months ended 30 June 2023, the Group delivered 30 property projects (six months ended 30 June 2022: 31 property projects). Besides, the Group owned 179 projects under development for the six months ended 30 June 2023 (six months ended 30 June 2022: 192 projects).

The Group incurred loss attributable to the equity shareholders of approximately RMB1,192 million for the six months ended 30 June 2023 (six months ended 30 June 2022: approximately RMB5,605 million), representing a decrease of 78.7% as compared with the six months ended 30 June 2022. It was primarily attributable to a combined impact of macroeconomic circumstances and a downturn of the real estate market, resulting in 1) the Group's overall revenue level has yet to improve; 2) the increase of impairment provisions for inventory.

As at 30 June 2023, the property sales of the Group not recognised was approximately RMB47,447 million (six months ended 30 June 2022: approximately RMB64,269 million) with a corresponding gross profit of approximately RMB4,785 million (six months ended 30 June 2022: approximately RMB6,805 million). The amount is expected to be recognised as revenue and gross profit in the next two to three years.

In addition, the property sales of the joint ventures and associates not recognised were approximately RMB10,254 million (six months ended 30 June 2022: approximately RMB7,428 million) with a corresponding gross profit of approximately RMB1,098 million (six months ended 30 June 2022: approximately RMB1,125 million).

Revenue: The Group's revenue increased by 10.6% from approximately RMB7,301 million for the six months ended 30 June 2022 to approximately RMB8,074 million for the six months ended 30 June 2023, primarily due to the increase in the delivery of projects with higher selling prices during the period, which increased the overall revenue recognised.

- **Income from sales of properties:** Income from property sales increased by 9.4% from approximately RMB7,018 million for the six months ended 30 June 2022 to approximately RMB7,674 million for the six months ended 30 June 2023. The GFA recognised decreased by 9.9% from 1,009,010 sq.m. for the six months ended 30 June 2022 to 909,048 sq.m. for the same period in 2023, whereas the average selling price (excluding underground parking spaces) increased by 23.2% from RMB6,535 per sq.m. for the six months ended 30 June 2022 to RMB8,053 per sq.m. for the same period in 2023.
- **Rental income:** Income from property leasing decreased by 18.7% from approximately RMB72 million for the six months ended 30 June 2022 to approximately RMB58 million for the six months ended 30 June 2023, which was mainly due to the business model change in sizeable shopping malls.
- **Revenue from hotel operation:** Revenue from hotel operation increased by 93.3% from approximately RMB89 million for the six months ended 30 June 2022 to approximately RMB173 million for the six months ended 30 June 2023, which was primarily due to the recovery of tourism accommodation and catering demand after the lifting of epidemic controls.
- **Revenue from provision of project management service:** Revenue from provision of project management service was derived from operation and management services provided by the Group for light-asset projects. Central China Management Company Limited (“CCMGT”) was spun off and listed separately on the Main Board of The Stock Exchange of Hong Kong Limited on 31 May 2021 (Stock Code: 9982.HK). After its spin-off and the Group only provided project management services under legacy contracts entered into by the Group prior to CCMGT's spin-off for project management service income. For the six months ended 30 June 2023, the Group did not recognise any project management service revenue (six months ended 30 June 2022: approximately RMB21 million).

Cost of sales: The Group's cost of sales increased by 4.0% from approximately RMB6,747 million for the six months ended 30 June 2022 to approximately RMB7,019 million for the six months ended 30 June 2023. Although the reduction in the GFA recognised resulted in a partial reduction in the cost of sales, due to the fact that some of the projects are located in core urban locations or in core locations where land costs are higher, the cost of sales for project recognised during the period increased.

Gross profit: The Group's gross profit increased by 90.5% from approximately RMB554 million for the six months ended 30 June 2022 to approximately RMB1,056 million for the six months ended 30 June 2023, while our gross profit margin increased by 5.5 percentage points from 7.6% for the same period in 2022 to 13.1% for the six months ended 30 June 2023. It was primarily because 1) residential property sales with a higher gross profit accounted for 89.1% of the property sales recognised during the current period, an increase of 5.8 percentage points from 83.3% in the same period in 2022; and 2) cities with higher gross profit (such as Shangqiu, Luoyang, Xinyang) accounted for 38.8% of the property sales recognised during the current period, an increase of 10.2 percentage points from 28.6% in the same period in 2022. Therefore, the gross profit margin of overall property sales increased by 4.8 percentage points from 6.4% for the six months ended 30 June 2022 to 11.2% for the six months ended 30 June 2023.

Other revenue: Other revenue increased by 180.3% from approximately RMB66 million for the six months ended 30 June 2022 to approximately RMB184 million for the six months ended 30 June 2023. This was primarily due to an increase in government grants.

Other net losses: Other net losses decreased by 67.8% from approximately RMB2,620 million for the six months ended 30 June 2022 to approximately RMB844 million for the six months ended 30 June 2023. This was primarily due to the decrease in inventory write-down of approximately RMB943 million and net loss on deemed disposal and disposal of subsidiaries of approximately RMB479 million during the period.

Selling and marketing expenses: Selling and marketing expenses decreased by 49.0% from approximately RMB708 million for the six months ended 30 June 2022 to approximately RMB361 million for the six months ended 30 June 2023, which was mainly due to a decrease in advertising expense of approximately RMB187 million, staff costs such as sales commission of approximately RMB66 million and outbound labour costs of approximately RMB33 million. The rate of selling and marketing expenses on revenue decreased by 5.2 percentage points from approximately 9.7% for the six months ended 30 June 2022 to approximately 4.5% for the same period in 2023.

General and administrative expenses: general and administrative expenses decreased by 36.2% from approximately RMB615 million for the six months ended 30 June 2022 to approximately RMB392 million for the six months ended 30 June 2023. This was primarily due to a decrease in staff costs of approximately RMB57 million and hospitality, travel and office expenses of approximately RMB41 million, depreciation and amortisation of approximately RMB28 million and professional service fees of approximately RMB17 million. The rate of general and administration expenses on revenue decreased by 3.5 percentage points from approximately 8.4% for the six months ended 30 June 2022 to approximately 4.9% for the same period in 2023.

Impairment losses on trade and other receivables and contract assets: Impairment losses on trade, other receivables and contract assets decreased by 79.0% from approximately RMB327 million for the six months ended 30 June 2022 to approximately RMB69 million for the six months ended 30 June 2023. This was mainly because the majority of the other receivables balance being considered as having a significant increase in credit risk at the end of the period was accrued in the previous financial year. Less additional provision for expected credit losses was made during the period as compared with the same period in 2022.

Finance costs: finance costs increased by 9.0% from approximately RMB470 million for the six months ended 30 June 2022 to approximately RMB512 million for the six months ended 30 June 2023. This was mainly due to the increase in interest expense on borrowings.

Share of profits less losses of associates: share of profits of associates for the six months ended 30 June 2023 amounted to approximately RMB37 million, representing an increase of approximately RMB34 million as compared with that of approximately RMB3 million for the six months ended 30 June 2022.

Share of profits less losses of joint ventures: share of profits of joint ventures amounted to approximately RMB3 million for the six months ended 30 June 2023, as compared with the share of losses of approximately RMB65 million for the six months ended 30 June 2022.

Net valuation gain/(loss) on investment property: Net valuation gain on investment property amounted to approximately RMB170 million for the six months ended 30 June 2023 as compared with a net valuation loss of investment property of approximately RMB1,514 million for the six months ended 30 June 2022. This was mainly due to the change of use of Unique Henan Land of Dramas from property, plant and equipment to investment property, which recorded gains after revaluation.

Income tax: Income tax mainly comprises corporate income tax and land appreciation tax. The Group's income tax increased by 80.0% from approximately RMB244 million for the six months ended 30 June 2022 to approximately RMB439 million for the six months ended 30 June 2023. This was mainly due to the increase in income tax charged as a result of the increase in income from property sales recognised during the period.

Loss for the period: As a result of the foregoing, loss for the period amounted to approximately RMB1,169 million for the six months ended 30 June 2023, a decrease of 80.3% from approximately RMB5,941 million for the six months ended 30 June 2022.

Financial resources and utilisation: As at 30 June 2023, the Group's cash and cash equivalents and restricted bank deposits amounted to approximately RMB3,779 million (31 December 2022: approximately RMB4,352 million).

Subsequent to the reporting period, the Company resolved not to declare an interim dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: Nil).

Structure of Borrowings and Deposits

The Group continued to adopt a prudent principle on financial management and centralise our funding and financial management in order to maintain a reasonable level of cash and borrowings. As at 30 June 2023, the repayment schedule of the Group's bank and other borrowings was as follows:

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Repayment Schedule		
Bank loans		
Within one year or on demand	7,941,390	4,526,629
More than one year, but not exceeding two years	50,500	1,902,246
More than two years, but not exceeding five years	40,463	1,450,739
Exceeding five years	–	166,400
	8,032,353	8,046,014

	As at 30 June 2023 <i>RMB'000</i>	As at 31 December 2022 <i>RMB'000</i>
Repayment Schedule		
Other loans		
Within one year	1,559,070	2,123,570
More than one year, but not exceeding two years	–	1,000
	<u>1,559,070</u>	<u>2,124,570</u>
Senior notes		
Within one year	13,849,592	6,234,757
More than one year, but not exceeding two years	–	5,470,544
More than two years, but not exceeding five years	–	1,785,468
	<u>13,849,592</u>	<u>13,490,769</u>
Total borrowings	<u>23,441,015</u>	<u>23,661,353</u>
Deduct:		
Cash and cash equivalents	(1,772,742)	(1,890,077)
Restricted bank deposits	<u>(2,006,240)</u>	<u>(2,462,406)</u>
Net borrowings	<u>19,662,033</u>	<u>19,308,870</u>
Total equity	<u>1,238,349</u>	<u>3,328,001</u>
Net gearing ratio (%)	<u>1,587.8%</u>	<u>580.2%</u>

Pledge of assets: As at 30 June 2023, we had pledged completed properties, properties under development, properties for future development, plant and equipment, and loan deposit with an aggregate carrying amount of approximately RMB17,040 million (31 December 2022: approximately RMB18,279 million) to secure general bank credit facilities and other loans granted to us. We also pledged properties for sale with an aggregate carrying amount of approximately RMB360 million (31 December 2022: approximately RMB652 million) to secure loans granted to joint ventures.

Capital commitment: As at 30 June 2023, we had contractual commitments undertaken by subsidiaries, the performance of which was underway or ready, in respect of property development amounting to approximately RMB4,153 million (31 December 2022: approximately RMB1,182 million), and we had authorised, but not yet contracted for, a further approximately RMB77,073 million (31 December 2022: approximately RMB106,619 million) in other expenditures in respect of property development and capital investments.

Foreign exchange risk: Our businesses are principally conducted in RMB. The majority of our assets are denominated in RMB. As at 30 June 2023, our major non-RMB assets and liabilities are (i) bank deposits denominated in H.K. dollar; and (ii) the senior notes denominated in U.S. dollar. We are subject to foreign exchange risk arising from future commercial transactions and recognised assets and liabilities denominated in currencies other than RMB.

Interest rate risk: The interest rates for a portion of our loans were floating. Upward fluctuation in interest rates will increase the interest cost of new and existing loans. We currently do not use derivative instruments to hedge their interest rate risk.

I. Market Review

1. The Macro Environment – Economic Landscape

1. Nationwide

In the first half of 2023, the GDP was RMB59,303.4 billion, representing a period-on-period increase of 5.5%. Three years after the epidemic, China's economy and society have gradually returned to normal. In the first quarter, under the combined effect of the release of the backlog of previous demand, the support of policy forces and the low base effect, many economic indicators such as industrial production and household consumption rose rapidly, showing the characteristics of "bottoming out and rebounding". After the second quarter, weighed down by real estate and exports, the recovery and development of the Chinese economy have been greatly affected. On the one hand, the downturn in the real estate market, the delay in the implementation of bailout policies, and the lack of incentives for banking institutions led to a rapid fall back in the momentum of real estate recovery after the second quarter; on the other hand, affected by the decline in global demand, it was difficult for the recovery of domestic demand in the Chinese market to fully undertake the rapid decline in exports.

2. Henan

Since 2023, the entire province of Henan has adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and the province's economic operation has remained stable, showing a trend of "sustained recovery, steady improvement" as a whole. In the first quarter, the total GDP was RMB1,496.897 billion, representing a period-on-period increase of 5.0%. In the second quarter, due to factors such as insufficient market demand and weak expectations, the recovery of the macro economy was affected to a certain extent. Overall, as the package of policies and measures to improve the economy and promote development becoming more effective and the follow-up measures being implemented in detail, the momentum of Henan's economic recovery still continues, and major economic indicators such as investment, consumption, and exports are steady and improving.

2. *The Real Estate Market*

1. Nationwide

In the first half of 2023, under the environment of loose property market policy, the property market in China was still in a low-speed recovery stage. From January to June, the area of property sold was 600 million sq.m., representing a period-on-period decrease of 5.3%. The overall sales market showed a trend of rising first and then falling. In the first quarter, driven by factors such as the concentrated release of backlog demand and the effects of previous policies, market activity increased. Especially from February to March, hot cities have seen a “little spring” trend. However, as the previous backlog demand was basically released, in the second quarter, homebuyers’ home buying sentiment declined rapidly and the real estate policy was not as strong as expected, the market failed to continue the recovery trend.

2. Henan

In the first half of 2023, the property market policy in Henan Province was relatively loose, mainly from both ends of supply and demand to guide the market to expect recovery. Many cities actively loosened the constraints on the real estate market, such as reducing the down payment ratio, “transferring with deposit” for stock housing, lowering interest rates, lowering deed taxes and other policies. In the first half of 2023, the area of property sold in Henan Province was 44.12 million sq.m., representing 57% of the whole 2022. The integrated selling price was RMB6,358 per sq.m., which has rebounded from 2022 but has not reached the level before 2021. It overall showed a trend of declining volume but increasing price in the first half year. During the overall downturn of the industry, compared with the development trend of the nationwide real estate market, the real estate market in Henan Province had a weaker ability to withstand market pressure, resulting in a more obvious decline in transaction volume.

II. Market Outlook

1. *The Macro-economic Landscape*

1. Nationwide

In the second half of 2023, the central government will further introduce various policies to stimulate the economy and ease downward pressure, mainly in expanding consumption, stabilizing infrastructure, strengthening industries, improving confidence, and ensuring employment. In terms of fiscal policy, inclusive policies will be more precise and targeted. In terms of monetary policy, it will lower reserve requirement ratio and interest rates to provide liquidity, reduce capital costs, and stimulate consumption. In terms of expanding domestic demand, it will promote large-scale infrastructure construction, stimulate private investment vitality, stabilize employment, and increase resident income. In terms of stabilizing real estate, it will accelerate the introduction of regulatory policies to facilitate a virtuous circle in the real estate chain and promote “guarantee delivery of properties”.

2. Henan

In the second half of 2023, Henan Province will continue to thoroughly implement the central government’s decisions and deployment and go all out for the economy. With the introduction of a series of favorable macro policies by the State Council and the central bank, the environment for domestic economic development will be greatly improved. The potential of Henan Province in terms of domestic demand market size, new urbanization, and undertaking industrial transfer will be further released. Emerging economic fields such as the acceleration of scientific and technological innovation, the reengineering of transportation advantages, and the integration of culture and tourism as well as culture and creativity will also maintain a rapid development momentum. It is foreseeable that in the second half of the year, Henan’s economic rebound is expected to be stronger, the economy will continue to show a stable and positive trend, and the growth rate of major economic indicators is expected to be higher than the national average.

2. Real Estate Market Outlook

1. Nationwide

In the second half of 2023, under the general direction of “housing is for accommodation, not for speculation”, the real estate industry will still maintain the tone of “stable” development. In the current situation where resident income expectations are weak, house price decline expectations are strong, and home buyers are worried about unfinished off-plan housing, residents’ confidence and expectations in home ownership are both weak. It is expected that the industry as a whole will still operate at a low level in the second half of the year. In the second half of the year, more supportive policies will be required to curb the downward trend of the market, and the policies will continue to improve on both the supply side and the demand side.

2. Henan

In the second half of 2023, Henan will continue to carry out the general policy of “implementing policies according to cities”, steadily implement the long-term real estate mechanism, grasp the development policy of “increasing financing, expanding demand, optimizing supply, minimizing risks, strengthening services, and promoting transformation”, strive to improve market expectations, support rigid and improved housing demand, and promote the healthy development of residential consumption.

III. Project Development

1. Property development

Property sales performance

The Company actively drove property sales. For the six months ended 30 June 2023, the Group achieved total property contracted sales of RMB10,025 million, representing a year-on-year decrease of 28.6%, with a total contracted sales GFA of 1,450,548 sq.m., representing a year-on-year decrease of 24.2%, and with the average selling price per sq.m. amounted to RMB6,911, representing a year-on-year decrease of 5.7%.

City	Contracted sales amount (RMB million)			Contracted GFA ('000 sq.m.)		
	1H2023	1H2022	Change	1H2023	1H2022	Change
Zhengzhou	1,425	2,763	-48%	146	187	-22%
Kaifeng	119	252	-53%	11	29	-62%
Luoyang	799	1,483	-46%	79	158	-50%
Pingdingshan	169	330	-49%	28	53	-47%
Anyang	484	682	-29%	78	101	-23%
Hebi	373	434	-14%	55	72	-24%
Xinxiang	434	912	-52%	62	142	-56%
Jiaozuo	105	382	-73%	16	66	-76%
Puyang	424	796	-47%	54	117	-54%
Xuchang	258	622	-59%	43	119	-64%
Luohe	225	319	-29%	35	57	-39%
Sanmenxia	51	116	-56%	11	24	-54%
Shangqiu	1,930	1,876	3%	313	310	1%
Zhoukou	1,445	937	54%	250	155	61%
Zhumadian	567	682	-17%	76	116	-34%
Nanyang	523	515	2%	77	75	3%
Xinyang	541	518	4%	104	86	21%
Jiyuan	48	242	-80%	5	27	-81%
Hainan	105	179	-41%	8	21	-62%
Total	10,025	14,040	-29%	1,451	1,915	-24%

Newly commenced property projects

During the reporting period, the Company commenced the construction of 10 projects in total with newly commenced GFA of approximately 902,000 sq.m.. The Company adhered to determining the sales-based production to ensure the match among supply, sales and inventory. It managed project commencements based on the geographical distribution of customers and estimated sales, which enabled the Group to further enhance the competitiveness and market performance of its products, and maintain a safe and reasonable inventory structure.

City	Project name	Principal use of property	Newly commenced GFA for the 1H (sq.m.)
Zhengzhou	Jianye Times Harmony	Residential	25,713
Zhengzhou	Junlin Grand Courtyard	Residential	197,246
Anyang	Anyang Guangming Mansion	Basement	98,709
Hebi	Hebi No.7 Courtyard	Residential	30,711
Xinxiang	Xinxiang Xinfei Jianye Mansion (Phase 1)	Residential	173,472
Xinxiang	Xinxiang Meidi Yunqi (Phase 2)	Residential	27,202
Shangqiu	Shangqiu Jiangshan Mansion	Residential	128,594
Shangqiu	Yucheng Songshan Mansion	Residential	69,148
Zhoukou	Huaiyang Hongyuan North Courtyard	Residential	102,399
Zhoukou	Huaiyang Hongyuan South Courtyard	Residential	48,704
	Total		901,898

Property projects under development

As of 30 June 2023, the Company had 179 projects under development with a total GFA of approximately 25,452,000 sq.m., including 24, 153 and 2 projects under development in Zhengzhou, other cities in Henan Province and Hainan Province respectively.

City	Project name	Principal use of property	GFA under development (sq.m.)
Zhengzhou	Dengfeng Songyue Mansion	Residential	95,837
Zhengzhou	Gongyi CCRE Mall	Residential	37,775
Zhengzhou	Gongyi Spring Time	Residential	231,872
Zhengzhou	Gongyi Chinoiserie Palace	Residential	160,870
Zhengzhou	Zhengzhou CCRE Tihome International City	Residential	1,204,319
Zhengzhou	Xinmi Spring Time	Residential	74,639
Zhengzhou	Xinmi Code One City	Residential	22,642
Zhengzhou	Xinzheng Blue Ocean Zhengfeng	Residential	176,441
Zhengzhou	Xinzheng Tianhui City	Residential	152,455
Zhengzhou	Xingyang Central Garden	Residential	178,264
Zhengzhou	Zhengxi U-Town	Residential	149,415
Zhengzhou	Zhengzhou J18	Commercial	594,289
Zhengzhou	Zhengzhou Chengyuan	Residential	227,175
Zhengzhou	Zhengzhou Spring Time	Residential	52,185
Zhengzhou	Zhengzhou Riverside Mansion	Residential	252,495
Zhengzhou	Zhengzhou Huayuankou resettlement area (Huihua New City)	Residential	192,300
Zhengzhou	Zhengzhou Blossom Garden	Residential	576,190
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	758,225
Zhengzhou	Zhengzhou Intelligent Square	Commercial	230,205
Zhengzhou	Zhengzhou Intelligent Palace	Residential	15,238
Zhengzhou	Zhengzhou Royal Mansion	Residential	120,703
Zhengzhou	Zhengzhou Art Mansion	Residential	352,303
Zhengzhou	Zhengzhou Wonderland	Residential	134,829
Zhengzhou	Jianye Times Harmony	Residential	25,713

City	Project name	Principal use of property	GFA under development (sq.m.)
Kaifeng	Lankao CCRE Mall	Residential	99,109
Kaifeng	Lankao Red World	Commercial	135,312
Kaifeng	Tongxu Jianye City	Residential	113,712
Kaifeng	Tongxu Code One City	Residential	168,761
Kaifeng	Kaifeng Taihe Mansion	Residential	67,896
Luoyang	Luanchuan Luanzhou Palace	Residential	78,651
Luoyang	Luoyang Binhelong House	Residential	25,777
Luoyang	Luoyang Dachengxiaoyuan	Residential	146,814
Luoyang	Luoyang Dingding Palace	Residential	669,467
Luoyang	Luoyang Code Two City	Residential	244,474
Luoyang	Luoyang Fengdu	Residential	154,414
Luoyang	Luoyang Technology City	Residential	62,262
Luoyang	Luoyang Longcheng Dongwang	Residential	102,549
Luoyang	Luoyang Zhongzhou Mansion	Residential	124,279
Luoyang	Luoyang Honour Mansion	Residential	112,199
Luoyang	Yichuan Dragon Mansion	Residential	50,537
Luoyang	Luoyang Zhonghong City	Residential	319,208
Pingdingshan	Pingdingshan Spring Time	Residential	240,502
Pingdingshan	Pingdingshan Guangming Mansion	Residential	86,168
Pingdingshan	Pingdingshan Eighteen Cities	Residential	64,518
Pingdingshan	Pingdingshan Honour Mansion	Residential	105,813
Pingdingshan	Ruzhou Sweet-Scented Osmanthus Garden	Residential	42,250
Pingdingshan	Wugang CCRE Mall	Residential	29,496
Pingdingshan	Wugang Forest Peninsula	Residential	160,881
Anyang	Anyang Phoenix City North Bank	Residential	167,338
Anyang	Anyang Sweet-Scented Osmanthus Garden	Residential	60,497
Anyang	Anyang Jianye City	Residential	321,688
Anyang	Anyang Junlin Grand Courtyard	Residential	77,830
Anyang	Anyang Chinoiserie Palace North Garden	Residential	303,541

City	Project name	Principal use of property	GFA under development (sq.m.)
Anyang	Anyang Sky Mansion	Residential	71,078
Anyang	Anyang Tonghe Palace	Underground	9,707
Anyang	Anyang Code One City	Residential	24,642
Anyang	Linzhou Jianye City	Residential	178,176
Anyang	Tangyin Central Garden	Residential	143,968
Anyang	Anyang Guangming Mansion	Residential	98,709
Hebi	Hebi Chinoiserie Palace	Residential	224,546
Hebi	Hebi Code One City	Residential	92,187
Hebi	Hebi Zhenyuehui	Commercial	771
Hebi	Hebi Longmen No.7 Courtyard	Residential	149,688
Hebi	Hebi Flower Creek Town	Residential	137,118
Hebi	Qi County Jianye City	Residential	73,168
Hebi	Hebi Chinoiserie Palace	Residential	121,229
Xinxiang	Beverly Manor	Residential	94,190
Xinxiang	Fengqiu Central Garden	Residential	89,278
Xinxiang	Hui County Gongcheng Dongwang	Residential	303,765
Xinxiang	Hui County Code One City	Residential	142,762
Xinxiang	Weihui Spring Time	Residential	206,449
Xinxiang	Xinxiang Blossom Garden	Residential	66,678
Xinxiang	Xinxiang Chinoiserie Palace	Residential	496,565
Xinxiang	Changyuan Forest Peninsula Courtyard	Residential	40,026
Xinxiang	Xinxiang Jianye Mansion	Residential	375,491
Xinxiang	Xinxiang Honour Mansion	Residential	54,577
Xinxiang	Xinxiang Dongjing Mansion	Residential	120,939
Xinxiang	Xinxiang Meidi Yunqi	Residential	27,202
Jiaozuo	Bo'ai Spring Time	Residential	145,584
Jiaozuo	Jiaozuo Spring Time	Residential	20,512
Jiaozuo	Jiaozuo Chinoiserie Palace	Residential	45,772
Jiaozuo	Jiaozuo Jianye Mansion	Residential	136,618
Jiaozuo	Mengzhou Jianye Mansion	Residential	110,791
Jiaozuo	Wuzhi Majestic Mansion	Residential	177,787
Jiaozuo	Wuzhi Star Mall	Residential	16,915
Jiaozuo	Jiaozuo Shuxiang Yard	Residential	110,000

City	Project name	Principal use of property	GFA under development (sq.m.)
Puyang	Puyang Jianye New City	Residential	13,013
Puyang	Puyang Longcheng	Residential	365,455
Puyang	Puyang Puyuan	Residential	92,031
Puyang	Puyang Chinoiserie Palace	Residential	139,618
Puyang	Puyang Tonghe Palace	Residential	40,328
Puyang	Puyang Code One City	Residential	141,559
Puyang	Puyang Zhenyuehui	Residential	62,572
Puyang	Taiqian Jianrun Mansion	Residential	159,556
Puyang	Puyang Sky Mansion	Residential	407,457
Xuchang	Xiangcheng CCRE Mall	Residential	247,000
Xuchang	Xuchang Pleasure Garden	Residential	225,670
Xuchang	Xuchang Zhenyuehui	Residential	73,447
Xuchang	Yanling Eco-City	Residential	132,885
Xuchang	Yuzhou Spring Time	Residential	7,993
Xuchang	Yuzhou Dachengxiaoyuan	Residential	58,140
Xuchang	Changge Sweet-Scented Osmanthus Garden New City	Residential	104,771
Xuchang	Changge Forest Eco-City	Residential	26,215
Luohe	Linying Forest Peninsula	Residential	85,862
Luohe	Luohe Danjiang Mansion	Residential	80,081
Luohe	Luohe Sweet-Scented Osmanthus Garden	Residential	98,665
Luohe	Luohe Blossom Garden	Residential	223,468
Luohe	Luohe Xicheng Forest Peninsula	Residential	185,705
Luohe	Luohe Longhushuxiang Mansion	Residential	260,995
Luohe	Luohe Art Mansion	Residential	229,101
Luohe	Luohe Ideal City	Residential	134,846
Sanmenxia	Sanmenxia New District Forest Peninsula	Residential	78,748
Sanmenxia	Sanmenxia Honour Mansion	Residential	70,564

City	Project name	Principal use of property	GFA under development (sq.m.)
Shangqiu	Shangqiu Chengyuan	Residential	64,460
Shangqiu	Shangqiu Future City	Residential	10,832
Shangqiu	Shangqiu Art Mansion	Residential	198,420
Shangqiu	Zhecheng Lianmeng Dongwang	Residential	83,747
Shangqiu	Shangqiu Chinoiserie Palace	Residential	147,377
Shangqiu	Minquan Long Palace	Residential	148,434
Shangqiu	Shangqiu Jiangshan Mansion	Residential	231,549
Shangqiu	Shangqiu Shangheyuan	Residential	70,982
Shangqiu	Shangqiu Jianye Country Garden – Yuelong Mansion	Residential	149,515
Shangqiu	Yongcheng Lianmeng Dongwang	Residential	144,763
Shangqiu	Yucheng Songshan Mansion	Residential	69,148
Zhoukou	Fugou Jianye New City	Residential	34,789
Zhoukou	Huaiyang CCRE Mall	Residential	31,657
Zhoukou	Luyi Jianye City	Residential	11,831
Zhoukou	Luyi Mingdao City	Residential	7,234
Zhoukou	Shangshui Yangcheng Courtyard	Residential	15,311
Zhoukou	Taikang Eco-City	Residential	59,465
Zhoukou	Xihua Central Garden	Residential	15,206
Zhoukou	Xihua Jicheng Courtyard	Residential	30,103
Zhoukou	Xiangcheng Jianye City	Residential	30,298
Zhoukou	Huaiyang Binhe North Courtyard	Residential	89,312
Zhoukou	Zhoukou Jianye City	Residential	369,747
Zhoukou	Zhoukou Hill Water Lake City	Residential	307,303
Zhoukou	Zhoukou Chinoiserie Palace	Residential	214,172
Zhoukou	Zhoukou Shiyue Mansion	Residential	35,319
Zhoukou	Fugou Jianye New City	Residential	140,525
Zhoukou	Sweet-Scented Osmanthus Garden New City	Residential	39,317
Zhoukou	Zhoukou Canal Yard	Residential	79,342
Zhoukou	Taikang Jianye Mansion	Residential	304,360
Zhoukou	Huaiyang Hongyuan North Courtyard	Residential	102,399
Zhoukou	Huaiyang Hongyuan South Courtyard	Residential	48,704

City	Project name	Principal use of property	GFA under development (sq.m.)
Zhumadian	Suiping Jianye City	Residential	9,692
Zhumadian	Suiping Forest Peninsula	Residential	40,386
Zhumadian	Xiping Spring Time	Residential	9,582
Zhumadian	Xincai CCRE Mall	Residential	7,075
Zhumadian	Xincai Sweet-Scented Osmanthus Garden	Residential	60,148
Zhumadian	Zhengyang Jianye City	Parking space	38,433
Zhumadian	Zhumadian Binhelong Palace	Parking space	39,200
Zhumadian	Zhumadian Spring Time	Residential	219,061
Zhumadian	Zhumadian Chinoiserie Palace	Residential	335,682
Zhumadian	Zhumadian West Lake Villa	Residential	34,312
Zhumadian	Zhumadian Honour Mansion	Residential	151,330
Zhumadian	Shangcai Jianye Mansion	Residential	111,003
Zhumadian	Zhumadian Boshan Mansion	Residential	131,407
Zhumadian	Suiping Jianye Mansion	Residential	162,998
Zhumadian	Pingyu Jiangshan Mansion	Residential	96,232
Nanyang	Nanyang Longyue City	Residential	98,452
Nanyang	Nanyang Art Mansion	Residential	101,098
Nanyang	Xixia Central Garden	Residential	13,738
Nanyang	Dengzhou Qingyunli	Residential	124,448
Nanyang	Nanyang Shilihushan	Residential	54,562
Xinyang	Gushi Future City	Residential	142,146
Xinyang	Huaibin County Sweet-Scented Osmanthus Garden	Residential	22,660
Xinyang	Huangchuan Huangguo Palace	Residential	173,542
Xinyang	Xi County Jianye New City	Residential	48,108
Xinyang	Xinyang Mansion	Residential	365,110
Xinyang	Xinyang Jianye City	Residential	64,487
Xinyang	Luoshan Jianye Mansion	Residential	130,480
Xinyang	Xinyang Sky Mansion	Residential	79,615
Xinyang	Huangchuan Dingchengfu	Residential	156,543

City	Project name	Principal use of property	GFA under development (sq.m.)
Jiyuan	Jiyuan Spring Time	Residential	15,303
Jiyuan	Jiyuan Blossom Garden	Residential	127,011
Jiyuan	Jiyuan Jianye City	Residential	297,818
Jiyuan	Jiyuan Code One City Majestic Mansion	Residential	64,094
Hainan	Chengmai Zhonghe Jiayuan	Residential	59,072
Hainan	Dongfang Jiayuan	Residential	<u>376,637</u>
	Total		<u><u>25,452,041</u></u>

Property projects delivered

As of 30 June 2023, the Company had 30 projects delivered in total, with a GFA of approximately 1,763,000 sq.m..

City	Project name	Principal use of property	GFA delivered (sq.m.)
Zhengzhou	Xinmi Code One City (Phase 2)	Residential	58,517
Zhengzhou	Dengfeng Songyue Mansion (Phase 2)	Residential	98,717
Zhengzhou	Zhengzhou Wulongkou S10	Residential	100,854
Luoyang	Luoyang Binhelong Palace (Phase 2)	Residential	121,193
Luoyang	Yichuan Dragon Mansion	Residential	67,058
Pingdingshan	Pingdingshan Guangming Mansion	Residential	52,206
Anyang	Anyang Jianye City (Phase 3)	Residential	187,917
Anyang	Anyang Phoenix City North Bank	Residential	90,015
Hebi	Hebi No.7 Courtyard	Residential	82,326
Hebi	Qi County Jianye City (Phase 1)	Residential	65,972
Xinxiang	Xinxiang Chinoiserie Palace (Phase 1)	Residential	9,676
Xinxiang	Xinxiang Blossom Garden (Phase 1)	Residential	42,096
Xinxiang	Hui County Code One City (Phase 1)	Residential	45,038
Jiaozuo	Wuzhi Star Mall (Phase 1)	Residential	103,566
Puyang	Puyang Chinoiserie Palace Project (Phase 3)	Residential	97,953

City	Project name	Principal use of property	GFA delivered (sq.m.)
Xuchang	Yuzhou Spring Time (Phase 1)	Residential	32,921
Luohe	Linying Forest Peninsula (Phase 1)	Residential	27,719
Shangqiu	Shangqiu Yuelong Mansion	Residential	61,544
Shangqiu	Shangqiu Future City	Residential	20,515
Shangqiu	Shangqiu Art Mansion	Residential	102,253
Zhoukou	Huaiyang Jianye CCRE Mall	Commercial	26,502
Zhoukou	Zhoukou Jianye Canal Ancient Town (Phase 1)	Commercial	24,523
Zhoukou	Zhoukou Jianye Guandi Old Street	Commercial	14,896
Zhumadian	Xiping Spring Time	Residential	4,832
Zhumadian	Suiping Jianye City	Residential	25,801
Nanyang	Nanyang Longyue City	Residential	64,829
Xinyang	Xinyang Jianye City (Phase 2)	Residential	49,147
Xinyang	Xinyang Xi County Honour Mansion (Phase 1)	Residential	63,717
Jiyuan	Jiyuan Spring Time (Phase 1)	Basement	3,985
Jiyuan	Jiyuan Jianye City (East) (Phase 1)	Commercial	17,140
	Total		<u>1,763,428</u>

2. *Hotel profile*

Henan Jianye Zhizun Hotel Investment Co., Ltd. (河南建業至尊酒店管理有限公司), a wholly-owned subsidiary of Central China Real Estate Group (China) Company Limited, is mainly responsible for brand management, design management, engineering management, opening preparation and operation management for all hotel projects of the Group. Currently, the Group has established strategic cooperation with various international well-known groups of hotel management, such as Marriott, InterContinental and Accor, under which five high-end hotel projects are in operation. The five high-end hotel projects, namely Le Méridien Zhengzhou, Pullman Kaifeng Jianye, Holiday Inn Nanyang, Four Points by Sheraton Luohe and Aloft Zhengzhou Shangjie commenced operations successively from 2011 to 2015. In addition, our own brand hotels, namely Yanling Jianye The Mist Hot Spring Hotel, Zhengzhou Jianye Sky Mansion, Unique Theatre Hotel, Xuchang Shenhou Town • Jianye Starry Hills, Xinyang Jigongshan • Jianye Starry Hills and Xijian Inn (喜見客棧) opened successively from 2018 to 2021. In addition, another four hotels in our own brand, namely, Pingdingshan Jianye Triumph Hotel, Zhumadian Jianye Triumph Hotel, Yunxiu Hotel, Linqi Hotel and Wugang Jianye Starry Hotel are all under construction. Our total investment in hotels has reached RMB4.96 billion up to now, and the number of hotels invested in Henan has reached 16.

Le Méridien Zhengzhou

Le Méridien Zhengzhou opened on 30 November 2013. It is the first international brand hotel focusing on art, design and culture in central China. Adjacent to Zhengdong New District and Zhengzhou East Railway Station, the largest railway station in Asia, and it is located at the intersection site of Zhengzhou Metro, Line 3 and Line 4, it being only a 10 minutes' and 28 minutes' drive to Zhengzhou International Convention and Exhibition Centre and Xinzheng International Airport, respectively.

Located at No. 1188, Zhongzhou Avenue, Zhengzhou City, the hotel composes a complete integrated business district with the surrounding shopping malls, restaurants and commercial office buildings. Modern art elements and local features are integrated into the design of the restaurant, guest rooms and lobby in the hotel. The unique design and brand concept distinguish the distinctive Le Méridien Zhengzhou.

The hotel has a total of 337 deluxe rooms and suites, equipped with world-class facilities and a mix of classic design and fashion elements. The feature restaurants and bars will further enrich the stay experience and provide splendid Chinese and international cuisines. The fitness center combining fitness, spa, swimming pool, yoga and jogging track, the sizeable pillarless banquet covering an area of 800 sq.m., and 8 multi-function halls in the hotel, are all ideal places for relaxing and hosting events.

Address: No. 1188, Zhongzhou Avenue (northwest corner of the junction of Zhengbian Road and Zhongzhou Avenue), Zhengzhou City

Tel: 0371-55998888

Aloft Zhengzhou Shangjie

Aloft Zhengzhou Shangjie opened on 6 August 2011. Located on the opposite of the District Government of Shangjie District, Zhengzhou City, Henan Province, the hotel is conveniently situated, within only 50 minutes' and one hour's drive from Zhengzhou Railway Station and Zhengzhou Xinzheng International Airport, respectively.

The 16-floor hotel has 172 stylish, fresh and fun Aloft Cheerful Rooms (樂窩客房), including 8 deluxe Cheerful Suites (樂窩套房) and 2 accessible Cheerful Rooms. Besides, inspired by the 9-foot ceiling, velvety dreaming beds, Wi-Fi Internet service, 42-inch LCD TVs, oversized shower space with rain showers, and fragrant specialty coffee, the 3,698 sq.m. cool conference room and the sizeable banquet space, countless whimsies would spark within.

Address: No. 101, Zhongxin Road, Shangjie District, Zhengzhou (opposite to the District Government of Shangjie District)

Tel: 0371-68136666

Holiday Inn Nanyang

Holiday Inn Nanyang opened on 8 August 2012. It is located in Nanyang, the ancient capital of China, which is famous for its natural fresh air and jade culture. Holiday Inn Nanyang is the first internationally renowned five-star hotel in Nanyang. Covering an area of 66,700 sq.m., the hotel has a favorable geographical location with pleasant garden landscape and a rippling lake.

The 353 guestrooms and suites are tailor-made for occupants' luxury and comfort experience. The 1,000 sq.m. sizeable banquet hall offers banquet services to both local and international companies, with wireless internet accessing to all areas of the hotel, including the fitness center and the swimming pool. Whether on vacation, planning a wedding or holding a meeting, Holiday Inn Nanyang is the perfect choice for occupants.

Address: No. 2000, Xincheng Road East, Wancheng District, Nanyang City

Tel: 0377-60218888

Four Points by Sheraton Luohe

Four Points by Sheraton Luohe opened on 29 November 2012. It is located by the west branch of Songshan Road, Yancheng District, Luohe City, adjacent to Luohe International Convention and Exhibition Centre. It is about a 10 minutes' drive to the downtown and Luohe Railway Station, and only 90 minutes' drive to Zhengzhou Xinzheng International Airport.

The hotel has 244 warmly designed rooms, with the only international buffet restaurant in the city, namely The Eatery (宜客樂), a Chinese restaurant integrated with traditional and new Cantonese cuisine, namely Juweixuan (聚味軒), an indoor heated swimming pool, sauna equipment, a fitness centre, chess rooms and a pillarless banquet hall, which can bring occupants infinite surprises of accommodation, catering and leisure.

Address: No. 6, west branch of Songshan Road, Yancheng District, Luohe City

Tel: 0395-2566999

Pullman Kaifeng Jianye

Pullman Kaifeng Jianye opened on 1 November 2015. Embraced by the rippling surface of a lake, Pullman Kaifeng Jianye is located on the northwest side of the ancient city walls in downtown Kaifeng, within 10 minutes' drive from Kaifeng Railway Station and 50 minutes' drive from Xinzheng International Airport. The hotel covers a total GFA of 43,536 sq.m. and a site area of approximately 58,300 sq.m., with the vegetation within the city wall area having been preserved.

Pullman Kaifeng Jianye offers 186 guest rooms and is a five-star resort hotel comprising business conference, food & beverage, accommodation, leisure and entertainment. The hotel is equipped with conference centre, banquet centre, all-day dining restaurant, Chinese restaurant, featured bar, lobby bar, executive lounge, gym, swimming pool, SPA, yoga room, indoor golf and other facilities to provide occupants with "convenience and sense of superiority". The building is a post-modern architecture in Northern Song Dynasty style, adopting wood-like exterior finishing material to cast beautiful reflections in the blue lakes.

Address: No. 16, Longting North Road, Longting District, Kaifeng City

Tel: 0371-23589999

Zhengzhou Jianye Sky Mansion

Zhengzhou Jianye Sky Mansion opened on 1 October 2018. It is located at the northwest corner of the intersection of Dongfeng East Road and Kangning Street in Zhengzhou City. It gathers three city centers within 3 kilometers, namely the CBD Central Business District, the new provincial government and Zhengzhou East High Speed Railway Station. The hotel covers a total GFA of 34,251.8 sq.m..

The project is featured as a high-end service apartment of CCRE with a total of 302 sets of rooms, ranging from bachelor apartments to four-bedroom apartments. The apartment is equipped with all-day dining restaurant, Japanese Izakaya, gym center, children's play room and other facilities providing occupants with safe, convenient, warm and comfortable living space.

Address: Block 9, 58 Kangning Street, Zhengzhou City

Tel: 0371-65686888

Yanling Jianye The Mist Hot Spring Hotel

Yanling Jianye The Mist Hot Spring Hotel opened on 1 February 2018. It is located at Chenhuadian Town, Yanling County, Xuchang, Henan Province, covering an area of 50,264 sq.m..

The hotel is a joint masterpiece of Amata Luphaiboon and Twitee Vajrabhaya Teparkum who are both internationally renowned architects. The hotel offers 51 guest rooms and is equipped with all-day dining restaurant, Chinese restaurant, outdoor hot spring and pool, indoor swimming pool and pool, SPA, gym center, lobby bar, tea room, banquet hall and other facilities.

Address: North side of Huadu Avenue, Chenhuadian Town, Yanling County, Xuchang City, Henan Province

Tel: 0374-7968888

Xuchang Shenhou Town • Jianye Starry Hills

Xuchang Shenhou Town, “Capital of Jun Porcelain in China”, is one of the first batch of characteristic towns in China, and Jun Porcelain produced during the reign of Emperor Huizong of the Northern Song Dynasty was designated as “Treasures of the Royal Court”. Xuchang Shenhou Town • Jianye Starry Hills is our first Starry Hills brand theme characteristic hotel, which opened on 1 October 2019.

Relying on the Jun porcelain culture and historical heritage of Shenhou Town, Xuchang Shenhou Town • Jianye Starry Hills is committed to creating an immersive stay experience of Jun porcelain art. While integrating into the local area, residents have the opportunity to personally touch the developing sequence of Jun porcelain by learning and making porcelain. In addition to 30 comfortable guest rooms, the hotel is equipped with restaurants, book bars, tea rooms and living rooms, providing customers with a comfortable space to empty their minds and have a dialogue with history.

Address: Beside Dongda Primary School, Jianshe Road, Shenhou Town, Yuzhou City, Henan Province

Tel: 0374-8616999/0374-8618999

Xinyang Jigongshan • Jianye Starry Hills

Jigongshan Mountain, Xinyang, one of the four summer resorts in China, is located on the north-south boundary of China, and is known as “Greenness Dividing Chu (Hubei Province) and Yu (Henan Province)”. It is grand and magnificent while beautiful, making it an excellent choice for sightseeing and vacation.

Xinyang Jigongshan • Jianye Starry Hills opened on 1 July 2020. It is located at the mountainside of Jigongshan Mountain of Xinyang, adjacent to the “villa-clusters of multi countries” built from the late Qing Dynasty to the early Republic of China. The hotel has a panoramic view of the beautiful mountains, and provides a space for guests to have a rest and imagination while viewing different architectural styles and exploring history, thus interpreting the brand idea of “living next to the stars and doing what you want”.

The 89 guest rooms, together with restaurants, conference rooms, shared spaces and mahjong rooms, can meet various holiday needs of individuals, groups, parents and children, and provide experience of the comfortable life of viewing mountains, knowing mountains and enjoying mountains.

Address: Beside Zhongzheng Plaza, Jigongshan Scenic Area, Shihe District, Xinyang City, Henan Province

Tel: 0376-8658888

Unique Theatre Hotel

Zhengzhou Jianye Unique Theatre Hotel opened on 5 June 2021. The hotel has a total of 400 cozy and tasteful guest rooms, including comfortable rooms, exquisite rooms, family rooms and suites, 2 full-day restaurants, 1 Chinese restaurant, gyms, Treasure Park and foot health centre.

The hotel is located at Zhongmu County, Zhengzhou, adjacent to Unique Henan Land of Dramas. It takes only 10 minutes' drive from Jianye Huayi Brothers Movie Town and International Cultural and Creative Industry Park in Zhengzhou, and about 40 minutes' drive from Zhengzhou East High Speed Railway Station and Xinzheng International Airport. It is the first theme hotel in Jianye cultural tourism section. Unique Henan Land of Dramas is the first panoramic and fully immersive drama theme park in China, which was co-developed by CCRE and director Wang Chaoge. Therefore, the customers will experience of "living in the drama" and the opportunity to get a closer look at the splendid Central China in Unique Theatre Hotel.

Address: Unique Theatre Hotel, The northeast corner of intersection of Wenxin Road and Ping'an Avenue, Zhongmu County, Zhengzhou, Henan Province

Tel: 0371-86568888

Xijian Inn

Xijian Inn opened on 21 September 2019. The inn is located in Taiji Street, Jianye•Huayi Brothers Film Town Park, and belongs to the "Xijian" brand operated by Jianye. "Xijian" comes from the Tang Dynasty poet Liu Yuxi's work: "Suddenly hearing the arrival of a horse, I am happy to see an old friend coming", meaning that when guests come here, there will be a kind of joy like meeting an old friend, which is also in line with the theme of "living in a movie". The inn is divided into four different types, namely the Jianghu style "One Night in Jianghu", the mountain style "Qingshan Hou", the Republic of China style "Crescent Moon House", and the opera style "West Wing". The area of One Night in Jianghu is 760 sq.m.; the area of Qingshan Hou is 615 sq.m.; the area of Crescent Moon House is 1,537 sq.m.; the area of the West Wing is 1,840 sq.m., with a total construction area of 4,752 sq.m.. There are 67 guest rooms and 76 beds, which can accommodate 136 people.

During daytime, customers can eat, watch operas and visit folk customs, leaving an unforgettable movie memory; at night, customers can stay at the four themed inns and experience scene-based accommodation. The 24-hour butler service brings a unique sense of customization to customers. The superb hardware facilities provide home-like comfort.

Address: Jianye Huayi Brothers Movie Town at the intersection of Wenchuang Road and Baihua Street, Zhongmu County, Zhengzhou City, Henan Province

Tel: 0371-62168000

Pingdingshan Jianye Triumph Hotel and Zhumadian Jianye Triumph Hotel (Under Construction)

Pingdingshan Jianye Triumph Hotel and Zhumadian Jianye Triumph Hotel are CCRE's own brand hotels, both of which are standard hotels built by Henan Jianye Zhizun Hotel Investment Co., Ltd. Pingdingshan Hotel is also the representative of our standard hotel construction of Jianye. There are 161 guest rooms in each of Pingdingshan and Zhumadian hotels, which are equipped with banquet halls, all-day restaurants, conference rooms, gyms and other service facilities to meet the needs of business travelers.

Wugang Baicheng Tiandi Jianye Starry Hills Hotel (Under construction)

Wugang Jianye Starry Hills Hotel is located at the southwest corner of Tieshan Avenue and Wenzhou Road. The main body of the hotel is integrated with Baicheng Tiandi business. It has 9 floors and 87 guest rooms. The first to second floors are the hotel lobby, and the third to ninth floors are guest rooms. It abandons the traditional monotonous hotel space and creates a stylish hotel public area and private space. After going downstairs, it is Baicheng Tiandi Commercial Street, which meets the needs of hotel guests for food, accommodation and transportation.

Linqi Hotel (Under Construction)

Zhengzhou Jianye Linqi Hotel is located beside Zhengzhou Navigation Stadium, adjacent to the super high-rise Jianye headquarters office building and Jianye Exhibition Hall under construction. The hotel is designed by Amata Luphaiboon, a well known architect and designer of Six Senses Samui on Samui Island. The hotel draws inspiration from nature, integrates the concepts of trees and forest shade into architectural design, and advocates that residents living in it enjoy relaxation through the senses like perching in the forest, feel the process of life growth and rest, and experience the inner nature.

The main body of the hotel is an ultra-modern low density building with 5 floors above the ground, with 177 guest rooms, equipped with full-time restaurants, lobby bars, outdoor bars, conference rooms, gyms, swimming pools, etc. The hotel is committed to interpreting the aesthetic impression and living experience of Henan with the world-class design and pure courtesy of Central China.

Yunxiu Hotel (Under Construction)

Zhengzhou Jianye Yunxiu Hotel is located in Zhengzhou International Cultural and Creative Industry Park. Designed by Oki Sato, founder of Nendo, it is the world premiere hotel work of Nendo.

Nendo draws inspiration from Henan's characteristic geographical and cultural elements, such as caves and Longmen Grottoes. With the help of stacks, shadows, hollows and layers of caves, Nendo develops architectural textures in various areas of the hotel, which makes the hotel full of sense of sculpture, sense of light and shadow and threedimension effect. When guests live in it, they seem to be accompanied by wind, light and fog, so they can feel the rich gifts of nature and start a rare journey of art design.

The hotel has 231 guest rooms, which are equipped with Xiu cafe, Qingfeng Chinese Restaurant, Xiuju Japanese Restaurant, Ciao Bella Italian Restaurant, Sky Terrace Hotel, Yunshang Swimming Fitness Center and other sound facilities. It is a luxury art design hotel integrating business conference, food & beverage, accommodation, leisure and entertainment.

3. Cultural tourism

Cultural tourism sector of the Company is engaged in development and operation of property projects for cultural tourism principally located in historic in Henan Province, such as Zhengzhou and Kaifeng. With rich history, culture and natural resources, it tells the “Jianye story of cultural tourism” in different styles, forms and substance through theme park, tourist district and real scenery performance. As of 30 June 2023, the Company had the following projects for cultural tourism, namely Jianye Huayi Brothers Movie Town, Unique Henan Land of Dramas (只有河南·戲劇幻城) and Qishengjiao in Kaifeng.

With the good performance of the cultural tourism sector in recent years, the Company has attracted enormous attention in China’s cultural tourism industry and gained industrial influence greatly.

In May 2023, Unique Henan Land of Dramas was awarded as the “Most Popular Theme Park Brand of Tourists in 2023” in the 7th Annual Summit of China Cultural Tourism Big Consumption and “CTCAS Pioneer Award” Awards Ceremony. On 1 June 2023, CCRE Cultural Tourism was honored with the “2022 MBI Influential Brand of Cultural Tourism Group” issued by Meadin Research Institute. Especially during the May 1st holiday, Jianye Cultural Tourism was featured on CCTV five times, and was reported by columns such as “News Broadcast”, “Morning News”, “China News”, and “Cultural 10”.

Jianye Huayi Brothers Movie Town project is located in International Cultural and Creative Industry Park in Zhengzhou with a total land use scale of approximately 600 Chinese-mu. In the form of film sets and with an essence of historical culture and memory of the city, the project provides an experiential site for experiencing film culture incorporating tour of film sets, exhibition of film culture, film interactive games, folk and intangible cultural heritage experience, a series of large-scale performance, unique cuisine and themed inns.

The first two blocks of the project covering an area of 163.2 Chinese-mu was grandly premiered on 21 September 2019 and put into operation, receiving an enthusiastic market response. The project has become the most famous site for taking photos in Central China. Successively mentioned in special reports of national media like People’s Daily, Xinhua News Agency, China Central Television, Xuexi Qiangguo (xuexi.cn), the project has received favorable comments from all walks of life. In 2020, it was rated as an AAAA National Tourist Attraction.

In 2023, the movie town continued to hold activities starting from the New Year's Eve event, with the tourist visits reaching approximately 1.03 million in the first half of the year and the operating revenue amounting to approximately RMB105 million. It gained a good market reputation and succeeded in both economic benefits and brand effects.

Unique Henan Land of Dramas is a large-scale acting and performance project co-developed with Wang Chaoge (王潮歌), a famous director of real scenery performance. With 21 theatres, the project boasts the largest theater cluster in China. The project is located in International Cultural and Creative Industrial Park in Zhengzhou with a total site area of approximately 622 Chinese-mu and is also one of the Type-A Key Construction Projects in Henan Province. Inspired by the long-standing and rich history and culture of Henan with innovated forms of performance, the project aims to reveal the rich Central China culture and the glorious Chinese culture through the combination of several dramas with outdoor scenes as well as functional spaces by making use of its unique architectural space, helping people understand the history and culture in a multi-sensory approach. The project is of great significance for highlighting the characteristics, reshaping the style, manifesting the spirit and contributing to cultural confidence of Henan. In its 21 theaters of the project, more than 30 plays have been presented by nearly 1,000 performers. The theaters in the park have a total capacity of 10,000 people, including three main theaters, which have a capacity of nearly 5,000 people. The total duration of a single show of all plays is nearly 700 minutes and the total number of performances in a single day during the peak season is nearly 200, with a total duration of nearly 5,000 minutes.

After four years of construction, Unique Henan Land of Dramas held a grand opening ceremony on 5 June 2021, the day of Chinese lunar Grain in Ear. This attracted attention nationwide. More than 2,000 entrepreneurs, cultural celebrities, partners of Central China and media guests from all over the country witnessed the premiere.

After the project was officially opened for operation on 6 June 2021, it went viral in the market with a good reputation. In 2023, Unique Henan Land of Dramas is based on the national market, with nearly 50% of the tourists from outside the province. In the first half of the year, the number of visitors reached nearly 800,000, the number of theatergoers exceeded 4.8 million, and the operating revenue amounted to approximately RMB179 million.

Located at Kaifeng City (used to be an Ancient Capital of Eight Dynasties), Henan Province, Kaifeng Qishengjiao project is a culture, tourism and leisure street which imitates the style of Song Dynasty, featuring shopping, unique cuisine, guest houses, entertainment, leisure, and cultural experience. In 2021, it was selected as a “Provincial Tourism and Leisure Block in Henan Province”. With rich tourism resources nearby, the project enjoys obvious advantages. Adjacent to the 2-km-long Yuhe River constructed with our investment, the project has highlighted the characteristics of a northern waterside city and has successfully connected tourism resources. Since its opening in 2014, Qishengjiao has attracted attention from all walks of life, becoming a new spot popular with tourists. The project is facing adjustment and exploration to keep with the increasingly mature tourist market. The project is currently speeding up to upgrade. In October 2020, the project completed the rejuvenation and upgrading. Through the collection of 17 designer concept stores, the original Baogong culture IP, the container Internet-famous site, the rail steam train, the ice and snow world theme park and other highlights, as well as the new building light show, graffiti show and other light cultural travel performing arts products, it realised the combination of youth, trend and classicality, and created a new image of the commercial street combining “art + trend + culture + architecture + space + creativity + aesthetics”.

4. *Green House*

CCRE’s green houses are main body of the establishment and operation of CCRE’s modern agricultural projects. As of the end of the reporting period, the Company had four green houses completed and in operation, namely Yanling Jianye Green House, Hebi Jianye Green House, Yichuan Jianye Green House and Zhoukou Jianye Green House; one green house was under-development, namely Nanyang Jianye Green House.

Yanling Jianye Green House

Yanling Jianye Green House is located in Yanling County, Xuchang City, less than 100 km from Zhengzhou City, with a site area of over 5,000 Chinese-mu. The project is equipped with intelligent gutter-connected greenhouse, multi-functional exhibition hall, technology research center and culture room for cut flowers as well as 3,000 Chinese-mu eco-tree seedlings, endeavouring to build a modern agricultural countryside complex zone concerning six highlights of “efficient agriculture, agritourism, cultural creativity agriculture, demonstration and experience agriculture, science popularisation agriculture, and healthcare and wellbeing improvement agriculture”.

In the first half of 2023, the Four Seasons Picking Garden project of Yanling Jianye Green House has launched, and leisure activities such as “Guochao Ancient Style Parent-child Garden Party (國潮古風親子遊園會)”, “Rural Camping Life Festival (田園露營生活節)”, and “Mother’s Day Thanksgiving Season (母親節感恩禮遇季)” were held, approximately 580,000 visitors and tourists were received, including provincial and municipal leaders, domestic and foreign experts, scholars, construction owners and tourists from within and outside the province.

In recent years, Yanling Jianye Green House has been awarded the “National 4A Grade Tourist Attractions”; the “2019-2021 Provincial Key Leading Enterprise of Agricultural Industrialisation”, the “Model Enterprise of Urban Eco-agriculture” and other honors. In the first half of 2023, the Yanling Jianye Foodcourt in the catering service segment was awarded the “Demonstration Unit for Safe Consumption in Henan Province”.

Hebi Jianye Green House

Hebi Jianye Green House is located at the urban-rural integration demonstration zone in Hebi City with a total site area of approximately 4,450 Chinese-mu. It is a countryside complex zone covering modern agriculture, leisure and tourism, and rural community. At present, Hebi Jianye Green House is equipped with six functional areas, namely, welcome area, folk culture experience area, modern facility efficient agriculture tourist area, farming culture experience area, waterside ecological sightseeing area, and farming, forestry and breed demonstration area, of which, 60,000 sq.m. of 13 intelligent gutter-connected greenhouses, 20,000 sq.m. of Qishui Biyu Lake, colourful flower field and wedding lawn, 150 Chinese-mu of eastern flower area, and 4,000 Chinese-mu of ecological conservancy belt and pick your own farm have been open to the public, with 1,278.4 square meters of photovoltaic power generation panels being installed which has an average annual power generation of approximately 19,800 KW. The project also cooperated with Chenzhai Flower Group, a China “Top 3 Enterprises” in the floral industry, with a view to building a flower trading center in North Henan Province.

In the first half of 2023, Hebi Jianye Green House introduced related leisure and entertainment industries such as Heatwave Water World, Shibazakura Garden, Dinosaur and Panda Exhibition, and welcomed more than 500,000 visitors, including government leaders, Jianye property owners, social organisations and students.

In recent years, Hebi Jianye Green House has been successively awarded the “China Agricultural Park”, the “Henan Province Leisure and Sightseeing Park”, the “Provincial Key Leading Enterprise of Agricultural Industrialisation”, “Henan Province Rural Tourism Creativity Demonstration Site”, “China Beautiful Villages Leisure Tourism (Spring) Boutique Scenic Spot Route Recommendation” and other honors.

Yichuan Jianye Green House

Yichuan Jianye Green House is located at North of Zhangyao Village, Jiangzuo Town, Yichuan County, Luoyang City, with approximately 6,725 Chinese-mu and total investment amount of approximately RMB2 billion. The overall positioning strategy of the project is a countryside complex concerning six highlights of “modern agriculture, ecological leisure, cultural creativity, experience center, science popularisation and healthcare”, with maintaining sustainable development for protecting ecological environment as its basis and with development strategy focusing on “agricultural + cultural tourism + healthy”, and with local characteristics of “demonstration zone of modern agricultural complex + ecological culture protection + picturesque village + unique cuisine”.

The construction of 11,000 square meters of high-standard intelligent greenhouses, plant factories, cave dwellings for fungus growing, 16.3 km-long park roads, 200 Chinese-mu dropper fields, 70,000 sq.m. high quality overflow dam for irrigation and water storage, etc had been completed and put into use. Moreover, approximately 1,200 Chinese-mu of mountainous forests was being transformed and a total of 99 road lamps were built, which generate energy via wind power and solar energy, to illuminate the road of 1.8km, thus saving 50,000 kWh of power per year.

In addition, a number of leisure and entertainment facilities and industries had been completed and put into use, including Yaji Lakeside Restaurant, cave dwelling experience, Forest Valley Natural Restaurant and Bar, children's playground, Fruit and Vegetable Picking Experience Garden, Forest Leisure Area, Xingkongli-Caravans Camp, Guanshanxu-Weijing Restaurant, Pastoral Hot Pot Restaurant, Physical Fitness Park, Glass Water Slide, Glass Trestle, Jungle Magic Net and UTV All-terrain Vehicle.

In the first half of 2023, it received a total of more than 40,000 tourists, and was rated as "Demonstration Unit for Safe Consumption in Yichuan County".

Zhoukou Jianye Green House

Zhoukou Jianye Green House is located on the banks of the old canal in the urban-rural integration demonstration zone in Xuwan Village, Xuwan Township, Zhoukou City with a site area of more than 5,000 Chinese-mu. Relying on the old canal with rich history, the project is planned to have three sections, namely modern agriculture, cultural tourism and rural habitat.

Zhoukou Jianye Green House integrates high-end flower, fruit and vegetable production, fine seedling and flower cultivation, culture mining of old canal shipping ferry, traditional folk culture exhibition, farming culture experience, experience of special diet in Central Plains, sports, urban wetland and riverside landscape belt along the old canal, folk wedding celebration photography base, etc. with a view to forming an urban pastoral complex with an international leading and domestic first-class modern agricultural industry chain integrating "research and development, production, demonstration and experience". Containing modern ecological agriculture, old canal renovation and urban wetland restoration, farming experience, cultural tourism street, recreation and living and other industries, it is planned to build the project into a national 5A tourist attractions, provincial tourism resort in the next 5 to 10 years. While meeting the needs of the general public for innovative tourism that emphasizes entertainment, slow life, and leisure, it will also drive the development of modern science and technology agriculture and cultural tourism in Zhoukou area.

The project is divided into three phases of construction, the first phase is the rural leisure area, the second phase is the ancient town business area, and the third phase is the agricultural tourism experience area.

At present, the first phase of the project has been completed and the opening operations include: the Tongle Valley Parent Child Paradise (20,000 sq.m.); Intelligent Production Greenhouse (10,000 sq.m.); modern and technical agriculture exhibition hall (5,000 sq.m.); Jianye Foodcourt (5,000 sq.m.); Baicao Garden (Farming Experience Garden) (60 Chinese-mu); and Wetland Park and Colourful Beach (50,000 sq.m.).

The second phase of the project, which officially opened for operation on 21 June 2023, comprises a 100,000 sq.m. of cultural and tourism business district in the Canal Ancient Town and a 60,000 sq.m. of riverfront park. Relying on the canal culture of the Old Canal, the food culture of the Central Plains of the Jianye Foodcourt, and the Fuxi Bagua, Nuwa culture, Laozi culture, Hongmeng Qianqiu (鴻蒙千秋), and Ji Hongchang red culture (吉鴻昌紅色文化) of the ancient canal town, we have arranged four cultural themed real-scene immersive performances, namely “Laozi Enlightenment (《老子悟道》)” & “Confucius Three Worships to Laozi (《孔子三拜老子》)”, “Thousand-Character Literature Academy (《千字文書院》)”, “The Prosperous Age of Water Transport (《漕運盛世》)” and “Ji Hongchang-Eternal Monument (《吉鴻昌—永遠的豐碑》)”, as well as numerous youth songs and dance dramas, lectures on nationalism, internet celebrity pop-up shows, national tide tours and other programs are performed all year round.

The third phase of the project plans to construct agricultural sightseeing, agricultural picking, agricultural experience, flower sea and other projects. The construction has started in August 2022 and is expected to be put into operation in 2023.

Since the project was officially opened for operation in April 2020, it has quickly become a new cultural tourism project with certain popularity and influence in Zhoukou City, receiving a total of 3.6 million visitors.

In the first half of 2023, it received approximately 970,000 visitors. It has successively won more than ten honors such as “Henan Province Night Cultural Tourism Consumption Cluster” and “Social Practice Education Base for Primary and Secondary Schools in Zhoukou City”.

Nanyang Jianye Green House

Nanyang Jianye Green House is located at the north of Wolong District, Nanyang City, leaning on Dushan Mountain to the west and facing Yong River to the east, about 1.8 kilometers away from the direct line of Baihe River. The project is located in a superior transportation area, with Shangnan Expressway to the north, Provincial Road 234 to the west and Kongming North Road to the east. With a total area of about 4,800 Chinese-mu and a planned investment of RMB2 billion, it is the fifth idyllic complex project of our Group. The project combines the characteristic culture of Nanyang, with the China rose, mugwort and unique jade industry as the support, forming a new mode of “agriculture-travel-production” closed-loop development, and is committed to creating an agricultural field complex project integrating agricultural demonstration, village revitalization, ecological leisure, suburban tourism, health and wellness, cultural entertainment, etc. After the completion of the project, it will directly and indirectly promote the employment of nearly 10,000 people, and will develop into a special agricultural industrial park in southwest Henan, a demonstration area of rural revitalization in southwest Henan, and a research and experience base of Dushan jade culture in Nanyang, and strive to build a provincial or even national-level demonstration project of idyllic complex.

The construction of the project started on 29 September 2021, which is mainly divided into two phases.

Phase I: Activation period (2021-2022): Pulling framework, creating environment and building platform.

The project will focus on building a technology demonstration area, and will quickly start the development of the park with the images of “intelligent agriculture center, Jianye Foodcourt, Dushan jade culture study base, rural revitalization lecture hall, emerging vocational farmer training center, 5C grade RV camping site, etc.” to build the confidence of enterprises to invest. By introducing the mature IP of the Jianye, the project of “Intelligent Agriculture Center/Jianye Foodcourt” can quickly attract people. Preliminary land preparation work in the park to be completed, and the construction of roads and infrastructure around the core area to be improved.

Phase II: Mature stage (2024-2026): Excellent supporting facilities, fine living and strong services.

The project will gradually develop the medical and health zone and intelligent agriculture zone; basically settle the construction of roads and infrastructures in the park area and refine the overall spatial landscape appearance. Guihua Village and Da Chenzhuang Village Revitalization Demonstration Area will be developed. And further optimize, implant of highly creative agricultural experience tourism projects and supporting facilities, establish of the park’s creative image, attracting popularity, and become a highly well-known domestic destination for special rural tourism.

IV. LAND RESERVES

During the reporting period, the Group acquired land with a site area of approximately 168,000 sq.m. through equity cooperation. It had newly added land reserves with a GFA of approximately 537,000 sq.m. As of 30 June 2023, the Company had land reserves with a GFA of approximately 42.70 million sq.m., including attributable equity GFA of approximately 31.75 million sq.m.

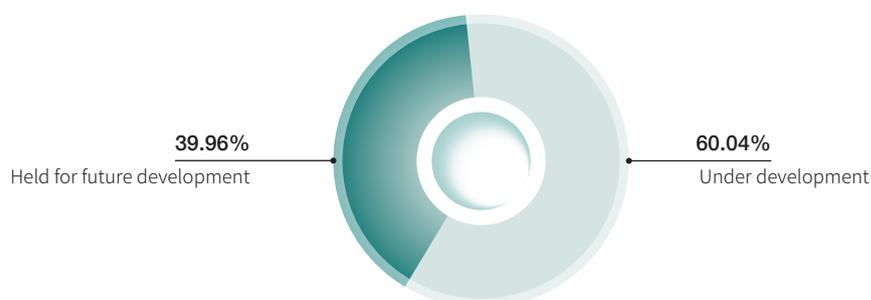
1. *Equity Cooperation Land*

As of 30 June 2023, the Group acquired four land parcels with a total site area of 167,559 sq.m. in Zhengzhou City, Zhoukou City and other cities by way of equity cooperation.

2. *Distribution of Land Reserves*

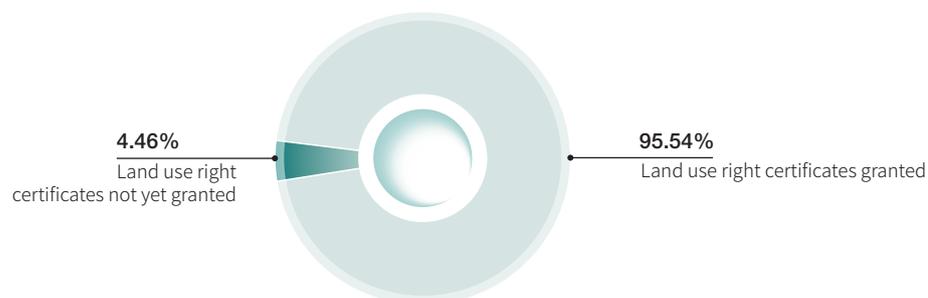
(1) Distribution of the Company's land reserves by development status

As of 30 June 2023, the distribution of the Company's land reserves by development status is set out in the table below:



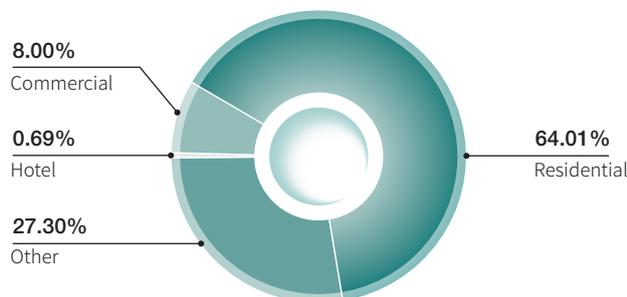
(2) *Distribution of the Company's land reserves by land use right certificates application status*

As of 30 June 2023, the distribution of the Company's land reserves by land use right certificates application status is set out in the table below:



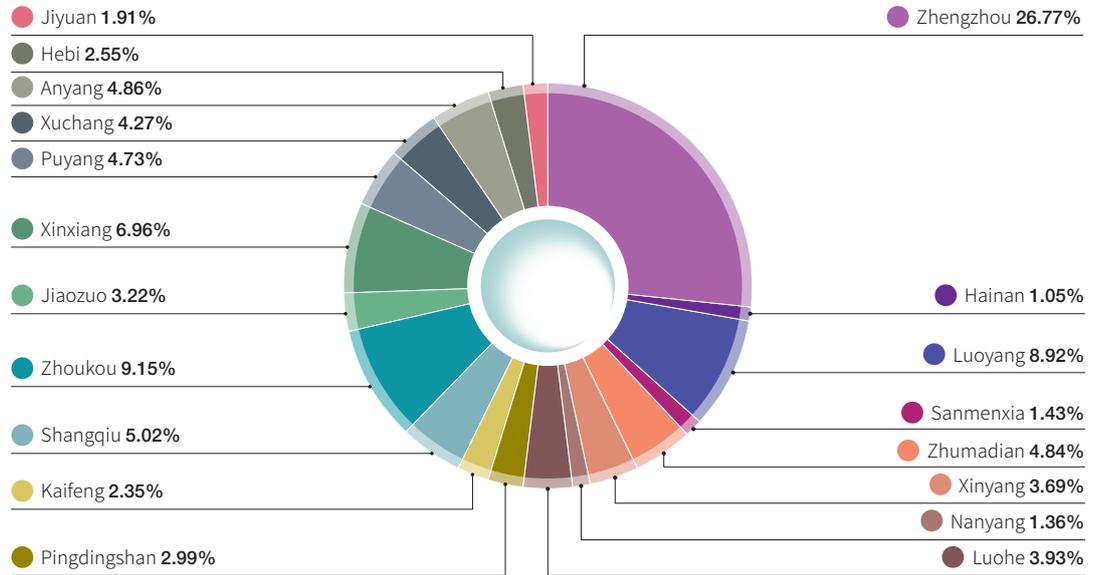
(3) *Distribution of the Company's land reserves by property types*

As of 30 June 2023, the distribution of the Company's land reserves by property types is set out in the table below:



(4) *Distribution of the Company's land reserves by cities*

As of 30 June 2023, the distribution of the Company's land reserves by cities is set out in the table below:



V. Product Research and Development

1. *Product Development and Serialisation, Standardisation and Commercialisation*

Through the research on the urbanization process, market trend and culture trend and considering the development characteristics of the Group, the Company has put forward the product concept of “creating products that best understand the people in Central China”, adhering to the overall direction of “doing less, doing small and doing better”, and continuously promoted the research and development and implementation of the “2+3+X” product line. Based on its product line system, the Company constantly refined the serialization and standardization construction of architecture, landscape, decoration, structure, and equipment centering on product line and product adaptation. Meanwhile, the Company continuously refined the architectural design, and came out with products of living rooms with increased competitiveness through conducting research on customers’ needs and the new lifestyle of customers.

During the reporting period, the Company continued to carry out standardise iteration and upgrade, completed the “Product Map”. Leveraged on the product lines, the Company continued to facilitate product line optimisation and iteration, which enhanced product competitiveness and brand premium, and helped the Group’s strategic transformation and land acquisition and investment in various cities.

The Company constantly optimised its “Platform for Product Standardisation, Design and Management” to regulate design and management procedures, compiling product data base and securing product quality by means of informatisation. Architectural design tools were constantly enriched by promoting the use of leading BIM technologies in the industry, and the accuracy of design was thus improved. Meanwhile, adhering to the development concept of “Green, Health, Technology, Energy-saving”, the Company incorporated the elements of green, health, technology and intelligence into product design to further show its meticulous care to customers.

2. Residential Industrialization

Residential industrialization is conducive to improving the quality of residential projects, realizing energy conservation and emission reduction, and improving the living environment, which is an inevitable trend of residential construction and development. The Group actively promoted residential industrialization, applied prefabricated BIM technologies to Plum Garden (梅苑) in Beilong Lake Junlin Grand Courtyard Project, and helped with the implementation of prefabricated construction for the projects to secure product quality.

3. Customized Design

With the increasing demand for residential quality, the traditional product design model cannot fully satisfy the new demand of upgraded consumption.

Insisting on the core concept of “providing quality living standards for the people in Central China”, the Company launched the Junlin Grand Courtyard project based on customized design. The project took the customer needs as the starting point and achieved customization in ten aspects including the house type, building style, landscape design, supporting facilities, elevator configuration, decorative style, standard of house decoration, kitchenware, bathroom articles, and property services, so as to satisfy the needs of the people in the new era for better house, break the original development and design mode of property, and lead the residence product into the era of customization and personalization.

4. Environmental Protection and Energy Conservation

To facilitate the development of green architecture business and promote low carbon life culture, the Company has formulated the Green Architecture Projects Implementation and Management Measures of CCRE, the Green Architecture One Star Technology Application Guidelines of CCRE, and the Green Architecture Two Star Technology Application Guidelines of CCRE in accordance with the Evaluation Standards for Green Buildings and the Evaluation Standards for Green Buildings of Henan Province issued by the Ministry of Housing and Urban-Rural Development of PRC. The Company issued the Green Manifesto of CCRE in 2010 to better implement the national regulations and policies on energy conservation and environmental protection, to implement the relevant requirements of the Energy Saving Design Standards for Residential Buildings in Henan Province, to enhance building energy efficiency, and to improve building energy-saving standards, thereby comprehensively improving the effectiveness of environmental protection and energy conservation for our corporate property projects.

5. *Featured Complex*

During the reporting period, the Company had higher requirements for urban development planning. Based on Luoshen Plaza project, the Company wanted to explore new planning models, hoped that through street block-level developments, it could motivate all advantageous resources from all business segments to join in urban development, and along with urban growth, there would be a full industry chain upgrading from development, construction to operation, as well as a upgrading of roles and missions. As the orderly continuum, supplement and guarantee of block-level developments, this exploration would help the Group to transform its role as urban operator, planning for mid-long term planning strategies, aiming to erect a better living platform for owners, giving an energetic block to the city operation, equipped with traffic, education, medicare and commercial facilities, offering the owners with peaceful life and prosperous city.

VI. Customer Service And Customer Relations

CCRE's service system 4.0 aims to provide an any format, any time, one-stop, and one-on-one brand-new service experience, hence create a new form of lifestyle by collecting and combining CCRE's 31 years of service advantages and internal and external resources. The Company sets its eyes on a city level service interface and CCRE's community level service unit to construct the "Happiness Butler" service center with 6 major service regimes, namely targeted, interests, customization, life, technology, and neighborhood, and 13 service contents.

The Company has integrated multiple business segments and established a unified 400 customer service system. Through unified 400 numbers, unified background management system, unified user perception interface, unified data precipitation and centralized management and tailor-made customization services, the Company has also created the 4009617777 all-format service command platform to further improve the customers service experience; the Company has continued to promote normalization of the "No delay (客不容緩)" policy. By improving the 400 customer complaint handling process, the Company has implemented the "Weekly ranking, monthly report" mechanism is in motion, introduced measures such as material risk pull through early warning system, customer complaint risk investigation at critical time points and dedicated delivery risk monitor and control, and promoted fast response and efficient handling of customer complaints; the Company has also bettered the delivery management system. By perfecting the delivery system, pre-controlling delivery risk, setting delivery goals, and empowering the delivery business to improve delivery management.

COMMENCEMENT PLAN

In the second half of 2023, the Company plans to commence construction of 20 projects with a GFA of approximately 725,000 sq.m..

City	Project name	Principal use of property	GFA (sq.m.)
Zhengzhou	Fuju-Jianhong Project-S09	Residential	84,118
Kaifeng	Lankao CCRE Mall (Phase 1)	Residential	8,039
Kaifeng	Tongxu Code One City (Phase 1)	Residential	21,035
Luoyang	Luanchuan Luanzhou Palace	Commercial	20,813
Pingdingshan	Wugang Forest Peninsula (Phase 6)	Residential	22,831
Hebi	Hebi No.7 Courtyard	Residential	2,427
Xinxiang	Xinxiang Dongjing Mansion (Phase 2)	Residential	65,578
Jiaozuo	Jiaozuo Jianye Mansion (Phase 2)	Residential	72,292
Jiaozuo	Jiaozuo Shuxiang Yard (Phase 1)	Residential	61,629
Sanmenxia	Jianye Code Two City (Phase 1)	Residential	19,726
Shangqiu	Minquan Long Mansion (Phase 2)	Residential	103,525
Zhoukou	Taikang Jianye Mansion	Residential	29,073
Zhoukou	Zhoukou Jianye City (Phase 4)	Residential	39,784
Zhoukou	Jianye Chinoiserie Palace (Phase 3)	Residential	60,000
Zhoukou	Huaiyang Qingfeng Courtyard	Residential	50,879
Zhumadian	Zhumadian Jianye Binhelong Palace (Phase 2)	Residential	19,843
Zhumadian	Zhumadian Boshan House (Phase 1)	Residential	23,756
Zhumadian	Zhumadian Jianye Jiangshan Mansion	Residential	6,907
Nanyang	Shilihushan	Residential	8,466
Nanyang	Dengzhou Jianye Qingyunli	Commercial	3,990
	Total		<u><u>724,711</u></u>

In the second half of 2023, the Company plans to deliver 98 projects in total with a GFA of approximately 8,168,000 sq.m..

City	Project name	Principal use of property	GFA (sq.m.)
Zhengzhou	Zhengzhou Wulongkou S10	Residential	65,355
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	132,014
Zhengzhou	Zhengxi U-Town (Phase 6) Zone A	Residential	107,626
Zhengzhou	Movie Town project (Phase 2)	Residential	176,399
Zhengzhou	Jianye Wonderland	Residential	134,829
Zhengzhou	Jianye Tianhuicheng South Land Lot	Residential	51,067
Zhengzhou	Xinmi Spring Time (Phase 1)	Residential	67,308
Zhengzhou	Gongyi Spring Time (Phase 4)	Residential	85,691
Kaifeng	Tongxu Jianye City (Phase 1)	Residential	43,941
Kaifeng	Lankao CCRE Mall (Phase 1)	Residential	99,958
Kaifeng	Lankao Red World (Phase 2)	Commercial	7,754
Kaifeng	Kaifeng Taihe Mansion (Phase 1)	Residential	67,896
Luoyang	Luoyang Dingding Palace (Phase 5)	Residential	123,636
Luoyang	Luoyang Dingding Palace (Phase 6)	Residential	190,475
Luoyang	Luoyang Luanzhou Palace	Residential	42,480
Luoyang	Luoyang Longcheng Dongwang (Phase 2)	Residential	88,478
Luoyang	Luoyang Code Two City (Phase 3)	Residential	135,039
Luoyang	Luoyang Fengdu (Phase 2)	Residential	88,792
Luoyang	Luoyang Dachengxiaoyuan (Phase 2)	Residential	71,705
Luoyang	Luoyang Zhongzhou Mansion (Phase 1)	Residential	120,973
Luoyang	Luoyang Jianye Mansion	Residential	34,196
Pingdingshan	Pingdingshan Spring Time (Phase 3)	Residential	137,542
Pingdingshan	Pingdingshan Guangming Mansion	Residential	59,739
Pingdingshan	Pingdingshan Pingxi Honour Mansion	Residential	60,172
Pingdingshan	Pingdingshan Eighteen Cities (Phase 4)	Commercial	23,471
Pingdingshan	Ruzhou Sweet-Scented Osmanthus Garden (Phase 3)	Residential	23,096

City	Project name	Principal use of property	GFA (sq.m.)
Anyang	Anyang Tonghe Palace Project (Phase 1)	Basement	9,707
Anyang	Tangyin Central Garden Project (Phase 1)	Residential	120,900
Anyang	Anyang Sky Mansion	Residential	147,077
Anyang	Anyang Junlin Grand Courtyard (Phase 1)	Residential	60,592
Anyang	Anyang Jianye City (Phase 3) Zone 1, Zone 2	Basement	6,783
Anyang	Anyang Phoenix City North Bank	Residential	124,602
Hebi	Hebi Chinoiserie Palace (Phase 1)	Residential	167,232
Hebi	Hebi No.7 Courtyard	Residential	110,953
Hebi	Hebi Zhenyuehui (Phase 1)	Residential	27,080
Xinxiang	Xinxiang Chinoiserie Palace (Phase 1)	Residential	158,585
Xinxiang	Xinxiang Blossom Garden (Phase 1)	Basement	22,298
Xinxiang	Changyuan Forest Peninsula Courtyard (Phase 1)	Commercial	53,509
Xinxiang	Hui County Code One City (Phase 1)	Residential	71,056
Xinxiang	Hui County Gongcheng Dongwang (Phase 1)	Residential	169,995
Xinxiang	Xinxiang Meidi Yunqi (Phase 1)	Residential	46,895
Xinxiang	Beverly (Phase 4)	Residential	116,914
Xinxiang	Xinxiang Dongjing Mansion (Phase 1)	Residential	86,243
Xinxiang	Fengqiu Central Garden (West) (Phase 1)	Residential	73,463
Xinxiang	Weihui Spring Time (Phase 1)	Residential	174,975
Jiaozuo	Wuzhi Star Mall (Phase 2)	Commercial	14,495
Jiaozuo	Jiaozuo Jianye Mansion (Phase 1)	Residential	133,973
Jiaozuo	Bo'ai Spring Time (Phase 2)	Residential	154,760
Jiaozuo	Mengzhou Jianye Mansion (Phase 1)	Residential	49,311
Jiaozuo	Wuzhi Jianye Majestic Mansion (Phase 1)	Residential	79,886

City	Project name	Principal use of property	GFA (sq.m.)
Puyang	Puyang Chinoiserie Palace Project (Phase 3)	Residential	104,700
Puyang	Puyang Puyuan Project (Phase 1)	Residential	46,337
Puyang	Puyang Jianye Longcheng	Residential	171,275
Puyang	Taiqian Jianye Jianrun House	Residential	77,649
Xuchang	Yuzhou Dachengxiaoyuan (Phase 1)	Residential	59,919
Xuchang	Yuzhou Spring Time (Phase 1)	Residential	39,980
Xuchang	Xuchang Zhenyuehui (Phase 1)	Residential	64,456
Xuchang	Xuchang Pleasure Garden (Phase 1)	Residential	126,402
Xuchang	Xiangcheng CCRE Mall (Phase 1)	Residential	121,363
Xuchang	Change Forest Peninsula (Phase 2)	Residential	17,890
Xuchang	Change Sweet-Scented Osmanthus Garden New City (Phase 2)	Residential	15,016
Xuchang	Yanling Eco-City (Phase 3)	Residential	27,558
Luohe	Luohe Sweet-Scented Osmanthus Garden West District (Phase 1)	Residential	98,846
Luohe	Luohe Blossom Garden (Phase 1)	Residential	175,176
Luohe	Luohe Jianye Danjiang House (Phase 1)	Residential	56,605
Luohe	Luohe Jianye Xicheng Forest Peninsula (Phase 3)	Residential	157,312
Luohe	Luohe Longhushuxiang Mansion	Residential	30,434
Sanmenxia	Sanmenxia New District Forest Peninsula (Phase 3)	Residential	52,048
Sanmenxia	Sanmenxia Honour Mansion (Phase 2)	Residential	47,321
Shangqiu	Shangqiu Chengyuan	Residential	96,408
Shangqiu	Minquan Long Palace (Phase 1)	Residential	117,596
Shangqiu	Shangqiu Art Mansion	Residential	134,561
Shangqiu	Zhecheng Lianmeng Dongwang (Phase 1)	Residential	80,468

City	Project name	Principal use of property	GFA (sq.m.)
Zhoukou	Zhoukou Jianye City (Phase 3)	Residential	169,080
Zhoukou	Zhoukou Jianye Chinoiserie Palace (Phase 2)	Residential	80,619
Zhoukou	Taikang Jianye Eco-City	Residential	75,831
Zhoukou	Huaiyang Jianye CCRE Mall	Commercial	39,881
Zhoukou	Luyi Jianye City (Phase 9 & 10)	Basement	4,184
Zhoukou	Huaiyang Jianye Binhe Courtyard (Phase 1)	Residential	189,946
Zhoukou	Zhoukou Jianye Hill Water Lake City (Phase 1)	Residential	145,662
Zhoukou	Fugou Jianye Mansion	Residential	36,610
Zhumadian	Zhumadian Honour Mansion	Residential	65,610
Zhumadian	Zhengyang Jianye City (Phase 2)	Basement	37,317
Zhumadian	Zhumadian Spring Time (Phase 2)	Commercial	2,184
Zhumadian	Zhumadian Binhelong Palace	Basement	18,134
Zhumadian	Zhumadian Tianzhong Mansion (Phase 1)	Residential	93,401
Zhumadian	Shangcai Jianye Mansion	Residential	45,942
Zhumadian	Lijing Huating	Residential	24,287
Nanyang	Dengzhou Qingyunli	Residential	58,056
Xinyang	Xinyang Xi County Honour Mansion (Phase 1)	Residential	54,048
Xinyang	Xinyang Mansion (Phase 1)	Residential	172,037
Xinyang	Xinyang Huangchuan Huangguo Palace (Phase 1)	Residential	87,432
Xinyang	Xinyang Gushi Future City (Phase 1)	Residential	104,353
Jiyuan	Jiyuan Jianye City (East) (Phase 1)	Commercial	38,598
Jiyuan	Jiyuan Spring Time (Phase 1)	Basement	19,288
Jiyuan	Jiyuan Code One City Majestic Mansion (Phase 1)	Commercial	63,367
Jiyuan	Jiyuan Jianye City (West) (Phase 1)	Residential	160,424
Hainan	Dongfang Jiayuan (Phase 2) (Commercial Land Lot 02)	Residential	41,637
Total			8,168,164

CORPORATE GOVERNANCE PRACTICES

The Company has always valued the superiority, steadiness and rationality of having a sound system of corporate governance and is committed to continuously improving its corporate governance and disclosure practices. For the six months ended 30 June 2023, the Company complied with all code provisions and, where appropriate, adopted the recommended best practices set out in the Corporate Governance Code (the “**Corporate Governance Code**”) in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

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**”) in Appendix 10 to the Listing Rules as the code of conduct for the Directors in their dealings in the Company’s securities. Having made specific enquires with each Director, the Company confirmed that all Directors had complied with the required standard as set out in the Model Code for the six months ended 30 June 2023.

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

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

SHARE OPTION SCHEME

During the six months ended 30 June 2023, the Company has not granted any share options pursuant to the share option scheme (the “**Scheme**”) approved by the shareholders during the extraordinary general meeting held on 19 April 2018.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events subsequent to 30 June 2023 which would materially affect the Group’s operating and financial performance as of the date of this interim results announcement.

REVIEW OF INTERIM RESULTS BY AUDIT COMMITTEE

The Audit Committee of the Company has discussed with the management the accounting principles and policies adopted by the Group, and has reviewed the Group's unaudited interim consolidated financial statements for the six months ended 30 June 2023. The unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2023 presented herein has not been reviewed or audited by the auditor of the Company.

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend (the “**Interim Dividend**”) for the six months ended 30 June 2023 (six months ended 30 June 2022: Nil).

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

This interim results announcement is published on the websites of the Company (<http://www.jianye.com.cn>) and the Stock Exchange (<http://www.hkexnews.hk>). The Company's interim report for the six months ended 30 June 2023 will be despatched to the shareholders and published on the aforesaid websites in due course.

By Order of the Board
Central China Real Estate Limited
Wu Po Sum
Chairman

Hong Kong, 31 August 2023

As at the date of this announcement, the Board comprises seven Directors, of which Mr. Wu Po Sum is executive Director, Ms. Wu Wallis (alias Li Hua), Mr. Deng Gaoqiang and Mr. Shi Song are non-executive Directors, Mr. Cheung Shek Lun, Mr. Xin Luo Lin and Dr. Sun Yuyang are independent non-executive Directors.

* *For identification purposes only*