



紅星美凱龍家居集團股份有限公司  
Red Star Macalline Group Corporation Ltd.

(A SINO-FOREIGN JOINT STOCK COMPANY INCORPORATED IN THE PEOPLE'S REPUBLIC OF CHINA WITH LIMITED LIABILITY)  
STOCK CODE: 1528



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# Corporate Information

## BOARD OF DIRECTORS

As at the date of this report, the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company comprises the following Directors:

### Executive Directors

Mr. CHE Jianxing  
Mr. SHI Yaofeng  
Mr. LI Jianhong  
Mr. YANG Yingwu

### Non-executive Directors

Mr. ZHENG Yongda (*Chairman*)  
Mr. WANG Wenhui  
Mr. ZOU Shaorong  
Mr. SONG Guangbin  
Ms. XU Di

### Independent Non-executive Directors

Mr. XUE Wei  
Mr. HUANG Jianzhong  
Mr. CHEN Shanang  
Mr. WONG Chi Wai  
Mr. CAI Qinghui.

## SUPERVISORS

Mr. CHEN Jiasheng (*Chairman*)  
Ms. MA Chenguang  
Mr. TANG Rongzhen  
Mr. WANG Shouyi

## AUDIT COMMITTEE

Mr. XUE Wei (*Chairman*)  
Mr. HUANG Jianzhong  
Mr. ZOU Shaorong

## REMUNERATION AND EVALUATION COMMITTEE

Mr. HUANG Jianzhong (*Chairman*)  
Mr. WONG Chi Wai  
Mr. ZHENG Yongda

## NOMINATION COMMITTEE

Mr. CHEN Shanang (*Chairman*)  
Mr. CAI Qinghui  
Mr. HUANG Jianzhong  
Mr. ZHENG Yongda  
Mr. CHE Jianxing

## STRATEGY AND INVESTMENT COMMITTEE

Mr. ZHENG Yongda (*Chairman*)  
Mr. WANG Wenhui  
Mr. ZOU Shaorong  
Mr. CHE Jianxing  
Mr. SHI Yaofeng  
Mr. LI Jianhong  
Mr. HUANG Jianzhong

## JOINT COMPANY SECRETARIES

Ms. QIU Zhe  
Ms. NG Sau Mei

## AUTHORIZED REPRESENTATIVES

Mr. CHE Jianxing  
Ms. QIU Zhe

## REGISTERED OFFICE

Suite F801, 6/F  
No. 518, Linyu Road  
Pudong New District  
Shanghai  
The PRC

## HEADQUARTERS IN THE PRC

Red Star Macalline Headquarter  
No. 2/5, Lane 1466, Shenchang Road  
Minhang District  
Shanghai  
The PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F, Tower 2  
Times Square  
1 Matheson Street  
Causeway Bay, Hong Kong

## H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wan Chai, Hong Kong

## LEGAL ADVISORS

### As to Hong Kong and the United States law

Clifford Chance  
27/F Jardine House  
One Connaught Place  
Central  
Hong Kong

### As to the PRC law

Llinks Law Offices  
19/F One Lujiazui  
68 Yin Cheng Road Middle  
Shanghai 200120  
The PRC

## AUDITOR

Zhongxingcai Guanghai Certified Public Accountants LLP  
24th Floor, Tower A, Wan Tong Financial Center  
No. 2 Fuchengmenwai Street  
Xicheng District  
Beijing  
The PRC

HLB Hodgson Impey Cheng Limited  
31/F, Gloucester Tower, The Landmark  
11 Pedder Street  
Central  
Hong Kong

## PRINCIPAL BANKS

### Industrial and Commercial Bank of China

Shanghai Branch Banking Department  
No. 24 Zhongshan Dongyi Road  
Shanghai  
The PRC

### Minsheng Bank

Shanghai Xuhui Branch  
No. 1033 Zhaojiabang Road, Xujiahui  
Shanghai  
The PRC

### Bank of Communications

Shanghai Putuo Branch  
No. 2000 Zhongshan North Road  
Shanghai  
The PRC

## STOCK CODES

Hong Kong Stock Exchange: 1528  
Shanghai Stock Exchange: 601828

## COMPANY'S WEBSITE

[www.chinaredstar.com](http://www.chinaredstar.com)

# Financial and Operational Highlights

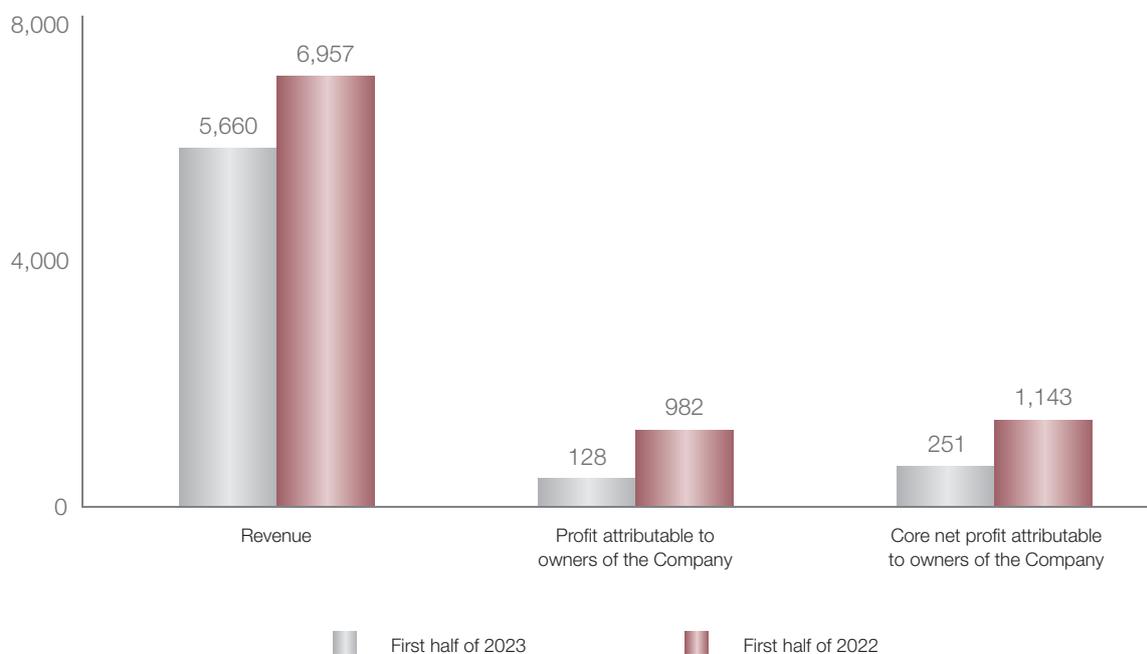
## FINANCIAL HIGHLIGHTS

	Six months ended 30 June	
	2023	2022
	<i>(RMB'000, except otherwise stated)</i>	
	(Unaudited)	(Unaudited)
Revenue	5,659,926	6,956,620
Gross profit	3,622,346	4,637,255
Gross profit margin	64.0%	66.7%
Profit for the period	113,449	959,747
Profit attributable to owners of the Company	128,196	982,069
Profit margin attributable to owners of the Company	2.3%	14.1%
Core net profit attributable to owners of the Company <sup>(2)</sup>	251,260	1,143,076
Core net profit margin attributable to owners of the Company <sup>(3)</sup>	4.4%	16.4%
Earnings per share (basic and diluted)	RMB0.03	RMB0.23

- Notes: (1) In the event of any inconsistency between the Chinese version and the English version of this Report, the Chinese version shall prevail.
- (2) Core net profit attributable to owners of the Company represents the profits attributable to owners of the Company after deducting the after-tax effects of changes in fair values of investment properties, other incomes and other gains or losses etc., which are not related to daily operating activities.
- (3) Core net profit margin attributable to owners of the Company represents the ratio of core net profits attributable to owners of the Company divided by revenue.

### Key Financial Performance Indicators

RMB in million



## OPERATIONAL HIGHLIGHTS

The following table sets forth certain operation data of Portfolio Shopping Malls<sup>(1)</sup> and Managed Shopping Malls<sup>(1)</sup> in operation as of the dates indicated:

	As at 30 June 2023	As at 31 December 2022
Number of shopping malls	372	378
Operating area of shopping malls ( <i>sq.m.</i> )	22,203,217	22,508,291
Number of cities covered	219	223
Number of Portfolio Shopping Malls	91	94
Operating area of Portfolio Shopping Malls ( <i>sq.m.</i> )	8,138,953	8,369,802
Average occupancy rate of Portfolio Shopping Malls	85.7%	85.2%
Number of Managed Shopping Malls	281	284
Operating area of Managed Shopping Malls ( <i>sq.m.</i> )	14,064,264	14,138,489
Average occupancy rate of Managed Shopping Malls	87.7%	86.7%

Note: (1) See definitions in the 2022 annual report of the Company.

# Management Discussion and Analysis

## I. INDUSTRY REVIEW

During the Reporting Period, due to the impact of macro-control policies on real estate development on the home furnishings industry and changes in the industry channels, the Company, as a pathfinder and burden bearer of the industry, actively implements the “heavy operation” strategy based on the business decisions of the Board, deeply builds ten theme pavilions, optimizes the layout of shopping malls categories, continues to expand the area of smart electrical appliances, catering and other categories, and explores new hot selling brands to settle in; In addition, the Company further explores a new online and offline integrated retail model through methods such as the “10,000 Top Shopping Guides Live Streaming”, “Tuan Xin Jia”, and “Local Station Product Aggregation”, and made every effort to explore the space for improvement in operation and actively laid a good foundation for the recovery of performance, aiming to create a comprehensive online and offline home retail business network that integrates multiple store formats, category expansion, brand selection, scene experience, and systematic marketing.

According to relevant data from the National Bureau of Statistics of China, in the first half of 2023, China’s GDP increased by 5.5% year-on-year, which was significantly higher than last year’s annual economic growth rate of 3%, and significantly higher than that of the world’s other major developed economies, demonstrating the strong resilience of China’s economic development. The sustained economic recovery has led to a steady growth in urban and rural resident income, with the per capita disposable income of all residents recorded a nominal increase of 6.5% over the same period of the previous year. After deducting price factors, the actual increase was 5.8%. In the first half of 2023, the per capita consumption expenditure of all residents recorded a nominal increase of 8.4% over the same period of the previous year. After deducting price factors, the actual increase was 7.6%. With the full resumption of normalized operation of the economy and society, the effect of policies to promote consumption continuing to be manifested and the consumption scene continuing to expand, residents’ consumption expenditure resumed strongly.

### I. INDUSTRY REVIEW (continued)

In the first half of 2023, total retail sales of social consumer goods (the “**total retail sales**”) increased by 8.2% year-on-year. Among the total retail sales, the retail sales of goods increased by 6.8% year-on-year, with furniture increased by 3.8% year-on-year, and building and decoration materials fell by 6.7% year-on-year. In the first half of 2023, the central and local governments have actively introduced policies to restore and expand consumption, gradually releasing consumption potential, and in general, the consumer market has recovered quickly. In the next stage, as the employment situation continues to improve, the residents’ incomes will continue to increase, which will be conducive to boosting residents’ consumption ability and willingness to consume, and consolidating the foundation for consumption growth. Meanwhile, the implementation of various policies to promote consumption will be conducive to expanding consumption and promoting the sustainable and stable recovery of the consumer market.

In the long run, factors such as the growth of residents’ income level, the continuous increase in quality demand, the popularity of the concept of green environmental protection, the continuous promotion of urbanization, the accelerated establishment of a new and healthy real estate market, and the continuous growth in demand for renovation of existing housing will all bring sustained and stable development to the home decoration and furniture industry. The Company will give full play to the advantages as a leading enterprise and actively seize the development opportunities in the industry.

## II. FINANCIAL REVIEW

The key financial performance indicators of the Group can generally be categorised into revenue, profit attributable to owners of the Company and core net profit attributable to owners of the Group. These indicators provide a measurement of our performance against the key drivers of the Group. For details of the financial performance indicators, please refer to “Revenue” and “Profit attributable to owners of the Company, Core net profit attributable to owners of the Company and earnings per share” on page 8 and page 11 respectively.

### 1. Revenue

The Group’s revenue for the six months ended 30 June 2023 (the “Reporting Period” or “1H 2023”), decreased by 18.6% to RMB5,659.9 million (for the six months ended 30 June 2022 (the “1H 2022”): RMB6,956.6 million). Rental and related revenue from Owned/Leased Portfolio Shopping Malls fell from RMB4,153.4 million in 1H 2022 to RMB3,376.9 million in 1H 2023 due to a phased decrease in occupancy rate and the implementation of the rent-free policy by the Company. The revenue from Managed Shopping Malls decreased by 16.9%. The decline was mainly due to the delay in the contract performance and the decline in revenue from the opening of Managed Shopping Malls, which were affected by overarching economic fluctuation. Meanwhile, the number of construction and design projects has decreased and construction progress has slowed down compared to 1H 2022, resulting in a decrease in the related revenue from RMB730.4 million in 1H 2022 to RMB531.5 million in 1H 2023.

The following table sets forth our revenue by business segments:

	Six months ended 30 June			
	2023		2022	
	RMB'000	%	RMB'000	%
	(Unaudited)		(Unaudited)	
Owned/Leased Portfolio Shopping Malls	3,376,869	59.7	4,153,357	59.7
Managed Shopping Malls	1,076,901	19.0	1,295,775	18.6
Construction and design	531,535	9.4	730,374	10.5
Home decoration related and sales of merchandise	220,719	3.9	250,985	3.6
Others	453,902	8.0	526,129	7.6
<b>Total</b>	<b>5,659,926</b>	<b>100.0</b>	<b>6,956,620</b>	<b>100.0</b>

## II. FINANCIAL REVIEW (continued)

### 2. Cost of Sales and Service

The cost of sales and services of the Group mainly included the cost of operation and management of Owned/Leased Portfolio Shopping Malls, the cost of project consulting and management service, the cost of Construction and design, the cost of related home decoration and sales of merchandise. The cost of sales and services of the Group decreased from RMB2,319.4 million in 1H 2022 to RMB2,037.6 million in 1H 2023, representing a decrease of 12.1%, mainly due to the decrease in the corresponding cost resulted from the decline in the scale of business related to Managed Shopping Malls and Construction and design.

The following table sets forth our cost of sales and services by segments:

	Six months ended 30 June			
	2023		2022	
	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Owned/Leased Portfolio Shopping Malls	689,868	33.9	676,771	29.2
Managed Shopping Malls	583,162	28.6	690,656	29.8
Construction and design	445,467	21.9	599,095	25.8
Related home decoration and sales of merchandise	191,063	9.4	209,812	9.0
Others	128,020	6.2	143,031	6.2
<b>Total</b>	<b>2,037,580</b>	<b>100.0</b>	<b>2,319,365</b>	<b>100.0</b>

# Management Discussion and Analysis

## II. FINANCIAL REVIEW (continued)

### 3. Gross Profit and Gross Profit Margin

During the Reporting Period, the Group's gross profit achieved RMB3,622.3 million, representing a decrease of 21.9% as compared with RMB4,637.3 million for the same period in 2022. Moreover, the comprehensive gross profit margin was 64.0%, representing a decrease of 2.7 percentage points as compared with 66.7% for the same period in 2022.

The following table sets forth our gross profit margin by business segments:

	Six months ended 30 June	
	2023 (Unaudited)	2022 (Unaudited)
Owned/Leased Portfolio Shopping Malls	79.6%	83.7%
Managed Shopping Malls	45.8%	46.7%
Construction and design	16.2%	18.0%
Home decoration related and sales of merchandise	13.4%	16.4%
Others	71.8%	72.8%
Total	64.0%	66.7%

### 4. Selling and Distribution Expenses

During the Reporting Period, the Group's selling and distribution expenses amounted to RMB606.2 million (accounting for 10.7% of the revenue), representing an increase of 1.2% as compared with RMB598.8 million (accounting for 8.6% of the revenue) for the same period in 2022, primarily due to the increase in brand promotion activities during the Reporting Period.

### 5. Administrative Expenses

During the Reporting Period, the Group's administrative expenses amounted to RMB905.8 million (accounting for 16.0% of the revenue), representing an increase of 8.9% from RMB831.6 million (accounting for 12.0% of the revenue) for the same period in 2022, primarily attributable to an increase in office and administrative expenses.

## II. FINANCIAL REVIEW (continued)

### 6. Finance Cost

During the Reporting Period, the Group's finance cost amounted to RMB1,258.0 million, representing only a minor variance compared to the previous period. Notably, the interest expenses accounted for RMB1,426.6 million, demonstrating a minimal change when juxtaposed with the preceding amount of RMB1,413.9 million.

### 7. Income Tax Expenses

During the Reporting Period, the income tax expenses of the Group amounted to RMB174.8 million, representing a decrease of 77.1% as compared with RMB762.2 million for the same period in 2022, which was mainly owing to decreased profit before tax in line with decline in revenue.

### 8. Total Profit Attributable to Owners of the Company, Core Net Profit Attributable to Owners of the Company and Earnings Per Share

During the Reporting Period, total profit attributable to owners of the Company amounted to RMB128.2 million, representing a decrease of 86.9% compared with RMB982.1 million for the same period in 2022; the core net profit attributable to owners of the Company amounted to RMB251.3 million, representing a decrease of 78.0% as compared with RMB1,143.1 million for the comparable period.

	Six months ended 30 June		Increase/Decrease
	2023	2022	
	RMB'000	RMB'000	
	(Unaudited)	(Unaudited)	
Total profit for the period attributable to owners of the Company	<b>128,196</b>	982,069	-86.9%
Profit margin for the period attributable to owners of the Company	<b>2.3%</b>	14.1%	a decrease of 11.8 percentage points
Core net profit attributable to owners of the Company	<b>251,260</b>	1,143,076	-78.0%
Core net profit margin attributable to owners of the Company	<b>4.4%</b>	16.4%	a decrease of 12.0 percentage points

During the Reporting Period, the Group's earnings per share was RMB0.03, as compared to RMB0.23 in the same period of 2022.

## II. FINANCIAL REVIEW (continued)

### 9. Accounts Receivable

As of the end of the Reporting Period, the book value of accounts receivable of the Group amounted to RMB1,654.9 million (including the balance of accounts receivable of RMB3,264.8 million and the provision of expected credit loss of RMB1,609.9 million), representing a decrease of RMB307.3 million as compared with RMB1,962.2 million as at the end of 2022, mainly owing to the fell in revenue.

### 10. Deposits, Prepayment and Other Receivables

As of the end of the Reporting Period, the book value of deposits, prepayment and other receivables of the Group amounted to RMB6,053.9 million, representing a decrease of RMB42.7 million as compared with RMB6,096.6 million as at the end of 2022, which was mainly due to a decrease in prepayments for construction and advance payment for land compensation.

### 11. Financial Instrument at FVTOCI

As of the end of the Reporting Period, the book value of financial instruments at FVTOCI of the Group amounted to RMB2,075.4 million, representing a decrease of RMB511.2 million as compared with RMB2,586.6 million as at the end of 2022, which was mainly due to the disposal of investment projects and changes in fair value in the current period.

### 12. Investment Properties and Loss from Fair Value Changes

As of the end of the Reporting Period, the book value of the Group's investment properties amounted to RMB100,059.0 million, indicating a marginal growth of 0.04% as compared with RMB100,022.2 million at the end of 2022. During the Reporting Period, the operating conditions of most of the shopping malls were relatively stable compared to the end of last year, whilst the gradual shortening of the useful life of the land use rights generated some depreciation in value.

### 13. Capital Expenditure

During the Reporting Period, the Group's capital expenditure amounted to RMB255.8 million (the same period in 2022: RMB762.5 million), primarily including the expenditures related to the purchase and construction of houses and buildings.

## II. FINANCIAL REVIEW (continued)

### 14. Cash and Bank Balances and Cash Flows

As of the end of the Reporting Period, the Group's cash and bank balances amounted to RMB2,517.4 million (of which, the balance of cash and cash equivalents amounted to RMB2,498.4 million), representing a decrease of RMB108.9 million as compared with RMB2,626.3 million (of which, the balance of cash and cash equivalents amounted to RMB2,608.3 million) as at the end of 2022.

	Six months ended 30 June	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Net cash generated from operating activities	2,068,238	2,001,277
Net cash generated from investment activities	734,465	81,819
Net cash used in financing activities	(2,913,174)	(2,586,612)
Impact of exchange rate changes on cash and cash equivalents	627	(53)
Net decrease in cash and cash equivalents	(109,844)	(503,569)

During the Reporting Period, the Group's net cash inflow from operating activities amounted to RMB2,068.2 million, representing an increase of RMB66.9 million as compared with RMB2,001.3 million for the same period in 2022, mainly attributed to the net outflow of the Group's proceeds collected and paid on behalf of the tenants for the same period last year and the decrease in operating cash inflow as a result of the impact of overarching economic fluctuation.

During the Reporting Period, the Group's net cash inflow from investment activities amounted to RMB734.5 million, representing an increase of RMB652.7 million as compared with RMB81.8 million for the same period in 2022. It was primarily due to the decrease of capital expenditure in the current period compared to the same period last year.

During the Reporting Period, the Group's net cash outflow used in financing activities amounted to RMB2,913.2 million, representing an increase of RMB326.6 million as compared with RMB2,586.6 million for the same period in 2022, mainly due to the increase in net cash outflow for acquisition and repayment of debts in the current period as compared with the same period last year under the continuous optimization of the capital structure.

## II. FINANCIAL REVIEW (continued)

### 15. Debt Profile and Debt Ratio

As of the end of the Reporting Period, the total amount of debt of the Group was RMB33,949.0 million, of which banks and other borrowings were RMB31,526.4 million, bonds were RMB1,821.4 million.

The following table sets out our debt profile:

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
<b>Bank and other borrowings</b>		
Secured	28,132,014	28,269,466
Unsecured	141,825	50,080
Commercial mortgage-backed securities	3,252,535	3,289,806
<b>Total</b>	<b>31,526,374</b>	31,609,352
Fixed-rate borrowings	10,441,319	11,573,044
Floating-rate borrowings	21,085,055	20,036,308
<b>Total</b>	<b>31,526,374</b>	31,609,352
<b>The borrowings are repayable</b>		
Within one year or on demand	7,340,181	7,100,362
More than one year, but not exceeding two years	6,990,547	7,295,674
More than two years, but not exceeding five years	8,668,157	8,305,398
More than five years	8,527,489	8,907,918
<b>Total</b>	<b>31,526,374</b>	31,609,352
<b>Actual interest rate range</b>		
Fixed-rate borrowings	4.20%-15.40%	4.79%-15.40%
Floating-rate borrowings	3.65%-8.00%	3.65%-8.00%

## II. FINANCIAL REVIEW (continued)

### 15. Debt Profile and Debt Ratio (continued)

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
<b>Medium-term notes:</b>		
Medium-term notes of 2020 (First tranche)	–	500,000
<b>Public offering:</b>		
Public offering of Corporate Bonds of 2019 (First tranche) (Type 2)	–	829
Public offering of Corporate Bonds of 2020 (First tranche) (Type 1) to professional investors	30,000	30,000
<b>USD Bonds:</b>		
USD Bonds of 2022 (3-year)	1,791,381	1,723,400
<b>Total</b>	<b>1,821,381</b>	<b>2,254,229</b>

Among the total debts of the Group, the portion repayable within one year or on demand amounted to RMB7,537.0 million, the portion repayable over one year but less than two years amounted to RMB7,054.1 million, the portion repayable over two years but less than five years amounted to RMB10,507.0 million and the portion repayable over five years amounted to RMB8,850.8 million. The Group will promptly repay the above debts at the time of maturity.

The following table sets out our major debt ratios:

	As at 30 June 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Asset-liability ratio <sup>(1)</sup>	54.8%	55.2%
Net gearing ratio <sup>(2)</sup>	53.9%	61.4%

## II. FINANCIAL REVIEW (continued)

### 15. Debt Profile and Debt Ratio (continued)

	Six months ended 30 June	
	2023 (Unaudited)	2022 (Unaudited)
Interest expenses coverage ratio <sup>(3)</sup>	1.42	2.26

Notes: (1) Asset-liability ratio is calculated as the total liabilities divided by total assets as at the end of each period.

(2) Net gearing ratio means interest-bearing liabilities (including short-term borrowings, long-term borrowings, bond payables, financial lease payables, and commercial mortgage-backed securities payables) less cash and bank balances and then divided by the total equity at the end of each period.

(3) Interest expense coverage ratio is our adjusted EBITDA divided by our interest expenses before capitalisation for each period. Adjusted EBITDA represents profit before tax, adding back finance costs, depreciation and amortisation, further adjusted to exclude change in fair value of investment properties, share of results of associates, share of results of joint ventures, other gains or losses and other income.

### 16. Pledged and mortgaged assets

As of the end of the Reporting Period, the Group had pledged investment properties and fixed assets with book value of RMB90,337.5 million, interests in associates with book value of RMB157.4 million and other equity instrument investments and restricted cash and bank balances with book balance of RMB627.6 million in order to obtain loans, bonds, finance leases and commercial mortgage-backed securities totalling RMB34,149.4 million. The Group's restricted cash and bank balance of RMB164.7 million have been deposited in the Central Bank as deposit reserves, etc.

## II. FINANCIAL REVIEW (continued)

### 17. Contingent Liabilities

As of the end of the Reporting Period, the Group had no contingent liability.

### 18. Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

There is no material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period.

### 19. Capital Commitments

As of the end of the Reporting Period, the amount of capital expenditure in respect of the acquisition and development of investment properties which the Group has contracted for but not recognised in the financial statements was RMB1,189.5 million. In addition, the Group has entered into agreements with its partners, pursuant to which the Group's commitment to contribute funds for development of investment properties jointly with the partners amounted to RMB354.3 million.

### 20. Financial Resources

In the future, the main sources of capital of the Group will be from cash generated from our operating activities, bank borrowings, issuance of bonds and share capital contributions from the shareholders. To ensure the capital of the Group is effectively utilised, the Group will continue to regularly monitor liquidity needs, comply with financing agreements and maintain sufficient cash reserves and appropriate credit limits so as to meet liquidity needs.

### 21. Significant Investment Held

During the Reporting Period, the Group did not have any significant investment. As of the date of this report, the Group does not have any plan for material investments.

## II. FINANCIAL REVIEW (continued)

### 22. Foreign Exchange Risk

As at the end of the Reporting Period, financial assets and liabilities denominated in currencies other than the functional currency of the Group mainly included the certain deposits denominated in foreign currencies and USD-denominated bonds. To manage these additional risk exposures, the management of the Group has actively adopted relevant risk control measures to prepare for risk hedging, including enhancing internal control awareness and strategies, strengthening discussion with international banks, and closely monitoring and anticipating on trends of foreign exchange market. We believe that foreign exchange risks related to such assets and liabilities denominated in other currencies will not have material impacts on the operating results of the Group.

### 23. Human Resources

As at the end of the Reporting Period, the Group employed 15,977 employees (the same period in 2022: 20,526 employees) in total. The Group enters into labour contracts with employees according to the Labour Law of the PRC and the relevant provisions of the employee's locality. The Group determines the employee's basic wage and bonus level according to the employee's performance, work experience and the market wage standard, and pays social benefits and housing fund for the employees. During the Reporting Period, the Group paid a total of RMB1,354.4 million for salary expenditure (the same period in 2022: RMB1,697.9 million). Meanwhile, the Group also continued to invest resources in providing various education and training opportunities for the staff, aiming to standardise the management work and improve the operation performance, and continuously improve the knowledge and technology level as well as business practice competence of the employees.

### 24. Employee Stock Ownership Plan

In order to establish and improve the benefit-sharing mechanism between employees and the Shareholders to further improve the corporate governance of the Company, enhance the cohesion of employees and corporate competitiveness, and promote the Company's long-term, sustainable and healthy development, and in order to help enhance the employees' sense of responsibility towards the Company effectively, attract and retain outstanding management talents and core calibers, thus further enhancing employees' cohesion and the vitality of the Company, the Company formulated the Third Phase of the Employee Stock Ownership Plan of Red Star Macalline Group Corporation Ltd. (the "ESOP") in accordance with the relevant laws and regulations and the Articles of Association. The relevant resolutions of the ESOP have been approved by the Board and the general meeting of the Company by resolutions on 6 February 2021 and 19 March 2021, respectively.

## II. FINANCIAL REVIEW (continued)

### 24. Employee Stock Ownership Plan (continued)

The ESOP does not involve granting the Company the option to issue new shares or any other new securities, and does not constitute a share option plan under Chapter 17 of the Listing Rules. The participants of the ESOP are Directors, Supervisors, senior management of the Company and management and core personnel of its subsidiaries, the total number of which shall not be more than 800.

The ESOP will be funded by the participant's self-raised funds, and the Company has not invested into the ESOP. The funds raised by the ESOP shall not exceed RMB300 million in total, divided into "units" for subscription and each unit is equal to RMB1.00. The total number of Shares of the Company held by any Holder according to the number of units he/she subscribed for in the plan shall not exceed 0.10% of the total share capital of the Company.

The ESOP will be managed by an appointed professional agency with asset management qualifications through the establishment of the Directional Plan. The source of shares of the ESOP is the shares of the Company obtained and held through purchases on the secondary market or other means as permitted under the laws and regulations within six months after consideration and approval of the plan at the shareholders' general meeting. As of 13 May 2021, all purchases of stocks had been completed under the ESOP, among which, 15,780,000 shares of the Company had been bought through the "Shaanxi International Investment-Macalline Phase III Employee Shareholding Single Fund Trust Scheme" (hereinafter referred to as the "**Trust Scheme**"), accounting for approximately 0.36% of the Company's total share capital as at the date of this report, with an average transaction price of approximately RMB9.50 per share and a total transaction amount of about RMB149,943,000.

## II. FINANCIAL REVIEW (continued)

### 24. Employee Stock Ownership Plan (continued)

The lock-up period of the ESOP shall be 12 months, commencing from the date when the Company announces the registration of the last tranche of the Underlying Shares under the Trust Scheme, i.e. 13 May 2021 to 12 May 2022. As at 12 May 2022, the lock-up period already expired. The Management Committee will, within 12 months after the expiry of the lock-up period, be entitled to authorize the Asset Management Agency to sell or transfer the purchased Shares of the Company in accordance with the arrangements of the ESOP and the prevailing market conditions.

With the approval by more than two-thirds of the units held on 13 March 2023 by the holders present at the second ESOP holders' meeting and the consideration and approval by the sixty-third extraordinary meeting of the fourth session of the Board of the Company, the term of the ESOP was extended to 28 January 2024 and the term of authorization for the ESOP Management Committee (the "**Management Committee**") was extended accordingly; the Management Committee was authorized to determine, at its discretion, matters in relation to the temporary extension of the term of the ESOP and the relevant matters of disposal of equities, if not all the shares held under the ESOP can be sold before the expiry of the term due to objective reasons or special circumstances, provided that the Management Committee shall continue to promote the sale and disposal of shares held under the ESOP as soon as the above impact disappears.

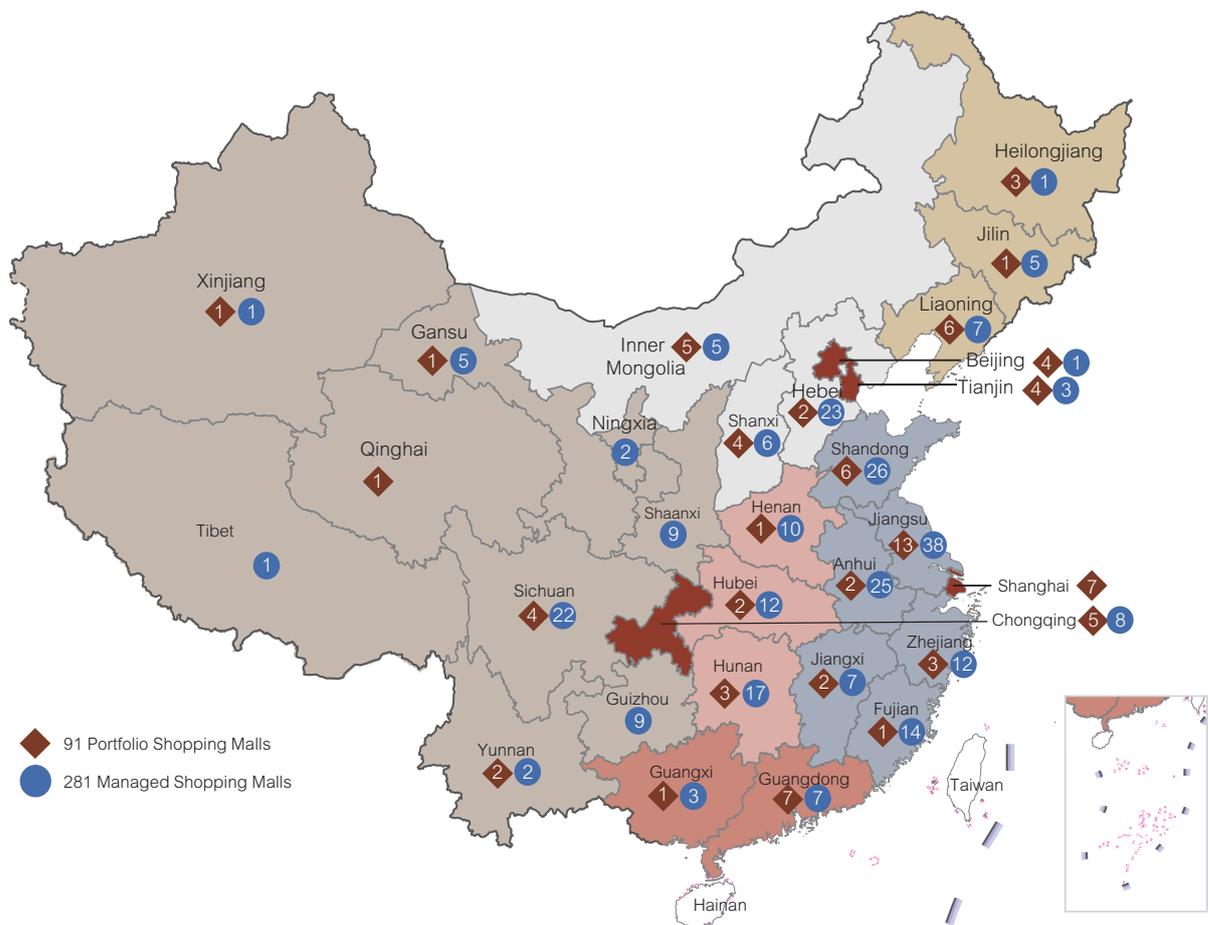
Given that some holders of the ESOP have indicated to the Management Committee their intention not to continue to hold the units under the ESOP during the extended term of the ESOP and have issued in writing the confirmation letter of disposal of the units under the third phase of the Employee Stock Ownership Plan of Red Star Macalline Group Corporation Ltd. in advance during the extended term, pursuant to the relevant provisions of the measures for management of the third phase of the Employee Stock Ownership Plan of Red Star Macalline Group Corporation Ltd., after the expiration of the lock-up period of the ESOP, the Management Committee, in order to exercise its rights to manage the distribution of benefits under the ESOP and to decide on the disposal and distribution of the Underlying Shares, had entrusted Shaanxi International Trust Co., Ltd. to dispose 2,919,000 Shares of the Company held through the Trust Scheme, representing approximately 0.07% of the total share capital of the Company, during the period between 8 May 2023 and 10 May 2023.

As of the date of this report, there were 121,657,000 units under the ESOP, holding a total of 12,861,000 Shares of the Company, representing approximately 0.30% of the total share capital of the Company.

### III. BUSINESS REVIEW

#### 1. Business development and deployment: steady development of shopping malls and strategic deployment with a nationwide coverage

The following map sets forth the geographical distribution of our shopping malls as of the end of the Reporting Period:

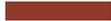
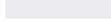


Note: Geographically, Northeast China includes Heilongjiang Province, Jilin Province, Liaoning Province; North China (excluding Beijing and Tianjin) includes Shanxi Province, Hebei Province, Inner Mongolia Autonomous Region; East China (excluding Shanghai) includes Shandong Province, Jiangsu Province, Zhejiang Province, Anhui Province, Jiangxi Province, Fujian Province; Central China includes Hunan Province, Hubei Province, Henan Province; South China includes Hainan Province, Guangdong Province, Guangxi Zhuang Autonomous Region; West China (excluding Chongqing) includes Shaanxi Province, Gansu Province, Qinghai Province, Ningxia Hui Autonomous Region, Xinjiang Uygur Autonomous Region, Yunnan Province, Sichuan Province, Guizhou Province, Tibet Autonomous Region.

## III. BUSINESS REVIEW (continued)

### 1. Business development and deployment: steady development of shopping malls and strategic deployment with a nationwide coverage (continued)

The following table sets forth the number and operating area of our Portfolio Shopping Malls and Managed Shopping Malls in operation by region as of the end of Reporting Period:

Color	Region	Portfolio Shopping Malls		Managed Shopping Malls	
		Number of shopping malls	Sub-total Operating Area (sq.m.)	Number of shopping malls	Sub-total Operating Area (sq.m.)
	Beijing	4	349,341	1	112,111
	Shanghai	7	905,481	–	–
	Tianjin	4	463,103	3	177,148
	Chongqing	5	394,684	8	264,379
	Northeast China	10	1,089,892	13	676,652
	North China	11	671,321	34	1,591,430
	East China	27	2,445,771	122	6,544,730
	Central China	6	702,791	39	1,816,439
	South China	8	359,693	10	499,366
	West China	9	756,875	51	2,382,009
	Total	91	8,138,953	281	14,064,264

Note: The discrepancies between total and sums of amounts in the table above are due to rounding.

### III. BUSINESS REVIEW (continued)

#### 1. Business development and deployment: steady development of shopping malls and strategic deployment with a nationwide coverage (continued)

As of the end of the Reporting Period, the Company operated 91 Portfolio Shopping Malls, 281 Managed Shopping Malls and 8 home furnishing shopping malls through strategic cooperation<sup>(1)</sup>, 54 franchised home improvement material projects<sup>(2)</sup>, including a total of 465 home improvement material stores/industry streets<sup>(3)</sup>. The Portfolio Shopping Malls and Management Shopping Malls, the Group operated covered 219 cities in 30 provinces, municipalities and autonomous regions in China, with a total operating area of 22,203,217 sq.m.

In terms of occupancy rate, the average occupancy rate of Portfolio Shopping Malls was 85.7% and the average occupancy rate of Managed Shopping Malls was 87.7%. In addition, among the pipeline Managed Shopping Malls, the Company has obtained land use rights/land parcels for 306 contractual projects.

*Notes:*

- (1) The Company held 46.5% of equity interests in Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限公司), and became one of its largest shareholders ranked pari passu with Shandong Commercial Group Co., Ltd. (山東省商業集團有限公司). As of 30 June 2023, Shandong Inzone Green Home Co., Ltd. and its controlling subsidiaries operated 8 home furnishing shopping malls in total in the PRC. Strategic cooperative operation shopping malls mean the home furnishing shopping malls which, based on strategic objectives considered by the Company, are jointly invested, jointly held and jointly operated by the Company and its partners.
- (2) Franchised home improvement material projects represent the home improvement material stores and home improvement material industry streets operated by the Group by way of franchising. For such franchised home improvement material projects, the Group will partially participate in the daily operation and management after the commencement of projects.
- (3) For home improvement material stores/industry streets, the Group regards those with independent market logos as home improvement material stores/industry streets for the purpose of operation and management convenience after taking into full account the physical form of the managed property and the types of products sold.

## III. BUSINESS REVIEW (continued)

### 2. Continuous category extension, full chain marketing layout, and building a new digital ecosystem

#### 2.1 Continuously expanding categories and integrated consumption in multiple industries

Through exploring and introducing high-quality resources in the industry, the Company continued to select mainstream categories and brands that meet the needs of consumers, thereby optimizing the structure of merchants and industry structure, maintaining the advantages of all categories and differentiation, and promoting experiential immersion consumption.

The Company has actively introduced the catering category during the Reporting Period. Based on factors such as size and location of a mall, the Company created a multi-functional catering product portfolio in line with the space of Red Star Macalline by means of co-branding of home furnishing brands, chain catering, regional cooperation and other forms. During the Reporting Period, the Company proactively sought cooperation with core catering brands such as McDonald's, KFC, Pizza Hut, Starbucks, Luckin Coffee and Nayuki. As of 30 June 2023, the coverage of catering category in shopping malls across the country increased to 44%, while the catering coverage in 100 Malls increased to 85%.

#### 2.2 Continuously conducting offline marketing activities and incubating the home furnishing marketing IP

During the Reporting Period, relying on the category hierarchy operation strategy and categories' market characteristics, we focused on planning China's high-end electrical appliance ecological conference, China Sleep Week launched by Red Star Macalline, Summit Dialogues in the Customized Industry hosted by Red Star Macalline, Sanitary Ware Category Festival and other category activities. The Company continued to deepen the personalized positioning and perception of the categories, with the aim of creating a trend in the category industry. Through the planning of category IP activities and on-site promotion, the Company has deeply linked to brands and cooperated with the brands to build up industry influence, and stabilized cooperation adhesion of the brand factories and dealers, and trust granted by the platform.

In the 1H 2023, with the support of active consumer promotion initiatives and industrial policies, home furnishing consumption has become an important part of stabilizing growth. In this context, based on the whole industry, Red Star Macalline connected with upstream and downstream brands to bring together, create together and develop together. It continued to invest heavily in creating three big promotional activities, namely "315FUN Sihai Shopping Festival (315FUN肆嗨購節)", "annual 51 joyful shopping (一年一度51狂享購)" and "618 joyful season for ideal life (618理想生活狂歡季)", so that more brands and distributors shared the benefits of consumption recovery.

### III. BUSINESS REVIEW (continued)

#### 2. Continuous category extension, full chain marketing layout, and building a new digital ecosystem (continued)

##### 2.3 Digitalizations promoting business growth

The effective layouts on for digital upgrades and online sources of traffic based on the Company's shopping malls start to bear fruit. During the Reporting Period, the Company's core shopping malls realized digital upgrades. In addition to the digital upgrades of the field domain of shopping malls, the Company has successively completed the upgrades and innovation of commodity operation, user operation and content operation.

In terms of commodity operation, "Tmall Tongcheng Station" continued to focus on commodity operation, and established an online hierarchical operation system for commodities. Exploiting all the resources in the store, "Tmall Tongcheng Station" focused on the operation of 30 brands, so as to create 70 top products in China with DAU $\geq$ 1,000, which empowered the operation of shopping malls in terms of traffic, customer resources and sales, and improved the overall efficiency of operation.

In terms of content operation, since the launch of the "10,000 Top Shopping Guides Live Streaming" scheme, relevant people in the industry such as store shopping guides, designers and top home furnishing streamers have been strongly attracted to participating in the scheme, with an accumulative total of approximately 11.0 thousand accounts participating in the 10,000 people live streaming period. The number of live streaming in the whole year increased by 1.8 times year on year, with traffic growth of 400%+. In the future, the Company will continue to incubate and cultivate the organizations' live streaming capabilities, empower home furnishing industry practitioners with live streaming operation abilities, and promote the implementation of the "10,000 Top Shopping Guides Live Streaming 2.0", i.e. superstar streamer scheme.

## III. BUSINESS REVIEW (continued)

### 2. Continuous category extension, full chain marketing layout, and building a new digital ecosystem (continued)

#### 2.4 Improving the management of shopping malls, and optimizing service experience

The Group continuously promoted the upgrading of operation management with on-site management, risk management, commodity management, merchant management, service improvement and talent construction as the core, and advanced the green and environment-protection commercialization. Meanwhile, it continued to carry out customer evaluations, pay close attention to the feedback on customer experience, and improved customers' home furnishing consumption experience and satisfaction in an all-round way.

The Group has established a service-centered membership system. We increase customer stickiness, enhance service reputation, stimulate regular customers' consumptive power and improve service experience mainly through ways as member registration, consumption points and points exchange. Furthermore, the shopping malls improve member stickiness, service quality and reputation through return visits, organizing high-end member activities and sending exclusive greetings on holidays. In the first half of 2023, a total of nearly 500 member activities were organized, with approximately 980,000 new members, a member activation rate of 61% and a member repurchase rate of 18%.

The Group has improved home-based services, and boosted the operation of theme pavilions through combining with the promotion and category activities. During the Reporting Period, the Group has successively launched four home-based service activities, including "315 Service Month", "April Refresh Service Month", "618 Cool Summer Home Care Service Season", and "818 Household Appliances Cleaning Season", which were deeply combined with the promotion activities to boost the operation of categories and theme pavilions. During the Reporting Period, more than 276 shopping malls nationwide have served a total of approximately 170 thousand households, with more than 50 service items and a customer satisfaction rate of 98%.

### IV. OUTLOOK AND PROSPECTS

The Group constantly shoulders the responsibility of “building cozy and harmonious homes and improving quality of consumption and home life” to provide consumers with better and more professional services. The Group will consolidate our leading position in the market as well as the professional status of “Red Star Macalline” as an expert of home life in our consumers’ minds, to pursue our enterprise development goal of growing into China’s most advanced and professional “omni-channel platform service provider for home decoration and furnishing industry”.

Our future development plans are as follows:

1. We will continue to implement the business model of “asset-light and operation-heavy”, and consolidate the market leadership through strategic expansion of our shopping mall network and brand portfolio;
2. We will strengthen the brand image of “omni-channel service provider for the pan-home improvement and furnishing industry” by deeply promoting the business transformation and making a breakthrough in full-cycle services of home furnishing consumption;
3. We will build comprehensive service system and strive to become the new retail benchmark in the home decoration and furnishing industry;
4. We will enhance the long-term competitiveness of the Company through digital strategies;
5. We will be proactive in innovation and attach importance to the application of capital markets and financial instruments; and
6. We will continue to improve corporate governance, standardize our operation and implement social responsibilities.

# Corporate Governance and Other Information

The Group is committed to maintaining high-standard corporate governance so as to protect the interest of the shareholders and promote the Company's value and accountability. H Shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") on 26 June 2015. A Shares of the Company were listed on the Shanghai Stock Exchange on 17 January 2018.

The Company has adopted the following corporate governance principles and practices:

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2023, other than deviation from code provision C.2.1 of the Corporate Governance Code (the "**Corporate Governance Code**") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the Company has complied with all applicable code provisions of the Corporate Governance Code, which set out principles of good corporate governance in relation to, among other matters, the Directors, the chairman and chief executive officer, board composition, the appointment, re-election and removal of Directors, their responsibilities and remuneration, and communications with shareholders. The Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between the Group and the controlling shareholders (as defined under the Listing Rules) and/or Directors to protect the interests of the minority shareholders.

## DEVIATION FROM CODE PROVISION C.2.1 OF THE CORPORATE GOVERNANCE CODE

Mr. CHE Jianxing ("**Mr. CHE**") is the Chairman of the Board and chief executive officer of the Company. In view of Mr. CHE's experience, personal profile and his roles in the Group and the fact that Mr. CHE has assumed the role of chief executive officer and the general manager of the Company since June 2007, the Board considers it beneficial to the business prospect and operational efficiency of the Group that Mr. CHE, in addition to acting as the Chairman of the Board, continues to act as the chief executive officer of the Company. While this will constitute a deviation from Code Provision C.2.1 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) decisions to be made by the Board require approval by at least a majority of our Directors and that the Board comprises 5 independent non-executive Directors out of the 14 Directors, which is in compliance with the Listing Rules requirement that one-third of the Board shall be independent non-executive Directors, and the Company believes that there are sufficient checks and balances in the Board; (ii) Mr. CHE and other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they shall act for the benefit and in the best interests of the Company and will make decisions for the Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Company. Moreover, the overall strategic and other key business, financial and operational policies of the Group are made collectively by the Board and the senior management after their thorough discussion.

Reference is made to the announcement of the Company dated 15 August 2023, in relation to the election of Mr. ZHENG Yongda as the Chairman of the fifth session of the Board and Mr. CHE remains his role as the chief executive officer of the Company. Accordingly, the Company has complied with Code Provision C.2.1 of the Corporate Governance Code since 15 August 2023.

### COMPLIANCE WITH MODEL CODE

The Company has adopted a code of conduct regarding Directors' and supervisors' of the Company (the "**Supervisors**") securities transactions on terms as required under the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules. The Company has conducted specific enquiries to the Directors and Supervisors, and all Directors and Supervisors have confirmed that they had complied with all the provisions and standards set out in the Model Code during the six months ended 30 June 2023.

### AUDIT COMMITTEE AND REVIEWING INTERIM REPORT

The Company have established an audit committee ("**Audit Committee**") with written terms of reference in compliance with the Listing Rules, the primary duties of which are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, managing internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board. As of the date of this report, the Audit Committee consisted of two independent non-executive Directors, namely Mr. XUE Wei and Mr. HUANG Jianzhong, and a non-executive Director, namely Mr. ZOU Shaorong. Mr. XUE Wei, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules, serves as the chairman of the Audit Committee.

The Audit Committee has reviewed and confirmed the Group's 2023 interim report and the unaudited condensed consolidated financial statements for the six months ended 30 June 2023.

### THE BOARD, THE BOARD OF SUPERVISORS AND COMMITTEES

From 1 January 2023 to 30 June 2023, save as changes below, no change was made to the information of the Board, Board of Supervisors, Strategy and Investment Committee, Audit Committee, Remuneration and Evaluation Committee and Nomination Committee, which was consistent with the contents as set out in the 2022 Annual Report of the Company.

From 1 January 2023 to the date of this interim report, the Board complied with the requirements of appointing at least three independent non-executive Directors (among whom at least one independent non-executive Director holds the appropriate professional qualifications or accounting or relevant financial management knowledge) set out in Rules 3.10(1) and 3.10(2) of the Listing Rules at any time. The Company also complied with the requirements of appointing independent non-executive Directors, accounting for one-third of the members of the Board set out in Rule 3.10A of the Listing Rules.

### CHANGE IN DIRECTORATE AND INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The changes in Directors and Supervisors of the Company from 1 January 2023 to 30 June 2023, are set out below:

Name	Position	Details of Change
Mr. GUO Binghe	Executive Director	Resigned on 17 January 2023
Ms. CHE Jianfang	Executive Director	Resigned on 17 January 2023
Mr. JIANG Xiaozhong	Executive Director	Resigned on 17 January 2023
Ms. CHEN Shuhong	Non-executive Director	Resigned on 17 January 2023
Mr. ZHENG Yongda	Non-executive Director	Appointed on 15 February 2023
Mr. WANG Wenhui	Non-executive Director	Appointed on 15 February 2023
Mr. ZOU Shaorong	Non-executive Director	Appointed on 15 February 2023
Mr. LI Jianhong	Executive Director	Appointed on 15 February 2023
Mr. YANG Guang	Non-executive Director	Resigned on 15 February 2023

The Company held the 69th extraordinary meeting of the 4th session of the Board on 26 July 2023, and approved proposals such as the Proposal on Nominating Candidates for Directors of the 5th session of the Board and the Proposal on Nominating Candidates for Independent Non-executive Directors of the 5th session of the Board; And on the same day, the 19th extraordinary meeting of the 4th session of the supervisory committee (the “**Supervisory Committee**”) of the Company was held, and the Proposal on Nominating Candidates for Independent Supervisors of the 5th session of the Supervisory Committee of the Company was considered and approved. The third extraordinary general meeting of shareholders for 2023 was held on 15 August 2023, and the Proposal on Electing Directors of the 5th session of the Board, the Proposal on Electing Independent Non-executive Directors of the 5th session of the Board, and the Proposal on Electing Independent Supervisors of the 5th session of the Supervisory Committee were considered and approved.

After completing the election of the Board and Supervisory Committee, the Company held the first temporary meeting of the 5th session of the Board and the first temporary meeting of the 5th session of the Supervisory Committee on the same day, and considered and approved matters related to the election of the chairman of the 5th session of the Board, the chairman of the 5th session of the Supervisory Committee, members of specialized committees of the Board, and the appointment of senior management personnel, securities affairs representatives, etc. Members of the 5th session of the Board: Mr. ZHENG Yongda (Chairman), Mr. WANG Wenhui, Mr. ZOU Shaorong, Mr. CHE Jianxing, Mr. LI Jianhong, Mr. SHI Yaofeng, Mr. YANG Yingwu, Ms. XU Di, Mr. SONG Guangbin, Mr. XUE Wei (independent non-executive Director), Mr. HUANG Jianzhong (independent non-executive Director), Mr. CHEN Shanang (independent non-executive Director), Mr. WONG Chi Wai (independent non-executive Director), and Mr. CAI Qinghui (independent non-executive Director). Members of the 5th session of the Supervisory Committee: Mr. CHEN Jiasheng (Chairman), Ms. MA Chenguang, Mr. TANG Rongzhen, and Mr. WANG Shouyi.

### **CHANGE IN DIRECTORATE AND INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT (continued)**

For the biographical details of members of the 5th session of the Board and the Supervisory Committee, please refer to the announcements of the Company disclosed on the designated domestic media on 27 July, 15 August and 16 August 2023, and the circular and announcements disclosed on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) on 26 July, 14 August and 15 August 2023, respectively.

### **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

The Group did not purchase, sell or redeem any listed securities of the Company during the six months ended 30 June 2023.

### **DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES**

As at the end of the Reporting Period, the interests and short positions of the Directors, Supervisors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code, were as follows:

## Corporate Governance and Other Information

### DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

#### SHARES AND UNDERLYING SHARES OF THE COMPANY AND ASSOCIATED CORPORATIONS

##### (i) The Company

Name of Shareholder	Title	Class of Shares	Nature of Interest	Number of Underlying Shares Held	Approximate	Approximate
					Percentage of the Relevant Class of Shares <sup>(1)</sup>	Percentage of Total Shares <sup>(1)</sup>
CHE Jianxing (車建興) <sup>(2)</sup>	Chairman, Chief Executive Officer and Executive Director	A Shares	Interest of controlled corporation	1,083,618,667 (Long position)	29.99%	24.88%
			Beneficial owner	435,600 (Long position)	0.01%	0.01%
	Interest of spouse		48,620 (Long position)	0.00%	0.00%	

*Notes:*

- (1) As at 30 June 2023, the Company had 4,354,732,673 issued Shares in total, including 3,613,447,039 A Shares and 741,285,634 H Shares.
- (2) Mr. CHE Jianxing indirectly holds 24.88% of the total issued Shares of the Company through his 92.00% direct interest in Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) ("**RSM Holding**"), a limited liability company incorporated in the PRC, and is deemed to be interested in the 1,083,618,667 A Shares held by RSM Holding for the purpose of the SFO.

### DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

#### SHARES AND UNDERLYING SHARES OF THE COMPANY AND ASSOCIATED CORPORATIONS (continued)

(ii) Associated Corporation

Name of Director	Name of Associated Corporation	Nature of Interest	Equity Interest in the Associated Corporation Held	Approximate Percentage of the Relevant Class of Shares <sup>(1)</sup>
CHE Jianxing	RSM Holding <sup>(1)</sup>	Beneficial interest	184,000,000 (Long position)	92%

*Note:*

- (1) RSM Holding is the substantial shareholder of the Company, which is held as to 92% by Mr. CHE Jianxing and therefore an "associated corporation" of the Company within the meaning of Part XV of the SFO. As at 30 June 2023, RSM Holding held 1,083,618,667 A Shares of the Company which accounted for approximately 24.88% of the total issued Shares of the Company.

Save as disclosed above, as at the end of the Reporting Period, none of the Directors, Supervisors or chief executive of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or associated corporations (a) which will have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); (b) which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) which will be required to be further notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

## Corporate Governance and Other Information

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at the end of the Reporting Period, the interests or short positions in the shares or underlying shares which will have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, and which will be required, pursuant to Section 336 of the SFO, to be recorded in the register referred to therein, as well as persons (other than the Directors, Supervisors or chief executive of the Company), or corporations deemed, directly and/or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at our general meetings were as follows:

Name of Shareholders	Class of Shares	Capacity/Nature of Interest	Number of Underlying Shares Held	Approximate Percentage in Relevant Class of Shares <sup>(1)</sup>	Approximate Percentage in Total Share Capital <sup>(1)</sup>
The State-owned Assets Supervision and Administration Commission of the Xiamen Municipal People's Government	A Shares	Interest of controlled corporation	1,304,242,436 (Long position)	36.09%	29.95%
RSM Holding	A Shares	Beneficial owner	997,595,667 (Long position)	27.61%	22.91%
		Interest of controlled corporation	86,023,000 (Long position)	2.38%	1.98%
CHEN Shuhong <sup>(2)</sup>	A Shares	Interest of spouse	1,084,054,267 (Long position)	30.00%	24.89%
		Beneficial owner	48,620 (Long position)	0.00%	0.00%
Alibaba Group Holding Limited <sup>(3)</sup>	A Shares	Interest of controlled corporation	290,747,243 (Long position)	8.05%	6.68%
	H Shares	Interest of controlled corporation	131,475,421 (Long position)	17.74%	3.02%
Taobao China Holding Limited <sup>(3)</sup>	A Shares	Interest of controlled corporation	248,219,904 (Long position)	6.87%	5.70%
	H Shares	Beneficial owner	65,737,711 (Long position)	8.87%	1.51%
Taobao Holding Limited <sup>(3)</sup>	A Shares	Interest of controlled corporation	248,219,904 (Long position)	6.87%	5.70%
	H Shares	Interest of controlled corporation	65,737,711 (Long position)	8.87%	1.51%
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) <sup>(4)</sup>	A Shares	Interest of controlled corporation	248,219,904 (Long position)	6.87%	5.70%

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Name of Shareholders	Class of Shares	Capacity/Nature of Interest	Number of Underlying Shares Held	Approximate Percentage in Relevant Class of Shares <sup>(1)</sup>	Approximate Percentage in Total Share Capital <sup>(1)</sup>
Tao Bao (China) Software Co., Ltd. (淘寶(中國)軟件有限公司) <sup>(4)</sup>	A Shares	Interest of controlled corporation	248,219,904 (Long position)	6.87%	5.70%
Alibaba (China) Technology Co., Ltd. (阿里巴巴(中國)網絡技術有限公司) <sup>(4)</sup>	A Shares	Beneficial owner	248,219,904 (Long position)	6.87%	5.70%
Alibaba Investment Limited <sup>(3)</sup>	H Shares	Interest of controlled corporation	65,737,710 (Long position)	8.87%	1.51%
New Retail Strategic Opportunities Fund GP, L.P. <sup>(3)</sup>	H Shares	Interest of controlled corporation	65,737,710 (Long position)	8.87%	1.51%
New Retail Strategic Opportunities Fund, L.P. <sup>(3)</sup>	H Shares	Interest of controlled corporation	65,737,710 (Long position)	8.87%	1.51%
New Retail Strategic Opportunities GP Limited <sup>(3)</sup>	H Shares	Interest of controlled corporation	65,737,710 (Long position)	8.87%	1.51%
New Retail Strategic Opportunities Investments 4 Limited <sup>(3)</sup>	H Shares	Beneficial owner	65,737,710 (Long position)	8.87%	1.51%
WONG Man Li <sup>(5)</sup>	H Shares	Interest of controlled corporation	47,904,600 (Long position)	6.46%	1.10%
Man Wah Investments Limited <sup>(5)</sup>	H Shares	Beneficial owner	47,904,600 (Long position)	6.46%	1.10%
HUI Wai Hing <sup>(5)</sup>	H Shares	Interest of the spouse	47,904,600 (Long position)	6.46%	1.10%
WONG Luen Hei <sup>(6)</sup>	H Shares	Interest of controlled corporation	60,442,281 (Long position)	8.15%	1.39%
UBS Trustees (B.V.I.) Limited <sup>(6)</sup>	H Shares	Interest of controlled corporation	60,442,281 (Long position)	8.15%	1.39%
New Fortune Star Limited <sup>(6)</sup>	H Shares	Interest of controlled corporation	60,442,281 (Long position)	8.15%	1.39%
Fuhui Capital Investment Limited <sup>(6)</sup>	H Shares	Interest of controlled corporation	60,442,281 (Long position)	8.15%	1.39%
China Lesso Group Holdings Limited <sup>(6)</sup>	H Shares	Interest of controlled corporation	60,442,281 (Long position)	8.15%	1.39%
UBS Group AG	H Shares	Interest of controlled corporation	23,587,462 (Long position)	3.18%	0.54%
			13,848,830 (Short position)	1.87%	0.32%

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

*Notes:*

- (1) As at 30 June 2023, the Company had 4,354,732,673 issued Shares in total, comprised of 3,613,447,039 A Shares and 741,285,634 H Shares.
- (2) Ms. CHEN Shuhong is the spouse of Mr. CHE Jianxing. Under the SFO, Ms. CHEN Shuhong is deemed to be interested in the same number of Shares in which Mr. CHE Jianxing is interested.
- (3) New Retail Strategic Opportunities Investments 4 Limited is directly interested in the 65,737,710 H shares of the Company.

New Retail Strategic Opportunities Investments 4 Limited is directly 100% controlled by New Retail Strategic Opportunities Fund, L.P.

New Retail Strategic Opportunities Fund GP, L.P. is the general partner of New Retail Strategic Opportunities Fund, L.P. and New Retail Strategic Opportunities GP Limited is the general partner of New Retail Strategic Opportunities Fund GP, L.P.

New Retail Strategic Opportunities Fund GP, L.P. is directly 100% controlled by Alibaba Investment Limited, the limited partner of New Retail Strategic Opportunities Fund GP, L.P.. Meanwhile, New Retail Strategic Opportunities GP Limited is directly 100% controlled by Alibaba Investment Limited. Alibaba Investment Limited is directly 100% controlled by Alibaba Group Holding Limited. Therefore, Alibaba Group Holding Limited is deemed to be interested in the 65,737,710 H shares.

Taobao China Holding Limited is directly interested in the 65,737,711 H shares of the Company.

Taobao China Holding Limited is directly 100% controlled by Taobao Holding Limited. Taobao Holding Limited is directly 100% controlled by Alibaba Group Holding Limited. Therefore, Alibaba Group Holding Limited is deemed to be interested in the 65,737,711 H shares.

Alibaba Group Holding Limited is deemed to be interested in the 131,475,421 H shares.

- (4) On 14 May 2019, RSM Holding completed the 2019 Non-public Issuance of Exchangeable Corporate Bonds (First Tranche) (the "**Exchangeable Bonds**"), which had been fully subscribed by Alibaba (China) Technology Co., Ltd.. The Exchangeable Bonds are exchangeable into fully-paid A shares of the Company. Based on the initial conversion price of RMB12.28 per share upon the completion of issuance on 14 May 2019, the underlying shares of the Exchangeable Bonds were 355,000,000 A shares of the Company.

Alibaba (China) Technology Co., Ltd. was 57.59% and 35.75% controlled by Tao Bao (China) Software Co., Ltd. and Zhejiang Tmall Technology Co., Ltd. respectively. Therefore, Tao Bao (China) Software Co., Ltd. and Zhejiang Tmall Technology Co., Ltd. are deemed to be interested in the underlying A shares of the Exchangeable Bonds.

- (5) Man Wah Investments Limited is directly 80% controlled by Mr. WONG Man Li and Man Wah Investments Limited is directly interested in the 47,904,600 H Shares of the Company. Therefore, Mr. WONG Man Li is deemed to be interested in the 47,904,600 H shares through Man Wah Investments Limited.

Ms. HUI Wai Hing is the spouse of Mr. WONG Man Li. Under the SFO, Ms. HUI Wai Hing is deemed to be interested in the same number of shares in which Mr. WONG Man Li is or deemed to be interested.

- (6) UBS Trustees (B.V.I.) Limited who is the trustee and sole shareholder of Xi Xi Development Limited ("**Xi Xi Development**") which in turn is the sole shareholder of New Fortune Star Limited ("**New Fortune Star**") which in turn holds 68.28% of China Lesso Group Holdings Limited ("**China Lesso**") which in turn is the sole shareholder of Fuhui Capital Investment Limited ("**Fuhui Capital**"). The trust was established by Mr. WONG Luen Hei on 22 March 2017.

Accordingly, UBS Trustees (B.V.I.) Limited is deemed to be interested in the shareholding interest of each of Xi Xi Development, New Fortune Star, China Lesso and Fuhui Capital in the Company pursuant to the disclosure requirements under the SFO.

Save as disclosed above, as at the end of the Reporting Period, the Company is not aware of any other person (other than the Directors, Supervisors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

### DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the 2023 interim report, at no time during the Reporting Period was the Company or any of its subsidiaries or holding company or any subsidiary of the Company's holding company, a party to any arrangement that would enable Directors or Supervisors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or the Supervisors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

### INTERIM DIVIDENDS

The Board does not recommend payment of dividend for the six months ended 30 June 2023.

### PUBLIC ISSUANCE OF A SHARE AND USE OF PROCEEDS

A shares of the Company were listed and traded on the Shanghai Stock Exchange on 17 January 2018 (Stock Code: 601828) at the issue price of RMB10.23 per share with an issuance size of 315,000,000 shares. The total proceeds raised from this offering was RMB3,222,450,000.00, and the net proceeds raised (after deducting the issuing expenses of A shares of RMB172,442,150.37) was RMB3,050,007,849.63. The net amount raised per subscribed share is RMB9.68 per share, and the closing price per share on the date of listing was RMB14.42. For details, please refer to the announcements of the Company dated 2 January 2018, 16 January 2018, 7 February 2018 and 7 September 2018, the Company has utilized the net proceeds in accordance with the purposes as disclosed, and as of the end of the Reporting Period, the Group has utilized approximately 89% of the net proceeds for fundraising investment projects and replenishing working capital as required.

Analysis of the use of proceeds from issuance of A shares as of 30 June 2023 is as follows:

Unit: RMB'000

Total amount of funds raised	3,222,450
Issuance expense	172,442
Net funds raised	3,050,008

## Corporate Governance and Other Information

### PUBLIC ISSUANCE OF A SHARE AND USE OF PROCEEDS (continued)

Proposed investment projects		Total investment planned (RMB'000)	Investment amount at the end of Reporting Period (RMB'000)	Balance of the investment amount (RMB'000)	Explanation
Home furnishing shopping mall construction project	Tianjin Beichen Shopping Mall Project	245,137	245,137	-	Fully invested
	Hohhot Yuquan Shopping Mall Project	76,825	76,825	-	Fully invested
	Dongguan Wanjiang Shopping Mall Project	164,145	164,145	-	Fully invested
	Harbin Songbei Shopping Mall Project	294,809	294,809	-	Fully invested
	Urumqi Convention and Exhibition Mall Project	669,084	666,733	2,351 <sup>(1)</sup>	Fully invested
	Changsha Jinxia Shopping Mall Project	190,000	146,238	43,762	Expected to be invested by December 2025
	Xining Expo Shopping Mall Project	110,000	110,013 <sup>(2)</sup>	(13)	Fully invested
	Sub-total	1,750,000	1,703,900	46,100	-
New intelligent home furnishing shopping mall	400,000	120,204	279,796	Expected to be invested by December 2024	
Repayment of bank loans	400,000	400,000	-	Fully invested	
Supplement of liquidity	150,008	150,008	-	Fully invested	
Repayment of interest-bearing debts	350,000	350,000	-	Fully invested	
<b>Total</b>	<b>3,050,008</b>	<b>2,724,111</b>	<b>325,896</b>	<b>-</b>	

*Notes:*

(1) The Company would determine the actual usage of the remaining funds raised subject to the subsequent capital arrangements.

(2) Including the interest generated from the account of raised funds and used for the project.

The expected timeline for using the unutilised net proceeds is based on the best estimation of the business market situations made by the Board and might be subject to changes based on the market conditions. Change in the timeline, if any, will be disclosed publicly by the Company in accordance with the requirements of the relevant rules as and when appropriate to update its shareholders and potential investors.

### NON-PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS

In September 2021, the Company issued 449,732,673 A shares to specific investors in the non-public issuance, at an issue price of RMB8.23 per share, with the total proceeds of RMB3,701,299,898.79. After deducting issuance expenses (exclusive of tax) of RMB22,936,099.50, the actual net proceeds were RMB3,678,363,799.29. For details, please refer to the announcements of the Company dated 3 May 2020, 3 June 2020, 23 June 2020, 19 April 2021, 18 May 2021 and 21 October 2021 and the circulars of the Company dated 3 June 2020 and 26 April 2021, the Company has utilized the net proceeds in accordance with the purposes as disclosed, and as of the end of the Reporting Period, the Group invested into the agreed proceeds-funded projects, a total of approximately 50% of the proceeds from the non-public issuance of A shares in 2021.

An analysis of the use of the proceeds from the non-public issuance of A shares as of 30 June 2023 is set out below:

	Unit: RMB'000
Total Proceeds	3,701,299.9
Issuance expenses	22,936.1
Net proceeds	3,678,363.8

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## Corporate Governance and Other Information

### NON-PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS (continued)

Proposed Investment Project	Total investment planned (RMB'000)	Investment amount at the end of the Reporting Period (RMB'000)	Balance of the investment amount (RMB'000)	Remarks
Tmall "Home Decoration Tongcheng Station" Project	220,000.0	-	220,000.0	Expected to be invested by December 2024
3D Shejiyun Platform Construction Project	283,944.7	6,946.1	276,998.6	Expected to be invested by December 2024
Construction Project for New Generation Home Improvement Platform System	350,000.0	1,581.6	348,418.4	Expected to be invested by December 2024
Home Furnishing Mall Construction Project				
Foshan Lecong Shopping Mall Project	1,000,000.0	200,000.0	800,000.0	Expected to be invested by December 2024
Nanning Dingqiu Shopping Mall Project	560,000.0	360,348.6	199,651.4	Expected to be invested by December 2024
Nanchang Chaoyang Xincheng Shopping Mall Project	160,910.0	160,910.0	-	Fully invested
Sub-total	1,720,910.0	721,258.6	999,651.4	-
Repayment of Interest-bearing Debts of the Company	1,103,509.1	1,103,509.1	-	Fully invested
<b>Total</b>	<b>3,678,363.8</b>	<b>1,833,295.4</b>	<b>1,845,068.4</b>	<b>-</b>

The expected timeline for using the unutilised net proceeds is based on the best estimation of the business market situations made by the Board and might be subject to changes based on the market conditions. Change in the timeline, if any, will be disclosed publicly by the Company in accordance with the requirements of the relevant rules as and when appropriate to update its shareholders and potential investors.

### **EVENTS AFTER THE REPORTING PERIOD**

Save as disclosed in this report, there have been no significant events from 30 June 2023 to the date of this report.

### **MATERIAL LEGAL PROCEEDINGS**

For the six months ended 30 June 2023, the Group did not have any material legal or arbitral proceedings. The Directors also are not aware of any material legal proceedings or claims which are pending or threatened against the Group.

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2023

	Note	For the six months ended 30 June	
		2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
<b>Revenue</b>	4	<b>5,659,926</b>	6,956,620
Cost of sales and services		(2,037,580)	(2,319,365)
<b>Gross profit</b>		<b>3,622,346</b>	4,637,255
Other incomes	5	146,906	182,685
Other gains or losses, net	6	(241,926)	(31,143)
Selling and distribution expenses		(606,239)	(598,847)
Administrative expenses		(905,791)	(831,593)
Research and development expenses		(9,367)	(25,522)
Change in fair value of investment properties, net		(296,248)	(226,429)
Impairment losses under expected credit loss model, net of reversal		(252,246)	(169,465)
Share of results of associates, net		70,193	5,327
Share of results of joint ventures, net		18,574	31,224
Finance cost	7	(1,258,002)	(1,251,570)
<b>Profit before tax</b>		<b>288,200</b>	1,721,922
Income tax expenses	8	(174,751)	(762,175)
<b>Profit for the period</b>	9	<b>113,449</b>	959,747

The attached notes below to the financial statements are the constituent part of this financial statement

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2023

	Note	For the six months ended 30 June	
		2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
<b>Other comprehensive income</b>			
<i>Other comprehensive loss that will not be reclassified to profit or loss:</i>			
Changes in fair value of other equity instrument investments		(29,105)	(298,405)
<i>Other comprehensive loss that will be reclassified to profit or loss:</i>			
Effective part of fair value hedging		–	(35,056)
Exchange differences from translation of financial statements		1,659	(1,312)
<b>Other comprehensive loss net of tax</b>		<b>(27,446)</b>	<b>(334,773)</b>
<b>Total comprehensive income for the period</b>		<b>86,003</b>	<b>624,974</b>
<b>Total profit for the period attributable to:</b>			
Owners of the Company		128,196	982,069
Non-controlling interests		(14,747)	(22,322)
		<b>113,449</b>	<b>959,747</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		100,008	647,919
Non-controlling interests		(14,005)	(22,945)
		<b>86,003</b>	<b>624,974</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share (RMB per share)	11	0.03	0.23

The attached notes below to the financial statements are the constituent part of this financial statement

# Condensed Consolidated Statement of Financial Position

As at 30 June 2023

		As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
	Note		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	12	100,059,000	100,022,185
Property, plant and equipment	13	2,854,650	3,082,253
Right-of-use assets	13	15,100	39,257
Intangible assets	13	109,303	107,285
Goodwill		97,597	97,597
Interests in associates		2,591,608	2,701,530
Interests in joint ventures		1,068,413	1,055,532
Financial instruments at fair value through profit or loss		319,075	332,275
Financial instruments at fair value through other comprehensive income		2,075,354	2,586,569
Deferred tax assets		2,914,196	3,027,514
Loan receivables		311,176	975,130
Restricted bank deposits	16	334,680	302,205
Deposit, prepayment and other receivables	15	3,949,135	4,001,743
<b>Total non-current assets</b>		<b>116,699,287</b>	<b>118,331,075</b>
<b>Current assets</b>			
Inventories		271,244	302,869
Loan receivables		2,012,642	1,405,903
Financial instruments at fair value through profit or loss		606,861	921,838
Account receivables	14	1,654,948	1,962,169
Note receivables	14	14,141	19,016
Contract assets		1,766,505	1,818,468
Deposit, prepayment and other receivables	15	2,104,758	2,094,857
Bank balances and cash	17	2,517,420	2,626,264
<b>Total current assets</b>		<b>10,948,519</b>	<b>11,151,384</b>
<b>Total assets</b>		<b>127,647,806</b>	<b>129,482,459</b>

The attached notes below to the financial statements are the constituent part of this financial statement

# Condensed Consolidated Statement of Financial Position

As at 30 June 2023

	Note	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
<b>Current liabilities</b>			
Trade and other payables	18	12,614,753	12,996,449
Rental and service fee received in advance		1,188,657	873,855
Contract liabilities		1,655,703	1,839,930
Tax payables		651,946	1,005,648
Lease liabilities		999,403	940,871
Bank and other borrowings	19	7,340,181	7,100,362
Other current liabilities	21	73,463	73,648
Bonds	20	30,000	530,829
<b>Total current liabilities</b>		<b>24,554,106</b>	<b>25,361,592</b>
<b>Net current liabilities</b>		<b>(13,605,587)</b>	<b>(14,210,208)</b>
<b>Total assets less current liabilities</b>		<b>103,093,700</b>	<b>104,120,867</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		13,963,111	14,020,244
Bank and other borrowings	19	24,186,193	24,508,990
Bonds	20	1,791,381	1,723,400
Lease liabilities		3,166,298	3,421,588
Other payables		533,918	556,241
Deferred income		212,965	218,121
Contract liabilities		490,469	582,559
Other non-current liabilities	21	1,006,423	1,087,008
<b>Total non-current liabilities</b>		<b>45,350,758</b>	<b>46,118,151</b>
<b>Net assets</b>		<b>57,742,942</b>	<b>58,002,716</b>

The attached notes below to the financial statements are the constituent part of this financial statement

# Condensed Consolidated Statement of Financial Position

As at 30 June 2023

	Note	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
<b>Equity</b>			
Share capital	22	4,354,733	4,354,733
Reserves		49,839,648	50,092,232
<b>Equity attributable to owners of the Company</b>		<b>54,194,381</b>	54,446,965
Non-controlling interests		3,548,561	3,555,751
<b>Total equity</b>		<b>57,742,942</b>	58,002,716

The attached notes below to the financial statements are the constituent part of this financial statement

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2023

	Share capital	Capital reserve	Fair value through other comprehensive income reserve	Investment properties reserve	Exchange difference	Surplus reserve	Retained earnings	Sub-total	Non-controlling interest	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			(note a)	(note c)	(note d)	(note e)				
<b>As at 31 December 2022 and 1 January 2023 (audited)</b>	4,354,733	6,876,592	931,929	81,398	(601)	2,293,731	39,909,183	54,446,965	3,555,751	58,002,716
Profit for the period	-	-	-	-	-	-	128,196	128,196	(14,747)	113,449
Fair value change	-	-	(29,847)	-	-	-	-	(29,847)	742	(29,105)
Exchange differences on translating foreign operations	-	-	-	-	1,659	-	-	1,659	-	1,659
Total comprehensive income for the period	-	-	(29,847)	-	1,659	-	128,196	100,008	(14,005)	86,003
Acquisition of non-controlling interests	-	(4,297)	-	-	-	-	-	(4,297)	4,297	-
Disposal of subsidiaries	-	-	-	-	-	-	-	-	1,171	1,171
Dividend paid	-	-	-	-	-	-	(348,295)	(348,295)	-	(348,295)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(8,000)	(8,000)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	9,347	9,347
Disposal of financial instruments at fair value through other comprehensive income	-	-	(132,365)	-	-	-	132,365	-	-	-
<b>As at 30 June 2023 (unaudited)</b>	4,354,733	6,872,295	769,717	81,398	1,058	2,293,731	39,821,449	54,194,381	3,548,561	57,742,942

The attached notes below to the financial statements are the constituent part of this financial statement

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2023

	Share capital	Capital reserve	Fair value through other comprehensive income reserve	Hedging reserve	Investment properties reserve	Exchange difference	Surplus reserve	Retained earnings	Sub-total	Non-controlling interest	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			(note a)	(note b)	(note c)	(note d)	(note e)				
As at 31 December 2021 and 1 January 2022 (audited)	4,354,733	6,880,494	1,713,167	86,871	81,398	(3,703)	2,206,429	39,631,905	54,951,294	3,628,204	58,579,498
Profit for the period	-	-	-	-	-	-	-	982,069	982,069	(22,322)	959,747
Fair value change	-	-	(297,782)	(35,056)	-	-	-	-	(332,838)	(623)	(333,461)
Exchange differences on translating foreign operations	-	-	-	-	-	(1,312)	-	-	(1,312)	-	(1,312)
Total comprehensive income for the period	-	-	(297,782)	(35,056)	-	(1,312)	-	982,069	647,919	(22,945)	624,974
Acquisition of non-controlling interests	-	350	-	-	-	-	-	-	350	(800)	(450)
Dividend paid	-	-	-	-	-	-	-	(435,473)	(435,473)	-	(435,473)
Distributions to shareholders	-	-	-	-	-	-	-	-	-	(69,574)	(69,574)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	(55,770)	(55,770)
Disposal of financial instruments at fair value through other comprehensive income	-	-	(25,652)	-	-	-	-	25,652	-	-	-
As at 30 June 2022 (unaudited)	4,354,733	6,880,844	1,389,733	51,815	81,398	(5,015)	2,206,429	40,204,153	55,164,090	3,479,115	58,643,205

The attached notes below to the financial statements are the constituent part of this financial statement

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2023

## Notes:

- (a) Fair value through other comprehensive income reserve comprises the cumulative net change in the fair value of equity investments designated at FVTOCI under IFRS 9 that are held at the end of the reporting period.
- (b) The hedging reserve represents the cumulative amount of gains and losses on hedging instruments deemed effective in hedging. The cumulative deferred gain or loss on the hedging instrument is recognised in profit or loss only when the hedged transaction impacts the profit or loss, or is included directly in the initial cost or other carrying amount of the hedged non-financial items (basis adjustment).
- (c) Investment properties reserve represents difference arising between the carrying amount under IAS 16 at that date and the fair value is dealt with as a revaluation under IAS 16 from a transfer owner-occupied property to investment property carried at fair value.
- (d) Exchange differences comprises all foreign exchange differences arising from the translation of the financial statement of operations.
- (e) According to the relevant rules and regulations in the People's Republic of China ("PRC"), subsidiaries of the Company established in the PRC are required to transfer 10% of their net profit, as determined in accordance with the PRC accounting standards and regulations, to the reserve fund until the balance of the reserve reaches 50% of their respective registered capital. The transfer to this reserve must be made before distribution of dividends to owners of these subsidiaries. Reserve fund can be used to set off previous years' losses, if any, and may be converted into capital in proportion to existing equity owners' equity percentage, provided that the balance after such issuance is not less than 25% of their registered capital.

# Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2023

	Notes	For the six months ended 30 June	
		2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
<b>Operating activities</b>			
Profit before tax		288,200	1,721,922
Adjustments for:			
Amortisation of intangible assets	9	20,420	19,905
Changes in fair value of investment properties	12	296,248	226,429
Changes in fair value of financial instruments at FVTPL	6	4,960	2,634
Depreciation of property, plant and equipment	9	143,814	157,789
Depreciation of right-of-use assets	9	8,988	10,379
Dividend income	5	(34,541)	(11,447)
Finance costs	7	1,258,002	1,251,570
Loss on disposal of associates and joint ventures	6	40,586	7,293
Loss/(gain) on disposal of financial instruments at FVTPL	6	21,820	(10,983)
Loss on lease modification	6	48,410	–
Loss/(gain) on disposal of property, plant and equipment	6	15,249	(707)
Impairment losses under expected credit losses model, net of reversal		252,246	169,465
Interest income	5	(79,573)	(119,355)
Gain on disposal of subsidiaries, net	6	(4,689)	–
Share of results of associates, net		(70,193)	(5,327)
Share of results of joint ventures, net		(18,574)	(31,224)
Operating cash flows before movements in working capital		2,191,373	3,388,343
Decrease in inventories		31,625	3,197
Increase in contract assets		(75,033)	(74,761)
Decrease/(increase) in trade and other receivables		262,268	(69,907)
Increase/(decrease) in rental and service fee received in advance		314,802	(789,661)
Decrease in trade and other payables		(64,467)	(429,858)
Decrease in contract liabilities		(276,317)	(44,135)
(Decrease)/increase in deferred income		(5,156)	2,119
Decrease in other current liabilities		(185)	(186)
(Decrease)/increase in other non-current liabilities		(80,585)	216,196
Cash generated from operations		2,298,325	2,201,347
Income tax paid		(230,087)	(200,070)
<b>Net cash generated from operating activities</b>		<b>2,068,238</b>	<b>2,001,277</b>

The attached notes below to the financial statements are the constituent part of this financial statement

# Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2023

	Notes	For the six months ended 30 June	
		2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
<b>Investing activities</b>			
Acquisitions of joint ventures		–	(5,500)
Decrease in loan receivables		6,059	5,007
Dividends received		44,879	18,385
Interest received		9,361	38,475
Payment of restricted bank deposits		(128,522)	(589,348)
Placement of bank deposits with original maturity over three months		(19,000)	(28,000)
Proceeds on disposal of subsidiaries		(444)	–
Proceeds on disposal of associates and joint ventures		81,967	7,480
Proceeds on disposal of intangible assets		306	–
Proceeds on disposal of property, plant and equipment		118,679	1,775
Purchase of property, plant and equipment		(44,584)	(425,075)
Purchase of intangible assets		(15,053)	(966)
Purchase of investment properties		(196,201)	(336,438)
Purchases of financial instruments at FVTOCI		–	(2,000)
Purchases of financial instruments at FVTPL		(88,060)	(654,304)
Redemption of financial instruments at FVTOCI		446,145	456,841
Redemption of financial instruments at FVTPL		405,620	713,120
Withdrawal of bank deposits with original maturity over three months		18,000	21,926
Withdrawal of restricted bank deposits		95,313	860,441
<b>Net cash generated from investing activities</b>		<b>734,465</b>	<b>81,819</b>

The attached notes below to the financial statements are the constituent part of this financial statement

# Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2023

	Notes	For the six months ended 30 June	
		2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
<b>Financing activities</b>			
Proceeds from new bank and other borrowings		2,118,995	5,901,811
Repayment of bank and other borrowings		(2,246,537)	(6,554,717)
Redemption of bonds		(500,829)	(1,500,000)
Repayment of lease liabilities		(247,274)	(162,853)
Capital injection by non-controlling shareholders of subsidiaries		–	2,230
Acquisition of additional interests in subsidiaries		–	(450)
Interest paid		(1,247,263)	(1,479,937)
Dividends paid to non-controlling shareholders of subsidiaries		(17,209)	(73,350)
Advance from related parties and third parties		466,713	1,727,123
Repayment to related parties and third parties		(1,239,770)	(446,469)
<b>Net cash used in financing activities</b>		<b>(2,913,174)</b>	<b>(2,586,612)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(110,471)</b>	<b>(503,516)</b>
<b>Effect of foreign exchange rate changes</b>		<b>627</b>	<b>(53)</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>2,608,264</b>	<b>6,097,987</b>
<b>Cash and cash equivalents at end of period, represented by bank balances and cash</b>	17	<b>2,498,420</b>	<b>5,594,418</b>

The attached notes below to the financial statements are the constituent part of this financial statement

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 1. GENERAL INFORMATION

The Company was incorporated in the People's Republic of China (the "PRC") on 6 January 2011 as a sino-foreign joint stock limited company under the PRC laws upon the conversion of Shanghai Red Star Macalline Enterprise Management Company Limited (上海紅星美凱龍企業管理有限公司) (formerly known as Shanghai Red Star Macalline Home Furnishing Company Limited (上海紅星美凱龍家居傢飾品有限公司)), a company with limited liability incorporated in the PRC. On 21 June 2023, Red Star Macalline Holding Group Limited (紅星美凱龍控股集團有限公司) ("**RSM Holding**", formerly known as Shanghai Red Star Macalline Investment Company Limited (上海紅星美凱龍投資有限公司)), a company with limited liability incorporated in the PRC, transferred 29.95% of its shareholding in the Company to Xiamen C&D Inc. (廈門建發股份有限公司) ("**Xiamen C&D**", a company listed on the Shanghai Stock Exchange (SH: 600153)) and its subsidiary, Lianfa (Group) Co., Ltd., and Xiamen C&D became the largest shareholder of the Company. For the details, please refer to the Company announcement dated 23 June 2023. On 15 August 2023, the proposals for electing directors of the fifth session of the Board of the Company was reviewed and passed at the general meeting of the Company, and the number of non-independent directors nominated by Xiamen C&D to the fifth session of the Board of the Company reached five. For the details, please refer to the Company announcement dated 15 August 2023. So far, Xiamen C&D exercises control over the Company and is the parent company of the Company.

The H shares of the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") on June 2015 and the A shares of the Company were listed on Shanghai Stock Exchange in January 2018.

The respective addresses of the registered office and the principal place of business of the Company are disclosed in the corporate information section of the annual report. The principal activities of the Company and its subsidiaries (collectively the "**Group**") are operating and managing home furnishing shopping malls. The Group is also involved in pan home furnishings consumption, including internet home decoration, internet retail, as well as logistics and delivery services.

The condensed consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company and its subsidiaries.

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("**IAS 34**") "Interim Financial Reporting" issued by the International Accounting Standards Board (the "**IASB**") as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The management had assessed the ongoing operations of the Group for the 12 months starting from 1 July 2023, and after taking into account unutilised bank facilities granted to the Group and the Group's expected operating cash inflows and financing arrangements as of 30 June 2023, believed that the liquidity risks that the Group is exposed to due to the fact that it has net current liabilities at 30 June 2023 fall within the range of controllable risks, and thus will not have material effects on the ongoing operations and financial position of the Group. Therefore, these condensed consolidated financial statements have been prepared on an ongoing concern basis.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 2. BASIS OF PREPARATION (continued)

### RECONCILIATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The adjustments described below pertain to the reconciliation of the condensed consolidated financial statements from Accounting Standards for Business Enterprise (“ASBEs”) to International Financial Reporting Standards (“IFRSs”). These adjustments relate to properties leased by the Group which are right-of use assets that also meet the definition of investment properties (the “Leased Properties”). Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes). Under ASBEs and IFRSs, investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, the Group chose to measure its investment properties using the fair value model, adjusted to exclude any prepaid or accrued operating lease income. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise. Under ASBEs, the Leased Properties were recognised as right-of-use assets and accounted for at historical cost basis. Under IFRS 16.29 and 34, the Group is required to apply the fair value model to right-of-use assets that meet the definition of investment property in IAS 40 as the Group applies the fair value model in IAS 40 Investment Property to its investment properties. However, under CAS 21, leased properties whether for self-use or subleasing, should be reported as “right-of-use assets” and only the cost model is allowed for lessees to measure right-of-use assets. As a result of applying the fair value model to the Leased Properties under IFRSs, the adjustments below are made in respect of reclassification of “Right-of-use assets” that are subleased to tenant under CAS 21 to “investment properties” under the IFRS 16 because these assets meet the definition of investment properties. Consequently, reversals of the depreciation charges on those right-of use assets from “Cost of sales and services” under CAS 21 are made and changes in fair value of the investment properties and related deferred tax expenses/income under IFRSs are recognised.

The following tables disclose the adjustments that have been made by the management of the Group to each of the line items in the condensed consolidated statements of profit or loss and other comprehensive income, for the six months ended 30 June 2023 and 2022, and the condensed consolidated statement of financial position as at 30 June 2023.

#### As at 30 June 2023

Condensed consolidated statement of financial position (extract)	As stated in accordance with ASBEs RMB'000	Adjustments RMB'000	As stated in accordance with IFRS RMB'000
Right-of-use assets	2,825,489	(2,810,389)	15,100
Investment properties	95,915,000	4,144,000	100,059,000
Deferred tax assets	3,028,244	(114,048)	2,914,196
Deferred tax liabilities	13,743,756	219,355	13,963,111
Net assets	56,742,734	1,000,208	57,742,942
Capital and reserves			
Reserves	48,962,793	876,855	49,839,648
Non-controlling interest	3,425,208	123,353	3,548,561
Total equity	56,742,734	1,000,208	57,742,942

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 2. BASIS OF PREPARATION (continued)

### RECONCILIATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the six months ended 30 June 2023

Condensed consolidated statement of profit or loss and other comprehensive income (extract)	As stated in accordance with ASBEs <i>RMB'000</i>	Adjustments <i>RMB'000</i>	As stated in accordance with IFRS <i>RMB'000</i>
Cost of sales and services	(2,281,418)	243,838	(2,037,580)
Other gains or losses, net	(179,522)	(62,404)	(241,926)
Change in fair value of investment properties, net	(105,281)	(190,967)	(296,248)
Profit before tax	297,733	(9,533)	288,200
Income tax expenses	(177,134)	2,383	(174,751)
Profit for the period	120,599	(7,150)	113,449
Total profit for the period attributable to			
– Owners of the Company	150,701	(22,505)	128,196
– Non-controlling interests	(30,102)	15,355	(14,747)
Earnings per share			
Basic and diluted earnings per share (RMB per share)	0.03		0.03

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 2. BASIS OF PREPARATION (continued)

### RECONCILIATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the six months ended 30 June 2022

Condensed consolidated statement of profit or loss and other comprehensive income (extract)	As stated in accordance with ASBEs <i>RMB'000</i>	Adjustments <i>RMB'000</i>	As stated in accordance with IFRS <i>RMB'000</i>
Cost of sales and services	(2,619,834)	300,469	(2,319,365)
Change in fair value of investment properties, net	95,641	(322,070)	(226,429)
Profit before tax	1,743,523	(21,601)	1,721,922
Income tax expenses	(767,575)	5,400	(762,175)
Profit for the period	975,948	(16,201)	959,747
Total profit for the period attributable to			
– Owners of the Company	1,025,091	(43,022)	982,069
– Non-controlling interests	(49,143)	26,821	(22,322)
Earnings per share			
Basic and diluted earnings per share (RMB per share)	0.24		0.23

## 3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

Other than additional/change in accounting policies resulting from application of new and amendments to IFRSs, agenda decision/decisions of the IFRS Interpretations Committee (the “Committee”) of the IASB, and application of certain accounting policies which became relevant to the Group in the current interim period, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2023 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2022.

### Application of amendments to IFRSs

In the current interim period, the Group has applied the following new and amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2023 for the preparation of the Group’s condensed consolidated financial statements:

IFRS 17 (including the June 2020 and December 2021 Amendment to IFRS 17)	Insurance Contracts
Amendments to IAS 8	Definition of Accounting Estimates
Amendment to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform - Pillar Two model Rules

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

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 4. SEGMENT INFORMATION AND REVENUE

The Group is organised into business units based on their types of activities. These business units are the basis of information that is prepared and reported to the Group's chief operating decision maker (i.e. the Chairman of the Company) for the purposes of resource allocation and assessment of performance. The Group's operating segments under IFRS 8 are identified as the following five business units:

**Owned/leased Portfolio Shopping Malls:** this segment derives revenue from leasing floor areas to the tenants and providing comprehensive and continuous operation and management support to them.

**Managed Shopping Malls:** this segment derives revenue from providing initiation, consultation and management services to the Group's partners and the construction contractors to develop and manage the shopping malls under the Group's own brand.

**Construction and design:** this segment derives revenue from providing construction and design services.

**Sales of merchandise and related services:** this segment derives revenue from retail sales of home furnishing merchandise and providing related decorating services.

**Others:** this segment derives revenue from providing other comprehensive service to the customers, including strategy consultation, home design consultation, construction service, internet home decoration, internet retail, as well as logistics and delivery services.

The accounting policies applied in determining segment revenue and segment results of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of other incomes, other gains or losses, research and development expenses, changes in fair value of investment properties, impairment loss under expected credit losses, impairment losses of intangible assets, share of results associates, share of results of joint ventures, finance costs, central administrative expenses and income tax expenses. This is the measure reported to the Group's chief operating decision maker for the purpose of resource allocation and performance assessment. No segment assets and liabilities, and other segment information are presented as they were not regularly provided to the chief operating decision maker for the purpose of resource allocation and performance assessment.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 4. SEGMENT INFORMATION AND REVENUE (continued)

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

	Owned/Leased Portfolio		Construction and design	Related home decoration and sales of merchandise	Others	Total
	Shopping Malls	Managed Shopping Malls	and design	merchandise		
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Six months ended 30 June 2023</b>						
<b>Segment revenue from external customers</b>	3,376,869	1,076,901	531,535	220,719	453,902	5,659,926
<b>Segment profit</b>	1,828,896	161,589	41,065	(74,872)	180,859	2,137,537
<b>Unallocated:</b>						
Other incomes						146,906
Other gains or losses, net						(241,926)
Administrative expense						(27,221)
Research and development expenses						(9,367)
Change in fair value of investment properties, net						(296,248)
Impairment losses under expected credit loss model, net of reversal						(252,246)
Share of results of associates, net						70,193
Share of results of joint ventures, net						18,574
Finance cost						(1,258,002)
<b>Profit before tax</b>						<b>288,200</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 4. SEGMENT INFORMATION AND REVENUE (continued)

	Owned/Leased Portfolio			Related home decoration and sales of merchandise		Total
	Shopping Malls	Managed Shopping Malls	Construction and design		Others	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Six months ended 30 June 2022						
Segment revenue from external customers	4,153,357	1,295,775	730,374	250,985	526,129	6,956,620
Segment profit	2,772,618	306,154	73,831	(144,635)	214,662	3,222,630
Unallocated:						
Other incomes						182,685
Other gains or losses, net						(31,143)
Administrative expense						(15,815)
Research and development expenses						(25,522)
Change in fair value of investment properties, net						(226,429)
Impairment losses under expected credit loss model, net of reversal						(169,465)
Share of results of associates, net						5,327
Share of results of joint ventures, net						31,224
Finance cost						(1,251,570)
Profit before tax						1,721,922

Classification by revenue type is as follow:

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	2,252,496	2,765,013
Rental and related revenue	3,407,430	4,191,607
	5,659,926	6,956,620

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 4. SEGMENT INFORMATION AND REVENUE (continued)

The following is an analysis of operating income from contracts with customers:

	Managed Shopping Malls <i>RMB'000</i>	Construction and design <i>RMB'000</i>	Related home decoration and sales of merchandise <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Six months ended 30 June 2023</b>					
<b>Principal operating region</b>					
Mainland of China	1,076,901	531,535	220,719	423,341	2,252,496
<b>A point in time</b>					
Revenue from sales of goods	-	-	38,231	-	38,231
Other revenues	-	-	-	130,677	130,677
<b>Over time</b>					
Revenue from the brand consulting and management service for the early stage	71,377	-	-	-	71,377
Revenue from annual brand consulting and management service for project	999,369	-	-	-	999,369
Revenue from commercial consultation fee and tenant sourcing commissions	6,155	-	-	-	6,155
Revenue from construction and design service	-	531,535	-	-	531,535
Revenue from decoration	-	-	182,488	-	182,488
Other revenues	-	-	-	292,664	292,664
<b>Total</b>	<b>1,076,901</b>	<b>531,535</b>	<b>220,719</b>	<b>423,341</b>	<b>2,252,496</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 4. SEGMENT INFORMATION AND REVENUE (continued)

	Managed Shopping Malls <i>RMB'000</i>	Construction and design <i>RMB'000</i>	Related home decoration and sales of merchandise <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Six months ended 30 June 2022</b>					
<b>Principal operating region</b>					
Mainland of China	1,295,775	730,374	250,985	487,879	2,765,013
<b>A point in time</b>					
Revenue from commercial management and consultation service for construction					
	6,991	–	–	–	6,991
Revenue from sales of goods					
	–	–	62,178	–	62,178
Other revenues					
	–	–	–	110,887	110,887
<b>Over time</b>					
Revenue from the brand consulting and management service for the early stage					
	146,058	–	–	–	146,058
Revenue from annual brand consulting and management service for project					
	1,125,279	–	–	–	1,125,279
Revenue from commercial consultation fee and tenant sourcing commissions					
	17,447	–	–	–	17,447
Revenue from construction and design service					
	–	730,374	–	–	730,374
Revenue from decoration					
	–	–	188,807	–	188,807
Other revenues					
	–	–	–	376,992	376,992
<b>Total</b>	<b>1,295,775</b>	<b>730,374</b>	<b>250,985</b>	<b>487,879</b>	<b>2,765,013</b>

#### 4. SEGMENT INFORMATION AND REVENUE (continued)

##### Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2023 and the expected timing of recognising revenue are as follows:

	Managed Shopping Malls <i>RMB'000</i>	Construction and design <i>RMB'000</i>	Related home decoration and sales of merchandise <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Within one year	1,130,209	750,067	295,116	384,645	2,560,037
More than one year	11,110,763	432,318	36,000	102,438	11,681,519
	<b>12,240,972</b>	<b>1,182,385</b>	<b>331,116</b>	<b>487,083</b>	<b>14,241,556</b>

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2022 and the expected timing of recognising revenue are as follows:

	Managed Shopping Malls <i>RMB'000</i>	Construction and design <i>RMB'000</i>	Related home decoration and sales of merchandise <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Within one year	1,138,674	1,160,201	429,487	348,075	3,076,437
More than one year	12,367,634	416,181	153,644	138,740	13,076,199
	<b>13,506,308</b>	<b>1,576,382</b>	<b>583,131</b>	<b>486,815</b>	<b>16,152,636</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 4. SEGMENT INFORMATION AND REVENUE (continued)

### Geographic information

All the revenue and operating results of the Group are derived from the PRC based on location of the operations. All the Group's non-current assets are located in PRC based on geographical location of the assets.

### Revenue from major customers

No revenue from transactions with a single external customer amounted to 10% or more of the Group's revenue during the Reporting Period.

## 5. OTHER INCOMES

	For the six months ended 30 June	
	2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Interest income on		
– bank deposits	7,221	23,803
– other loans and receivables	72,352	95,552
Total interest income	79,573	119,355
Subsidy for land supporting expenses	2,924	2,924
Government grants	29,476	47,657
Dividend income	34,541	11,447
Income from default compensation	392	1,302
	146,906	182,685

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 6. OTHER GAINS OR LOSSES, NET

	For the six months ended 30 June	
	2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Loss on disposal of associates and joint ventures	(40,586)	(7,293)
(Loss)/gain on disposal of financial instrument at FVTPL	(21,820)	10,983
(Loss)/gain on disposal of properties, plant and equipment	(15,249)	707
Loss on lease modification	(48,410)	–
Gain on disposal of subsidiaries	4,689	–
Fair value change on financial instruments at FVTPL	(4,960)	(2,634)
Charitable donations	(17)	(1,087)
Compensation expenses	(55,741)	(5,310)
Exchange loss	(65,218)	(24,572)
Others	5,386	(1,937)
	<b>(241,926)</b>	<b>(31,143)</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 7. FINANCE COST

	For the six months ended 30 June	
	2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Interest on bank and other borrowings	1,270,473	1,193,591
Interest on lease liabilities	94,470	115,291
Interest on bonds	61,632	105,037
	<b>1,426,575</b>	1,413,919
Less: amount capitalised in the cost of qualifying assets (note)	<b>(168,573)</b>	(162,349)
	<b>1,258,002</b>	1,251,570

Note:

Borrowing costs capitalised during the period arose on the general borrowing pool and are calculated by applying a capitalisation rate of 6.41% (30 June 2022: 5.97%) per annum to expenditure on qualifying assets.

## 8. INCOME TAX EXPENSES

	For the six months ended 30 June	
	2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Income tax expenses comprise:		
Current tax:		
PRC enterprise income tax	89,328	405,977
Deferred tax – current year	85,423	356,198
	<b>174,751</b>	762,175

## 8. INCOME TAX EXPENSE (continued)

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

Pursuant to Cai Shui [2011] No. 58 Notice on the Taxation Policies for Deepening the Implementation of the Western Development Strategy 《關於深入實施西部大開發戰略有關稅收政策問題的通知》 and Announcement of Taxation on Issues concerning Enterprise Income Tax in Deepening the Implementation of the Western Development Strategy 《關於深入實施西部大開發戰略有關企業所得稅問題的公告》 (SAT [2012] No. 12), Chengdu Red Star Macalline Xinnan Business Management Company Limited (成都紅星美凱龍新南商業管理有限公司), Chongqing Liangjiang New Area Red Star Macalline Business Management Co., Ltd. (重慶兩江新區紅星美凱龍商業管理有限公司), Chengdu Red Star Ogloria Brand Management Company Limited (成都紅星歐麗洛雅品牌管理有限公司), Red Star Macalline Chengdu Business Management Company Limited (紅星美凱龍成都商業管理有限公司), Red Star Macalline Chengdu Enterprise Management and Consultancy Company Limited (紅星美凱龍成都企業管理諮詢有限公司), Chongqing Red Star Macalline Global Home Furnishing Plaza Company Limited (重慶紅星美凱龍環球家居生活廣場有限責任公司), and Kunming Red Star Macalline Shibo Home Furnishing Plaza Company Limited (昆明紅星美凱龍世博家居廣場有限公司) under the Company are entitled to the enterprise income tax preference policy, and the above companies, were subject to a tax rate of 15% for the year upon approval by competent tax authorities as they met relevant conditions.

Red Star Xizhao Investment Company Limited (紅星喜兆投資有限公司), Red Star Macalline Home Furnishing Mall Management Company Limited (紅星美凱龍家居商場管理有限公司), Red Star Zhongying Investment Company Limited (紅星眾盈投資有限公司) under the Company are entitled to enterprise income tax preference policy and are subject to a tax rate of 15% for the year pursuant to Zangzhengfa [2014] No. 51 Notice Issued by the People's Government of the Tibet Autonomous Region Regarding the Publication of Implementation Rules of Enterprise Income Tax Policy of the Tibet Autonomous Region 《西藏自治區人民政府關於印發〈西藏自治區企業所得稅政策實施辦法〉的通知》.

Red Star Ogloria Enterprise Management Company Limited (紅星歐麗洛雅企業管理有限公司), Khorgos Red Star Macalline Business Management Company Limited (霍爾果斯紅星美凱龍商業管理有限公司) and Red Star Macalline Expo Business Management Company Limited (紅星美凱龍世博商業管理有限公司) under the Company are subject to a tax rate 15% for the year pursuant to the Cai Shui [2011] No. 112 Notice on Corporate Income Tax Preferential Policy in the Kashi and Khorgos Special Economic Development Zones in Xinjiang 《關於新疆喀什霍爾果斯兩個特殊經濟開發區企業所得稅優惠政策的通知》 and Cai Shui [2016] No. 85 Notice on Improving Xinjiang Depressed Region and Encouraged Development Industries Enterprise Income Tax Incentives Directory 《關於完善新疆困難地區重點鼓勵發展產業企業所得稅優惠目錄的通知》.

Hainan Hongju Enterprise Management Company Limited (海南紅居企業管理有限公司) under the Company is subject to a tax rate 15% for the year pursuant to the Cai Shui [2020] No. 31 Notice on Preferential Policies on Enterprise Income Tax for Hainan Free Trade Port 《關於海南自由貿易港企業所得稅優惠政策的通知》.

On December 2022, Shanghai Red Star Macalline Building Design Company Limited (上海紅星美凱龍建築設計有限公司) under the Company obtained the Certificate for Hi-tech Enterprise, whose certificate number was GR202231004738 with a validity of three years, and was subject to a tax rate of 15% for the period.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 9. PROFIT FOR THE PERIOD

	For the six months ended 30 June	
	2023	2022
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Profit for the period has been arrived at after charging (crediting):		
Staff costs (including directors emoluments)		
Salaries and other benefits	1,238,202	1,309,631
Retirement benefits scheme contributions	117,868	139,345
Total staff costs	1,356,070	1,448,976
Cost of inventories recognised as an expense	81,305	86,905
Depreciation of property, plant and equipment	143,814	157,789
Depreciation of right-of-use assets	8,988	10,379
Amortisation of intangible assets	20,420	19,905
Advertising and promotional expenses	330,516	301,078
Gross rental income from investment properties	(3,376,869)	(4,153,357)
Direct operating expenses incurred for investment properties	689,868	676,771

## 10. DIVIDEND

The final dividend that relates to the year ended 31 December 2022 (the “2022 final dividend”) amounting to RMB148,025 thousand was approved at the annual general meeting on 26 June 2023 and has been paid on 25 August 2023 (Final dividend related to the year ended 31 December 2021 of RMB435,473 thousand was approved at the annual general meeting on 20 May 2022 and paid on 20 July 2022). The Board resolved that no interim dividend will be declared in respect of the six months ended 30 June 2023 (six months ended 30 June 2022: Nil). On 28 April 2023, the Board has proposed the distribution of a special dividend of RMB0.46 per 10 shares (“Special Dividend”). The Special Dividend was approved at the annual general meeting on 26 June 2023 and has been paid on 25 August 2023.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 11. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share as of 30 June 2023 and 2022 is based on the following data:

	For the six months ended 30 June	
	2023	2022
	RMB	RMB
	(Unaudited)	(Unaudited)
Basic and diluted earnings per share	<b>0.03</b>	0.23

The basic earnings per share is calculated by dividing the profit attributable to the owner of the Company by the weighted average number of ordinary shares.

No diluted effect on the earnings per share for six months period of 30 June 2022 as the Company's share options granted does not assume to be exercised due to the exercise price of those share options was higher than the average market price for shares for 2022. The Group did not have any dilutive potential ordinary shares in issue during the six months period 30 June 2023.

As of 30 June 2023 and 2022, the calculation of basic and diluted earnings per share is detailed as follows:

	For the six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
<i>Earnings</i>		
Profit for the period attributable to owner of the Company (RMB'000)	<b>128,196</b>	982,069

	For the six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
<i>Number of the ordinary Shares</i>		
Weighted average number of the ordinary shares of the Company ('000)	<b>4,354,733</b>	4,354,733

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 12. INVESTMENT PROPERTIES

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

For the six months ended 30 June 2023, the total cash outflow for investment properties is RMB479,498 thousand (30 June 2022: RMB638,083 thousand), including RMB283,297 thousand (30 June 2022: RMB301,645 thousand) paid for leased properties under subleases and RMB196,201 thousand (30 June 2022: RMB336,438 thousand) paid for acquiring investment properties.

	Completed Investment properties <i>RMB'000</i>	Properties under construction <i>RMB'000</i>	Leased properties <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Fair value</b>				
As at 1 January 2022 (audited)	88,337,000	7,238,000	5,198,070	100,773,070
Additions	83,364	631,029	8,141	722,534
Lease modification	–	–	(237,585)	(237,585)
Disposal of assets	(510,000)	–	–	(510,000)
Changes in fair value	(1,129,364)	1,058,971	(655,441)	(725,834)
As at 31 December 2022 and 1 January 2023 (audited)	<b>86,781,000</b>	<b>8,928,000</b>	<b>4,313,185</b>	<b>100,022,185</b>
Additions	<b>29,030</b>	<b>282,251</b>	<b>144,049</b>	<b>455,330</b>
Lease modification	–	–	(122,267)	(122,267)
Changes in fair value	<b>18,970</b>	<b>(124,251)</b>	<b>(190,967)</b>	<b>(296,248)</b>
As at 30 June 2023 (unaudited)	<b>86,829,000</b>	<b>9,086,000</b>	<b>4,144,000</b>	<b>100,059,000</b>

## 12. INVESTMENT PROPERTIES (continued)

The investment properties are all situated on the land under medium-term lease in the PRC. The fair values of the Group's investment properties at the end of the reporting period were valued by Shanghai Orient Appraisal CO., LTD. and Beijing Zhuoxindahua Appraisal CO., LTD., two firms of independent qualified professional valuers not connected with the Group, who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

The valuation of completed investment properties and leased properties has been arrived at with adoption of income approach based on the net rental income of the property derived from the existing lease and achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalised to determine the market value at an appropriate capitalisation rate.

The valuation of certain investment properties at an early development stage has been arrived at by direct comparison approach assuming sale of the property interests in their existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the relevant market.

The valuation of other investment properties under development has been arrived at with adoption of direct comparison approach which assumed that they will be developed and completed in accordance with the latest development proposal. In arriving at the opinion of value, reference has been made to comparable evidence as available in the relevant market and the valuation also take into account the accrued construction cost and professional fees relevant to the stage of construction as at the valuation date and the remainder of the cost and fees expected to be incurred for completing the development.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The following table gives information about how the fair values of these investment properties are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised based on the degree to which the inputs to the fair value measurements is observable.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 12. INVESTMENT PROPERTIES (continued)

As at 30 June 2023 (unaudited)

	Fair value Hierarchy	Valuation technique(s)	Significant unobservable input(s)	Range
Completed investment properties	Level 3	Income approach/ Direct comparison approach	Price of unit area leasable (per square meter per month)	RMB16 to RMB268
			Capitalisation Rate	4.5% to 7.0%
Investment properties at an early development stage	Level 3	Direct comparison approach/ Hypothetical development approach	Unit area price of investment properties (per square meter)	RMB372 to RMB39,477
Other investment properties under development	Level 3	Direct comparison approach	Price of unit area leasable (per square meter per month)	RMB57 to RMB78
			Capitalisation rate	7.0%
Leased properties	Level 3	Income approach	Price of unit area leasable (per square meter per month)	RMB16 to RMB259
			Capitalisation rate	6.0% to 10.5%

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 12. INVESTMENT PROPERTIES (continued)

As at 31 December 2022 (audited)

	Fair value Hierarchy	Valuation technique(s)	Significant unobservable input(s)	Range
Completed investment properties	Level 3	Income approach/ Direct comparison approach	Price of unit area leasable (per square meter per month)	RMB16 to RMB264
			Capitalisation Rate	4.5% to 7.0%
Investment properties at an early development stage	Level 3	Direct comparison approach/Hypothetical development approach	Unit area price of investment properties (per square meter)	RMB1,277 to RMB54,133
Other investment properties under development	Level 3	Direct comparison approach	Price of unit area leasable (per square meter per month)	RMB40 to RMB65
			Capitalisation rate	6.5% to 7.0%
Leased properties	Level 3	Income approach	Price of unit area leasable (per square meter per month)	RMB5 to RMB258
			Capitalisation rate	6.0% to 10.5%

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 12. INVESTMENT PROPERTIES (continued)

There were no transfers into or out of Level 3 during the six months ended 30 June 2023 and 2022.

The unrealised loss on property revaluation amounting to RMB296,248 thousand was recognised in profit or loss during the six months ended 30 June 2023 (30 June 2022: RMB226,429 thousand).

The Group was in process of obtaining the relevant ownership property certificates for the investment properties without ownership certificate with carrying amounts of RMB1,046,000 thousand and RMB920,000 thousand as at 30 June 2023 and 31 December 2022, respectively. In the opinion of the management, the relevant property ownership certificates can be obtained in due time without incurring significant costs.

The Group's investment properties of RMB88,082,000 thousand (31 December 2022: RMB84,678,000 thousand) was pledged to secure the bank and other borrowing of the Group as detailed in Notes 19.

## 13. PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSETS

During the six months ended 30 June 2023, the Group acquired property, plant and equipment, right-of-use assets and intangible assets at an aggregate cost of RMB16,906 thousand, RMB0 and RMB22,671 thousand respectively (30 June 2022: RMB23,138 thousand, RMB31,256 thousand and RMB5,836 thousand respectively).

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 14. ACCOUNT RECEIVABLES/NOTE RECEIVABLES

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Account receivables	3,264,819	3,584,087
Less: provision of expected credit loss	(1,609,871)	(1,621,918)
	<b>1,654,948</b>	1,962,169
Note receivables	14,141	19,016
	<b>1,669,089</b>	1,981,185

An aging analysis of the account receivables as at the end of the reporting period, based on the invoice date and net of ECL, is as follows:

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Within 1 year	959,651	1,254,540
1 to 2 years	595,330	527,175
2 to 3 years	399,510	358,767
Over 3 years	1,310,328	1,443,605
Less: provision of expected credit loss	(1,609,871)	(1,621,918)
	<b>1,654,948</b>	1,962,169

The Group has not granted any credit period to its customers. Before accepting any new customers, the Group uses past experience to assess the potential customers' credit quality and defines credit limits for the customers. Limits attributed to customers are reviewed regularly.

Under IFRS 9, certain bills which were held by the Group for the practice of discounting/endorsing to financial institutions/suppliers before the notes due for payment were classified as notes receivables at FVTOCI. At 30 June 2023 and 31 December 2022, all the notes are with a maturity period of less than one year. The Group considers the credit risk is limited because counterparties are banks with good credit standing and are highly likely to be paid, and the ECL are considered as insignificant.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 15. DEPOSIT, PREPAYMENT AND OTHER RECEIVABLES

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Current portion:		
Prepayment	348,556	366,585
Deposits	180,602	143,843
Interest receivables	27,475	27,947
Dividends receivables	39,155	31,000
Tax prepaid (note a)	614,501	736,644
Others (note b)	1,286,438	1,124,099
Less: provision of expected credit losses	(391,969)	(335,261)
<b>Total current portion</b>	<b>2,104,758</b>	<b>2,094,857</b>
Non-current portion:		
Deposits	238,677	240,673
Lease deposits	72,448	67,448
Prepayments for purchase properties (note c)	368,909	391,387
Others	710,480	683,419
Less: provision of expected credit losses	(38,982)	(38,679)
	<b>1,351,532</b>	<b>1,344,248</b>
Prepayments for construction and advance payment for land compensation	1,400,324	1,459,525
Earning right related to land consolidation (note d)	1,835,868	1,835,868
Less: impairment losses (note e)	(638,589)	(637,898)
	<b>2,597,603</b>	<b>2,657,495</b>
<b>Total non-current portion</b>	<b>3,949,135</b>	<b>4,001,743</b>

## 15. DEPOSIT, PREPAYMENT AND OTHER RECEIVABLES (continued)

Notes:

- (a) The Group's tax prepaid is mainly VAT to be deducted, which is expected to be deductible within the next year.
- (b) As at 30 June 2023, others included sale proceed collected and paid on behalf of the tenants of approximately RMB164,968 thousand (31 December 2022: RMB202,754 thousand).
- (c) As of 30 June 2023 and 31 December 2022, prepayments for purchasing properties were mainly prepayments paid by the Group for the purchase of several commercial properties and office buildings during this period.
- (d) In August 2018, the Group acquired 70% equity interest in Yintai (Yongqing) New City Investment Co., Ltd. (銀泰(永清)新城投資有限公司) at a consideration of RMB1 billion, and acquired an earning right thereof related to land consolidation simultaneously.
- (e) The management of the Group concluded there was indication of impairment and conducted impairment assessment on recoverable amounts of certain prepayment for construction and advance payment and earning right related to land consolidation with carrying amounts (before impairment) of RMB1,400,324 thousand (31 December 2022: RMB1,459,525 thousand) and RMB1,835,868 thousand (31 December 2022: RMB1,835,868 thousand), respectively. For the period ended 30 June 2023, the Group estimates the recoverable amounts of the individual assets based on higher of fair value less costs of disposal and value in use.

## 16. RESTRICTED BANK DEPOSITS

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Deposits pledged for banking facilities	170,018	151,468
Other restricted bank deposits	164,662	150,737
	<b>334,680</b>	302,205

As at 30 June 2023, restricted bank deposits of approximately RMB49,201 thousand (2022: RMB31,286 thousand) was freed.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 17. BANK BALANCES AND CASH

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
Cash	5,312	13,832
Bank deposits with original maturity within three months or less	2,493,108	2,594,432
Cash and cash equivalents	2,498,420	2,608,264
Bank deposits with original maturity over three months	19,000	18,000
Bank balances and cash	2,517,420	2,626,264

Note:

Bank balances and cash of the Group comprise cash and short-term bank deposits. The bank balances carry interest at market rates which is 0.3% per annum as at 30 June 2023 (2022: 0.3% per annum).

Bank deposits with original maturity over three months carry fixed interest rates range from 1.90% to 3.90% per annum as at 30 June 2023 (2022: 1.75% to 3.85% per annum). Bank balances and cash as at 30 June 2023 and 31 December 2022 were mainly denominated in RMB which is not a freely convertible currency in the international market. The exchange rate of RMB is determined by the government of the PRC and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the government of the PRC.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 18. TRADE AND OTHER PAYABLES

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Trade payables (note)	2,074,516	2,452,582
Bills payables	193,551	44,412
Advance from tenants	567,199	588,213
Deposit received	3,405,623	3,209,664
Amount due from partners	3,824,897	4,179,790
Amounts payable for property purchase	192,910	197,510
Amounts payable to construction contractors	355,293	412,769
Payroll payable	488,579	480,929
Other tax payable	551,096	546,810
Others payables	1,495,007	1,440,011
	<b>13,148,671</b>	13,552,690
Less: Current portion	<b>(12,614,753)</b>	(12,996,449)
Non-current portion	<b>533,918</b>	556,241

Note:

An aging analysis of the trade payables as at the end of the Reporting Period is as follow:

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Within 1 year	2,074,516	2,452,582

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 19. BANK AND OTHER BORROWINGS

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Bank and other borrowings:		
Secured (note a)	28,132,014	28,269,466
Unsecured (note a)	141,825	50,080
Commercial mortgage-backed securities (note b)	3,252,535	3,289,806
	<b>31,526,374</b>	31,609,352
Less: Current portion	<b>(7,340,181)</b>	(7,100,362)
Non-current portion	<b>24,186,193</b>	24,508,990

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Fixed-rate borrowings	10,441,319	11,573,044
Floating-rate borrowings	21,085,055	20,036,308
	<b>31,526,374</b>	31,609,352

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
The borrowings are repayable:		
Within one year or on demand	7,340,181	7,100,362
More than one year but not exceeding two years	6,990,547	7,295,674
More than two years but not exceeding five years	8,668,157	8,305,398
More than five years	8,527,489	8,907,918
	<b>31,526,374</b>	31,609,352
Less: Amount due within one year shown under current liabilities	<b>(7,340,181)</b>	(7,100,362)
Amount due after one year	<b>24,186,193</b>	24,508,990

## 19. BANK AND OTHER BORROWINGS (continued)

Notes:

- (a) As at 30 June 2023 and 31 December 2022, no single borrowing is individually material, and terms and conditions of all borrowings are presented by appropriate groupings.
- (b) The Company issued the home furnishing shopping mall asset-backed securities, namely "Red Star Macalline Asset-Backed Special Project", on 12 July 2018. Such asset-backed special project was pledged with the assets of two shopping malls of the Group in Beijing and Yantai and their rental income rights, which included Class A Preferred Securities (securities abbreviation: "18 Hongmei A1", securities code: 156486), Class B Preferred Securities (securities abbreviation: "18 Hongmei A2", securities code: 156487) and subordinated Securities (securities abbreviation: "18 Hongmei", securities code: 156488). 18 Hongmei A1 had an issuance size of RMB2,289 million, with an annualised return of 5.80% and a maturity of 18 years, the principal and interest of which shall be repaid annually. 18 Hongmei A2 had an issuance size of RMB211 million, with an annualised return of 6.30% and a maturity of 18 years, the principal of which shall be repaid in a one-off manner upon maturity. The Group, as a posterior investor of 18 Hongmei, subscribed RMB100 million with no annualised return and a maturity of 18 years. The securities ended its first 3-year sell-back period in December 2021 and was reaccounted as other non-current liabilities, among which, the principal repayment plan within one year of RMB71,000,000.00 was carried forward to current bank and other borrowings.

The Company issued the home furnishing shopping mall asset-backed securities, namely "Deppon-Wuxi Red Star Macalline Home Living Plaza No. 1 Store Asset-backed Special Project" on 22 September 2020. Such asset-backed special project was pledged with the assets of shopping mall of the Group in Wuxi and the rental income rights, which included Class A Preferred Securities and Class B Preferred Securities. Class A Preferred Securities had an issuance size of RMB420 million, with an annualised return of 5.50% and a maturity of 18 years, the principal and interest of which shall be repaid semi-annually. Class B Preferred Securities had an issuance size of RMB110 million, with an annualised return of 6% and a maturity of 18 years, the principal of which shall be repaid in a one-off manner upon maturity. The securities entered the first 3-year sell-back period in June 2023, and therefore the securities balance of RMB11,697,047.08 was carried forward to current bank and other borrowings.

The Company listed on the CFAE 21CFZR0025 "Red Star Macalline Group Corporation Ltd. – 2021 first tranche of debt financing plan" (21S Red Star Macalline ZR001) on 5 January 2021. The listing amount totalled RMB500 million for a term of 3 years. The interest commencement date was 7 January 2021 and the interest rate was 4%. According to the confirmation of the listing price, RMB500 million has been fully credited to the account. The interest was paid annually on 7 January in the bond duration. The principal of which shall be repaid in a one-off manner upon maturity. The financing is planned to be used as the land and real estate mortgage and the equity pledge of the project company. As at 30 June 2023, the financing balance of RMB500 million was carried forward to current bank and other borrowings.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 19. BANK AND OTHER BORROWINGS (continued)

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

	As at 30 June 2023 % (Unaudited)	As at 31 December 2022 % (Audited)
Bank and other borrowings:		
Fixed rate bank borrowings	<b>4.20-15.40</b>	4.79-15.40
Floating rate bank borrowings	<b>3.65-8.00</b>	3.65-8.00

The floating rate bank borrowings are arranged at the interest rate based on benchmark interest rates of the People's Bank of China.

The Group's bank and other borrowings are denominated in RMB.

## 20. BONDS

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
<i>Medium-term notes:</i>		
Medium-term notes of 2020 (First tranche)(note a)	–	500,000
<i>Public offering:</i>		
Public offering of Corporate Bonds of 2019 (First tranche) (Type 2)(note b)	–	829
Public offering of Corporate Bonds of 2020 (First tranche) (Type 1) to professional investors (note c)	<b>30,000</b>	30,000
<i>USD Bonds:</i>		
USD Bonds of 2022 (3-year)(note d)	<b>1,791,381</b>	1,723,400
	<b>1,821,381</b>	2,254,229
Less: Bonds due within one year	<b>(30,000)</b>	(530,829)
Non-current portion of bonds	<b>1,791,381</b>	1,723,400

## 20. BONDS (continued)

Notes:

- (a) The Group's issuance in 2020. On 6 June 2019, the Company received the "Letter on Reducing the Registration Amount of Medium-Term Notes of Red Star Macalline Group Co., Ltd." (Zhong Shi Xie Zhu No. [2019]567) issued by NAFMII, and agreed to reduce the registration amount of RMB3 billion of medium-term notes under the aforementioned "Notice for Acceptance of Registration" (Zhong Shi Xie Zhu No. [2018]MTN506). Under the "Notice for Acceptance of Registration" (Zhong Shi Xie Zhu No. [2018]MTN506), the original registered amount is RMB5 billion, after being reduced by RMB3 billion, the remaining effective registration amount is RMB2 billion. From 16 January 2020 to 17 January 2020, the Company successfully issued the first tranche of 2020 medium-term notes, "Medium-term notes of 2020 of Red Star Macalline Group Corporation Ltd. (First tranche)", the bond is abbreviated as "20 Macalline MN001", which has a duration of 3 years, and the value date is 20 January 2020, and the redemption date is 20 January 2023. The total planned issuance scale is RMB500 million, and the actual issuance scale is RMB500 million, with an interest rate of 5.70%, and an issue price of RMB100/100 face value. The notes were fully settled during the six months ended 30 June 2023.
- (b) In 2019, the Group publicly issued Corporate Bonds of 2019 of Red Star Macalline Group Corporation Ltd. (First tranche) (hereinafter referred to as the "2019 Corporate Bonds"), which classified into two types. The total issuance scale of the type 1 and type 2 does not exceed RMB2 billion (including RMB2 billion). In this tranche of bonds issue, the option to call back among varieties is introduced, and the call back percentage is not limited. The issue price is RMB100 par value, which is issued in the form of book keeping to qualified investors offline. Type 1 is 5-year (with the issuer's option to adjust the coupon rate and bondholders' resale option at the end of the third year), and Type 2 is 4-year (with the issuer's option to adjust the coupon rate and bondholders' resale option at the end of the second year). In 2019, the actual issuance scale of corporate bonds type 2 was RMB2.00 billion, and the coupon rate was 5.35%; the type 1 was not issued. The bond was registered for selling back in 2021, and the remaining RMB829,000 was included in period. The notes were fully settled during the six months ended 30 June 2023.
- (c) The Group issued the "Public offering of Corporate Bonds of 2020 of Red Star Macalline Group Corporation Ltd. (First tranche) to professional investors" in October 2020. The Bond has an issue price of RMB100 par value and a duration of 3 years, with interest paid annually and the option to adjust the coupon rate and investors' resale option at the end of the second year (2022). The actual issuance scale was RMB500 million, with a coupon rate of 6.20%. The bonds are in the process to redeem. The remaining RMB30,000,000 will be mature in October 2023.
- (d) On 26 August 2022, the Group issued United States dollars-denominated bonds totalling US\$249.7 million with fixed interest rate, at a coupon rate of 5.20%. The bond is matured in 3 years, and interest shall be paid semi-annually.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 21. OTHER NON-CURRENT LIABILITIES

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
One-off discount received on pre-purchase of property service for 20 years (note a)	888,702	925,526
Others (note b)	191,184	235,130
Less: Current portion	(73,463)	(73,648)
	<b>1,006,423</b>	1,087,008

Notes:

- (a) The Group entered into the agreement with CIFI Ever Sunshine (Hainan) Investment Company Limited (旭輝永升(海南)投資有限公司) (hereinafter referred to as "CIFI Ever Sunshine") this year to agree that the property services of the Group's 71 Portfolio Shopping Malls in the next 20 years will be provided by Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司), a subsidiary of CIFI Ever Sunshine, and a discount will be charged. The discount shall be apportioned during the subsequent period of receiving property services to offset the cost of property services. As of 30 June 2023, the unamortised balance totaled RMB888,702 thousand (2022:RMB925,526 thousand), of which RMB73,463 thousand (2022:RMB73,648 thousand) will be amortised in next financial year.
- (b) The Group signed an agreement with Beijing Hongjing Parking Management Co., Ltd. (北京鴻景泊興停車管理有限公司) (hereinafter referred to as "Beijing Hongjing") during the year ended 31 December 2022, stipulating that Beijing Hongjing will obtain the long-term lease rights or income rights of the parking lots of 36 self-operated shopping malls of the Group for the next 6 years. The transaction consideration is RMB312,846 thousand. Out of this, RMB191,184 thousand has been allocated to other non-current liabilities. The corresponding revenue will be recognised in profit or loss from period 2024 to 2028.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 22. SHARE CAPITAL

	H Shares Number of shares '000	A Shares Number of shares '000	Share capital RMB'000
As at 1 January 2023 (audited) and 30 June 2023 (unaudited)	741,286	3,613,447	4,354,733

All shares issued are at par value RMB1.

## 23. COMMITMENTS

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
Contracted but not provided for in the consolidated financial statements:		
Capital expenditure in respect of acquisition and construction of investment properties	1,189,520	1,412,969
Investment commitments	354,338	217,036
	<b>1,543,858</b>	<b>1,630,005</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 24. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES

In estimating the fair value, the Group uses market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

The fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial are determined (in particular, the valuation technique(s) and inputs used).

## 24. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES (continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis  
(continued)

Fair value hierarchy as at 30 June 2023

	Level 1 <i>RMB'000</i>	Level 2 <i>RMB'000</i>	Level 3 <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Financial assets at FVTPL</b>				
Debt instrument investments	–	–	436,689	436,689
Funds	–	170,172	–	170,172
Equity instrument investments	–	–	319,075	319,075
<b>Equity instruments at FVTOCI</b>	<b>805,512</b>	<b>2,626</b>	<b>1,267,216</b>	<b>2,075,354</b>

Fair value hierarchy as at 31 December 2022

	Level 1 <i>RMB'000</i>	Level 2 <i>RMB'000</i>	Level 3 <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Financial assets at FVTPL</b>				
Debt instrument investments	–	–	839,726	839,726
Funds	–	82,112	–	82,112
Equity instrument investments	–	–	332,275	332,275
<b>Equity instruments at FVTOCI</b>	<b>1,064,026</b>	<b>2,423</b>	<b>1,520,120</b>	<b>2,586,569</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 24. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES (continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis  
(continued)

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and significant unobservable inputs
	30 June 2023	31 December 2022		
	RMB'000	RMB'000		
Debt instrument investments	436,689	839,726	Level 3	Discount cash flow approach Risk-adjusted discount rate: 1.8% (31 December 2022: 2.2%) (note a)
Equity instrument investments – FVTPL	319,075	332,275	Level 3	Discount cash flow approach Risk-adjusted discount rate: 12% – 14% (31 December 2022: 15%- 18%)(note b)
Equity instrument investments – FVTOCI	1,267,216	1,520,120	Level 3	Comparable company approach Liquidity discount rate: 70%-80% (31 December 2022: 70%- 80%)(note c)

Notes:

- (a) The higher the discount rate, the lower the fair value.
- (b) An increase in the discount rate would result in a decrease in fair value measurement of the Equity instrument investment- FVTPL, and vice versa.
- (c) A slight increase in the liquidity discount rate would results in a significant decrease in the fair value of the equity instrument investments – FVTOCI and vice versa.

There were no transfers between Level 1 and 2 during the period.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 24. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES (continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis  
(continued)

	Equity instruments at FVTOCI RMB'000	Debt instruments at FVTPL RMB'000	Equity instruments at FVTPL RMB'000
As at 1 January 2022	1,970,228	638,411	370,775
Transfer out of level 3 (note)	(443,338)	–	–
Included in profit or loss	–	8,404	(32,000)
Included in other comprehensive income	16,069	–	–
Additions	20,000	2,022,648	14,100
Disposal/settlements	(42,839)	(1,829,737)	(20,600)
<b>As at 31 December 2022 and 1 January 2023</b>	<b>1,520,120</b>	<b>839,726</b>	<b>332,275</b>
Transfer out of level 3 (note)	(11,400)	–	–
Included in profit or loss	–	1,040	(6,000)
Included in other comprehensive income	54,655	–	–
Additions	26,227	–	–
Disposal/settlements	(322,386)	(404,077)	(7,200)
<b>As at 30 June 2023</b>	<b>1,267,216</b>	<b>436,689</b>	<b>319,075</b>

Note: The Group owns certain investment at FVTOCI and is measured at fair value at each reporting date. The fair value of the investment as at 30 June 2023 amounts to RMB11,400 thousand (31 December 2022: RMB443,338 thousand). The fair value of the investment as at 31 December 2022 was measured using a valuation technique with significant unobservable inputs and hence was classified as Level 3 of the fair value hierarchy. As certain investments have become a listed entity with its shares traded in an active market. Therefore, the fair value of the investment was determined based on a published price quotation available on the stock exchange and was classified as Level 1 of the fair value hierarchy.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS

### 1. Major Transactions between the Group and Related Parties

The following related party transactions are necessary for the development of the Group's business. The transactions between the Group and related parties are related to daily operations. The transactions follow the principles of openness and fairness. The transactions between both parties are settled at fair market prices.

#### (1) Purchase and sale of goods, provision and receipt of services from related parties

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Hongxing Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Purchase of goods	7,609	18,230
Alibaba Cloud Computing Co., Ltd. (阿里雲計算有限公司)	Subsidiary of corporate that has a significant impact on the Group	Purchase of goods	454	641
Sunsea Parking Holdings Limited and its subsidiaries and branches (陽光海天停車控股有限公司及其附屬、分公司)	Subsidiary of an associate	Purchase of goods	256	–
CSSC Cruise Industry Development (Shanghai) Co., Ltd. (中船郵輪產業發展(上海)有限公司)	Associate	Purchase of goods	174	–
Huizhou Better Life Furniture Co., Ltd. (惠州美好生活傢俱有限公司)	Subsidiary of an associate	Purchase of goods	90	–
Xiamen Jianfa Liquor Sales Management Co., Ltd. (廈門建發酒業銷售管理有限公司)	Corporate controlled by the largest shareholder	Purchase of goods	50	N/A

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Zhejiang Dana Pictures Co., Ltd. (浙江龍凱影業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Purchase of goods	35	–
Chongqing Zerui Business Management Co., Ltd. (重慶澤瑞商業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Purchase of goods	30	–
Asia New Materials (Beijing) Building Materials Co., Ltd. (亞細亞新材(北京)建築材料有限公司)	Subsidiary of an associate	Purchase of goods	10	–
Tao Bao (China) Software Co., Ltd. (淘寶(中國)軟件有限公司)	Subsidiary of corporate that has a significant impact on the Group	Purchase of goods	3	38
Business Division of Nanjing Pukou Lilicheng Furniture (南京市浦口區立力成傢俱經營部)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Purchase of goods	2	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Yimeijisi Optoelectronics Technology (Fujian) Co., Ltd. (誼美吉斯光電科技(福建)有限公司)	Associate	Purchase of goods	1	–
Xishuangbanna cloud investment construction Pan Asia Real Estate Co., Ltd. (西雙版納雲投建設泛亞置業有限公司) <sup>(2)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Purchase of goods	N/A	153
Baoshan Red Star Urban and Rural Investment and Real Estate Co., Ltd. (保山紅星城鄉投資置業有限公司) <sup>(2)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Purchase of goods	N/A	139
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	Purchase of goods	–	1
			<b>8,714</b>	19,202

Note 1: Commodity purchases from related parties: during the period, the Group conducted commodity transactions with related parties based on market prices.

Note 2: These companies ceased to be considered as related parties since 2023.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
CSSC Cruise Industry Development (Shanghai) Co., Ltd. (中船郵輪產業發展(上海)有限公司)	Associate	Interest expenses from deposit	91	1,040
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	Interest expenses from deposit	22	15
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	Interest expenses from deposit	3	40
			<b>116</b>	<b>1,095</b>

Note: Payment of interest on deposits to related parties: during the period, the Group conducted transactions with related parties based on market prices.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shandong Inzone Green Home Co., Ltd. and its subsidiaries (山東銀座家居有限公司及其附屬公司)	Associate	Joint marketing	2,611	2,522
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Associate	Joint marketing	644	227
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	Joint marketing	248	1,586
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	Joint marketing	193	596
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	Joint venture	Joint marketing	160	–
Weihai Happiness Home Co., Ltd. (威海幸福家居有限公司)	Subsidiary of an associate	Joint marketing	93	18
Shenzhen Red Star Macalline Expo Home Plaza Co., Ltd. (深圳紅星美凱龍世博家居廣場有限公司)	Joint venture	Joint marketing	93	105
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Joint marketing	77	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Joint venture	Joint marketing	62	158
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Joint marketing	–	417
Suzhou Supin Home Culture Co., Ltd. (蘇州市蘇品宅配文化有限公司)	Associate	Joint marketing	–	16
			<b>4,181</b>	5,645

Note: Related parties provided joint marketing services for the Group: during the period, the Group conducted transactions with related parties based on market prices.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	Costs for leasing advertising space/ Administrative expenses	156	237
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Costs for leasing advertising space/ Administrative expenses	106	94
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Costs for leasing advertising space/ Administrative expenses	105	171
Shandong Inzone Green Home Co., Ltd. and its subsidiaries (山東銀座家居有限公司及其附屬公司)	Associate	Costs for leasing advertising space/ Administrative expenses	101	84

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Costs for leasing advertising space/ Administrative expenses	94	124
Xuzhou Red Star Macalline International Furniture Decoration City Co., Ltd. (徐州紅星美凱龍國際傢俱裝飾城有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Costs for leasing advertising space/ Administrative expenses	71	30
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Costs for leasing advertising space/ Administrative expenses	40	41

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shenzhen Red Star Macalline Expo Home Plaza Co., Ltd. (深圳紅星美凱龍世博家居廣場有限公司)	Joint venture	Costs for leasing advertising space/ Administrative expenses	–	26
			<b>673</b>	807

Note: Related parties provided the Group with advertising space leasing/management services: during the period, the Group entered into transactions with related parties based on market prices.

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Macalline Property Management Service Co., Ltd. and its subsidiaries and branches (上海美凱龍物業管理服務有限公司及其附屬、分公司)	Associate	Receipt of services	<b>182,295</b>	176,184
Shanghai Xingyue Property Service Co., Ltd. and its branches (上海星悅物業服務有限公司及其分公司)	Subsidiary of an associate	Receipt of services	<b>156,774</b>	109,810
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司)	Subsidiary of corporate that has a significant impact on the Group	Receipt of services	<b>11,283</b>	9,161

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Xingzhiyu Commercial Management Co., Ltd. (上海星之域商業經營管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Receipt of services	<b>7,585</b>	6,715
Shanghai Hongxing Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Receipt of services	<b>6,549</b>	11,787
Shanghai Zhenyang Decoration Co., Ltd. (上海振洋建築裝潢工程有限公司) <sup>(2)</sup>	Associate	Receipt of services	<b>5,654</b>	7,653
Hangzhou Alimama Software Services Co., Ltd. (杭州阿里媽媽軟件服務有限公司)	Subsidiary of corporate that has a significant impact on the Group	Receipt of services	<b>3,802</b>	4,344
Shanghai Jiazhan Construction Engineering Company Limited (上海嘉展建築裝潢工程有限公司)	Associate	Receipt of services	<b>2,090</b>	6,433

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Beijing Allgf Cultural and Scientific Consultation Co., Ltd. (北京國富縱橫文化科技諮詢股份有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Receipt of services	841	174
Yimeijisi Optoelectronics Technology (Fujian) Co., Ltd. (誼美吉斯光電科技(福建)有限公司)	Associate	Receipt of services	612	–
Shanghai Xincheng'an Construction Co., Ltd. (上海鑫誠安建設有限公司)	Associate	Receipt of services	592	357
Hangzhou Ant Nest Supply Chain Service Co., Ltd. (杭州蟻巢供應鏈服務有限公司)	Subsidiary of corporate that has a significant impact on the Group	Receipt of services	264	–
Shanghai Macalline Aijia Property Management Consulting Co., Ltd. (上海美凱龍愛家房地產管理諮詢有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Receipt of services	242	274

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

			Six months ended 30 June	
	Relationship with the Group	Details of Transactions	2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Alibaba (China) Technology Co., Ltd. (阿里巴巴(中國)網絡技術有限公司)	Subsidiary of corporate that has a significant impact on the Group	Receipt of services	112	–
Zhejiang Alibaba Communication Technology Co., Ltd. (浙江阿里巴巴通信技術有限公司)	Subsidiary of corporate that has a significant impact on the Group	Receipt of services	104	1,585
Tao Bao (China) Software Co., Ltd. (淘寶(中國)軟件有限公司)	Subsidiary of corporate that has a significant impact on the Group	Receipt of services	49	–
Alibaba Cloud Computing Co., Ltd. (阿里雲計算有限公司)	Subsidiary of corporate that has a significant impact on the Group	Receipt of services	27	550
Alibaba (Sichuan) Network Technology Co., Ltd. (阿里(四川)網絡技術有限公司)	Subsidiary of corporate that has a significant impact on the Group	Receipt of services	8	38
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	Receipt of services	5	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Receipt of services	–	8,071
Zhejiang Tmall Network Co., Ltd. (浙江天貓網絡有限公司)	Subsidiary of corporate that has a significant impact on the Group	Receipt of services	–	6,541
Changyuanxin Supply Chain Management (Dongguan) Co., Ltd. (昌源鑫供應鏈管理(東莞)有限公司) <sup>(9)</sup>	Associate	Receipt of services	N/A	1,618
Shanghai Yunshen Intelligent Technology Co., Ltd. (上海雲紳智能科技有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Receipt of services	–	600
Chongqing Jinke Hotel Co., Ltd. (重慶金科大酒店有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Receipt of services	–	113

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Jinke Smart Services Group Co., Ltd. (金科智慧服務集團股份有限公司) <sup>(2)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Receipt of services	–	104
Yuyao Xingkai Real Estate Co., Ltd. (余姚星凱置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Receipt of services	–	55
Shanghai Red Star Parking Management Co., Ltd. (上海紅星停車管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Receipt of services	–	21
			<b>378,888</b>	352,188

Note 1: Related parties provided services for the Group: during the period, the Group conducted transactions with related parties based on market prices.

Note 2: These companies ceased to be considered as related parties during the period ended June 2023.

Note 3: The company was deregistration during the period ended 30 June 2023.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Danyang Rongjin Hongxing Real Estate Development Co., Ltd. (丹陽市融錦宏星置業發展有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Sales of goods	1,709	–
Lanzhou Red Star Business Management Co., Ltd. (蘭州紅星商業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Sales of goods	473	641
Yunnan Yuanze Pinwei Property Management Co., Ltd. (雲南遠擇品唯物業管理有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Sales of goods	205	305
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	Sales of goods	141	127
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	Joint venture	Sales of goods	73	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	Associate	Sales of goods	62	–
Ultimate IOT (Shanghai) Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Associate	Sales of goods	56	33
Guangzhou Red Star Macalline Expo Home Sales of goods Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Joint venture	Sales of goods	51	3
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Associate	Sales of goods	44	43
Shenzhen Red Star Macalline Expo Home Plaza Co., Ltd. (深圳紅星美凱龍世博家居廣場有限公司)	Joint venture	Sales of goods	44	–
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	Sales of goods	37	48
Qianzhi (Beijing) Cultural Development Co., Ltd (乾智(北京)文化發展有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Sales of goods	35	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Sales of goods	34	9
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Sales of goods	24	15
Shandong Inzone Green Home Co., Ltd. and its subsidiaries (山東銀座家居有限公司及其附屬公司)	Associate	Sales of goods	21	128
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Sales of goods	18	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Tianhe Smart Home Technology Company Ltd. and its branches (上海天合智能科技股份有限公司及其分公司)	Associate	Sales of goods	12	0
Hangzhou Nabel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Sales of goods	9	–
Nanjing Oukailong Home Furnishing Co., Ltd. (南京歐凱龍家居有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Sales of goods	6	–
Shengbao (Shanghai) Intelligent Technology Co., Ltd. (晟葆(上海)智能科技有限公司)	Associate	Sales of goods	2	–
Dongying Chuangzhan Real Estate Co., Ltd. (東營創展置業有限公司)	Subsidiary of an associate	Sales of goods	–	98

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Sales of goods	–	18
Business Division of Nanjing Pukou Lilicheng Furniture (南京市浦口區立力成傢俱經營部)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Sales of goods	–	8
Anka Household Products (Shanghai) Co., Ltd. (安咖家居用品(上海)有限公司)	Associate	Sales of goods	–	4
Sunsea Parking Holdings Limited and its subsidiaries and branches (陽光海天停車控股有限公司及其附屬、分公司)	Subsidiary of an associate	Sales of goods	–	1
			<b>3,056</b>	1,481

Note: Sales of goods to related parties: during the period, the Group conducted transactions with related parties based on market prices.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Quzhou Huicheng Ole Business Management Co., Ltd. (衢州市慧城奧萊商業管理有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Rendering of service	145,270	122,277
Shanghai Macalline Property Management Service Co., Ltd. and its subsidiaries and branches (上海美凱龍物業管理服務有限公司及其附屬、分公司)	Associate	Rendering of service	17,090	20,073
Shanghai Xingyue Property Service Co., Ltd. and its branches (上海星悅物業服務有限公司及其分公司)	Subsidiary of an associate	Rendering of service	15,461	8,420
Yangzhou Xinglong Real Estate Development Co., Ltd. (揚州星龍房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Rendering of service	13,961	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Rendering of service	4,810	–
Shanghai Aegean Business Management Co., Ltd. (上海愛琴海商務管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Rendering of service	2,415	–
Shanghai Xingzhiyu Commercial Management Co., Ltd. (上海星之域商業經營管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Rendering of service	1,013	532
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Rendering of service	890	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	Rendering of service	813	307
Changzhou Aegean Ole Business Management Co., Ltd. (常州愛琴海奧萊商業管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Rendering of service	353	–
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Joint venture	Rendering of service	239	258
Ultimate IOT (Shanghai) Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Associate	Rendering of service	72	59
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Rendering of service	57	74

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Red Star Macalline Real Estate Co. Ltd. (上海紅星美凱龍置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Rendering of service	40	97
Shanghai Huangpu Red Star Microfinance Co., Ltd. (上海黃浦紅星小額貸款有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Rendering of service	15	11
Shengbao (Shanghai) Intelligent Technology Co., Ltd. (晟葆(上海)智能科技有限公司)	Associate	Rendering of service	11	–
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	Associate	Rendering of service	10	10
Hangzhou Nabel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Rendering of service	8	1

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Tianhe Smart Home Technology Company Ltd. and its branches (上海天合智能科技有限公司及其分公司)	Associate	Rendering of service	2	0
Dalian Xingqin Business Management Co., Ltd. (大連星琴商業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Rendering of service	–	1,252
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	Joint venture	Rendering of service	–	1,060
Yuyao Xingkai Real Estate Co., Ltd. (余姚星凱置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Rendering of service	–	69
Anka Household Products (Shanghai) Co., Ltd. (安咖家居用品(上海)有限公司)	Associate	Rendering of service	–	22

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Aegean Ole Business Management Co., Ltd. (上海愛琴海奧萊商業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Rendering of service	–	16
Shanghai Kaihong Cinema Management Co., Ltd. (上海凱紅影院管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Rendering of service	–	13
Shanghai Red Star Macalline Financial Leasing Company Limited (上海紅星美凱龍融資租賃有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Rendering of service	–	4
Sunsea Parking Holdings Limited and its subsidiaries and branches (陽光海天停車控股有限公司及附屬、分公司)	Subsidiary of an associate	Rendering of service	–	0
			<b>202,530</b>	154,555

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Brand management service	2,123	2,123
Greenland Group Chengdu Jinniu Real Estate Development Co., Ltd. (綠地集團成都金牛房地產開發有限公司) <sup>(2)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Brand management service	N/A	1,887
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Brand management service	1,462	1,462
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Associate	Brand management service	1,415	1,415

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Brand management service	1,415	1,415
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Brand management service	943	1,415
Xuzhou Red Star Macalline International Furniture Decoration City Co., Ltd. (徐州紅星美凱龍國際傢俱裝飾城有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Brand management service	896	896
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	Brand management service	849	849
			<b>9,103</b>	11,462

Note 1: Provision of brand management services for related parties: during the period, the Group conducted transactions with related parties based on market prices.

Note 2: The company ceased to be considered as related parties during the period ended June 2023.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Hangzhou Nabel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Service income	<b>6,980</b>	3,206
Wuhu Meihe Asset Management Company Limited (蕪湖美和資產管理有限公司)	Associate	Service income	<b>4,340</b>	1,887
Shenzhen Long Life Basics Sleep Science and Technology Co., Ltd. (深圳市朗樂福睡眠科技有限公司) <sup>(1)</sup>	Associate	Service income	<b>1,958</b>	1,681
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司)	Subsidiary of corporate that has a significant impact on the Company	Service income	<b>998</b>	–
Mex Smart Home (Shen Zhen) Co., Ltd. (美時智能家居(深圳)有限公司)	Subsidiary of an associate	Service income	<b>877</b>	–
LEAWOD Door and Window Group Co., Ltd. (良木道門窗集團有限公司) <sup>(1)</sup>	Associate	Service income	<b>538</b>	223
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Joint venture	Service income	<b>191</b>	198

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shenzhen Red Star Macalline Expo Home Plaza Co., Ltd. (深圳紅星美凱龍世博家居廣場有限公司)	Joint venture	Service income	183	28
Ultimate IOT (Shanghai) Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Associate	Service income	164	167
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	Service income	107	147
Guangdong VIFA Customized Home Furnishings Co., Ltd. (廣東威法定制家居股份有限公司)	Associate	Service income	94	–
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	Joint venture	Service income	47	28
Shanghai Tianhe Smart Home Technology Service income Company Ltd. and its branches (上海天合智能科技有限公司及其分公司)	Associate	Service income	29	14
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	Service income	28	48

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Service income	–	45,911
Xining Yuanduo Real Estate Development Co., Ltd. (西寧遠鐸房地產開發有限公司) <sup>(1)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Service income	N/A	8,019
Shanghai Aegean Business Management Co., Ltd. (上海愛琴海商務管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Service income	–	897
Changzhou Aegean Ole Business Management Co., Ltd. (常州愛琴海奧萊商業管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Service income	–	670

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Hongxing Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Service income	–	294
Xishuangbanna cloud investment construction Pan Asia Real Estate Co., Ltd. (西雙版納雲投建設泛亞置業有限公司) <sup>(1)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Service income	N/A	268
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Associate	Service income	–	73
Business Division of Nanjing Pukou Lilicheng Furniture (南京市浦口區立力成傢俱經營部)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Service income	–	51

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Weilaishi Decoration Technology Co., Ltd. (上海威來適裝飾科技有限公司)	Associate	Service income	–	27
Shengbao (Shanghai) Intelligent Technology Co., Ltd. (晟葆(上海)智能科技有限公司)	Associate	Service income	–	12
			<b>16,534</b>	63,849

Note 1: These companies ceased to be considered as related parties during the period ended June 2023.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Yiwu Meilong Real Estate Co., Ltd. (義烏美龍置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Design consultation income	943	–
Xuzhou Maoxing Real Estate Co., Ltd. (徐州茂星置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Design consultation income	425	–
Luohe Xinghui Real Estate Co., Ltd. (漯河星匯置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Design consultation income	94	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Cixi Xingkai Real Estate Co., Ltd. (慈溪星凱置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Design consultation income	–	3,239
Baoshan Red Star Urban and Rural Investment Real Estate Co., Ltd. (保山紅星城鄉投資置業有限公司) <sup>(1)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Design consultation income	N/A	2,083
Shuyang Xinglong Real Estate Development Co., Ltd. (沭陽星龍房地產開發有限公司) <sup>(1)</sup>	Corporate controlled by the former controlling shareholder or the former actual controller	Design consultation income	N/A	1,769
Nanchang Haoran Real Estate Co., Ltd. (南昌浩然置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Design consultation income	–	1,181

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

	Relationship with the Group	Details of Transactions	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Design consultation income	–	975
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	Joint venture	Design consultation income	–	270
Ganzhou Kaiyue Real Estate Co., Ltd. (贛州凱越置業有限公司) <sup>(1)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Design consultation income	N/A	99
			<b>1,462</b>	<b>9,616</b>

Note 1: These companies ceased to be considered as related parties during the period ended June 2023.

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (2) Leases with related party

*As lessors*

	Relationship with the Group	Type of leased assets	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Xingzhiyu Commercial Management Office Co., Ltd. (上海星之域商業經營管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Office	15,382	24,105
Changzhou Yizhi International Trade Co., Ltd. (常州市藝致國際貿易有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Office	18	23
Zhengzhou Xingbo Real Estate Development Co., Ltd. (鄭州星鉞房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Office	76	182
Changzhou Longyao Equity Investment Management Co., Ltd. (常州龍耀股權投資管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Office	17	17

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (2) Leases with related party (continued)

*As lessors (continued)*

	Relationship with the Group	Type of leased assets	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Macalline Seven Star Hotel Office Management Co., Ltd. (上海美凱龍七星酒店管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Office	–	329
Guangzhou Red Star Macalline Expo Home Shopping mall Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Joint venture	Shopping mall	–	8,262
Hangzhou Nabel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Shop(s) in shopping mall	7,738	3,603
Ultimate IOT (Shanghai) Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Associate	Shop(s) in shopping mall	2,413	3,283
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Shop(s) in shopping mall	1,316	493

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (2) Leases with related party (continued)

*As lessors (continued)*

	Relationship with the Group	Type of leased assets	Six months ended 30 June	
			2023	2022
			RMB'000 (Unaudited)	RMB'000 (Unaudited)
Sichuan Intelligent Meizhai Decoration Design Engineering Co., Ltd. (四川智能美宅裝飾設計工程有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Shop(s) in shopping mall	551	–
Changzhou Yizhi International Trade Co., Ltd. (常州市藝致國際貿易有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Shop(s) in shopping mall	386	400
Shanghai Tianhe Smart Home Technology Company Ltd. and its branches (上海天合智能科技股份有限公司及其分公司)	Associate	Shop(s) in shopping mall	384	111
Beijing Hema Network Technology Co., Ltd. (北京盒馬網絡科技有限公司)	Subsidiary of corporate that has a significant impact on the Group	Shop(s) in shopping mall	297	329
Shengbao (Shanghai) Intelligent Technology Co., Ltd. (晟葆(上海)智能科技有限公司)	Associate	Shop(s) in shopping mall	288	852
Shanghai Weilaishi Decoration Technology Co., Ltd. (上海威來適裝飾科技有限公司)	Associate	Shop(s) in shopping mall	287	283

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (2) Leases with related party (continued)

*As lessors (continued)*

	Relationship with the Group	Type of leased assets	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Nanjing Oukailong Home Furnishing Co., Ltd. (南京歐凱龍家居有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Shop(s) in shopping mall	172	–
Anka Household Products (Shanghai) Co., Ltd. (安咖家居用品(上海)有限公司)	Associate	Shop(s) in shopping mall	80	574
Mex Smart Home (Shen Zhen) Co., Ltd. (美時智能家居(深圳)有限公司)	Subsidiary of an associate	Shop(s) in shopping mall	46	–
Shanghai Macalline Aijia Real Estate Management Consulting Co., Ltd. (上海美凱龍愛家房地產管理諮詢有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Shop(s) in shopping mall	–	254
Business Division of Nanjing Pukou Lilicheng Furniture (南京市浦口區立力成傢俱經營部)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Shop(s) in shopping mall	–	173

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (2) Leases with related party (continued)

*As lessors (continued)*

	Relationship with the Group	Type of leased assets	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Sunsea Parking Holdings Limited and its subsidiaries and branches (陽光海天停車控股有限公司及其附屬、分公司)	Subsidiary of an associate	Parking garage	29,506	1,058
Shanghai Xinhua Chengcheng Asset Management Co., Ltd. (上海新華成城資產管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Parking garage	6,349	9,512
Shanghai Red Star Parking Management Co., Ltd. (上海紅星停車管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Parking garage	667	1,333
Shanghai Xingzhiyu Commercial Management Co., Ltd. (上海星之域商業經營管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Parking garage	–	185
			<b>65,973</b>	<b>55,361</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (2) Leases with related party (continued)

*As lessees*

	Relationship with the Group	Type of leased assets	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Office	–	1,723
Changzhou Red Star Home Furnishing City (常州市紅星裝飾城)	Corporate controlled by the former controlling shareholder or the former actual controller	Shopping mall	12,091	11,705
Qianzhi (Beijing) Cultural Development Co., Ltd (乾智(北京)文化發展有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	Shop(s) in shopping mall	458	–
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	Shop(s) in shopping mall	72	61

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (2) Leases with related party (continued)

*As lessees (continued)*

	Relationship with the Group	Type of leased assets	Six months ended 30 June	
			2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	Shop(s) in shopping mall	60	124
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	Shop(s) in shopping mall	–	176
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Associate	Shop(s) in shopping mall	–	26
Yunnan Yuanze Pinwei Property Management Co., Ltd. (雲南遠擇品唯物業管理有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	Parking garage	711	–
CHEN Shuhong (陳淑紅)	Family member who has a close relationship with the former actual controller	Dormitory	57	55
			<b>13,449</b>	13,870

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (3) Guarantees from related parties

*Receiving guarantees from related parties*

2023

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 1)	108,000	2022/4/1	2024/3/31	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 2)	54,000	2022/9/8	2024/9/7	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 3)	850,000	2020/10/23	2023/10/22	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 4)	500,000	2020/6/16	2030/6/16	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 5)	456,500	2020/12/26	2035/12/25	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 6)	104,000	2019/12/19	2029/12/19	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 7)	238,000	2020/1/17	2030/1/17	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 8)	331,408	2019/6/20	2029/6/20	No

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (3) Guarantees from related parties (continued)

*Receiving guarantees from related parties (continued)*

2023 (continued)

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 9)	595,000	2019/8/30	2031/6/15	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 10)	333,480	2020/1/15	2026/9/17	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 11)	327,600	2020/6/30	2030/6/29	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 12)	347,500	2019/12/27	2031/12/27	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 13)	230,000	2021/2/22	2028/2/21	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 14)	594,000	2020/3/25	2030/3/25	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 15)	100,750	2019/12/17	2027/12/20	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 16)	77,500	2019/12/30	2027/12/20	No

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (3) Guarantees from related parties (continued)

*Receiving guarantees from related parties (continued)*

2023 (continued)

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 17)	60,000	2020/6/8	2030/12/10	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 18)	516,900	2019/7/1	2029/6/20	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 19)	260,000	2018/7/13	2028/7/10	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 20)	100,000	2022/9/16	2023/9/16	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 21)	300,000	2021/6/18	2024/6/17	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司) (Note 22)	45,740	2019/6/28	2023/8/31	No
Red Star Macalline Holding Group Company Limited, CHE Jianxing (紅 星美凱龍控股集團有限公司、車建興) (Note 23)	680,000	2021/12/24	2024/12/23	No

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (3) Guarantees from related parties (continued)

*Receiving guarantees from related parties (continued)*

2023 (continued)

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Red Star Macalline Holding Group Company Limited, CHE Jianxing (紅 星美凱龍控股集團有限公司、車建興) (Note 24)	700,000	2022/7/7	2025/7/6	No
Red Star Macalline Holding Group Company Limited, CHE Jianxing (紅 星美凱龍控股集團有限公司、車建興) (Note 25)	300,000	2021/8/20	2024/8/26	No
Red Star Macalline Holding Group Company Limited, CHE Jianxing (紅 星美凱龍控股集團有限公司、車建興) (Note 26)	210,489	2019/11/28	2029/11/27	No
Red Star Macalline Holding Group Company Limited, CHE Jianxing (紅 星美凱龍控股集團有限公司、車建興) (Note 27)	356,820	2020/3/20	2028/3/20	No
CHE Jianxing (車建興) (Note 28)	784,000	2017/12/15	2027/12/15	No
CHE Jianxing (車建興) (Note 29)	725,616	2020/3/3	2030/3/2	No
CHE Jianxing (車建興) (Note 30)	202,000	2016/6/17	2026/6/16	No
CHE Jianxing (車建興) (Note 31)	174,500	2017/1/5	2025/6/20	No
CHE Jianxing (車建興) (Note 32)	420,000	2023/2/2	2028/5/10	No
CHE Jianxing (車建興) (Note 33)	1,171,067	2023/2/2	2030/2/11	No
CHE Jianxing, CHEN Shuhong (車建興、 陳淑紅) (Note 34)	193,000	2022/12/28	2026/11/29	No

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (3) Guarantees from related parties (continued)

*Receiving guarantees from related parties (continued)*

2023 (continued)

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
CHE Jianxing, CHEN Shuhong (車建興、陳淑紅) (Note 35)	1,760,000	2022/6/15	2037/6/15	No
CHE Jianxing, CHEN Shuhong (車建興、陳淑紅) (Note 36)	1,791,381	2022/8/17	2026/3/17	No
CHE Jianxing, CHEN Shuhong (車建興、陳淑紅) (Note 37)	794,250	2023/3/29	2033/3/20	No

Note 1: The loan is also secured by the investment property of Changzhou Macalline International Computer and Electronics Furnishing Plaza Company Limited, a subsidiary of the Group.

Note 2: The loan is also secured by the investment property of Changzhou Macalline International Computer and Electronics Furnishing Plaza Company Limited, a subsidiary of the Group.

Note 3: The loan is also secured by the investment property of Tianjin Red Star Macalline International Home Furnishing Expo Company Limited, a subsidiary of the Group.

Note 4: The loan is also secured by the investment property of Suzhou Industry Park Red Star Macalline Home Furnishing Company Limited, a subsidiary of the Group.

Note 5: The loan is also secured by the investment property of Shanghai Red Star Macalline Xinglong Home Furnish Company Limited, a subsidiary of the Group.

Note 6: The loan is also secured by the investment property of Zhengzhou Red Star Macalline International Home Furnishing Company Limited, a subsidiary of the Group.

Note 7: The loan is also secured by the investment property of Zhengzhou Red Star Macalline International Home Furnishing Company Limited, a subsidiary of the Group.

Note 8: The loan is also secured by the investment property of Zhengzhou Red Star Macalline International Home Furnishing Company Limited, a subsidiary of the Group.

Note 9: The loan is also secured by the investment property of Dalian Red Star Macalline Shibo Home Furnishing Plaza Company Limited, a subsidiary of the Group.

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (3) Guarantees from related parties (continued)

##### *Receiving guarantees from related parties (continued)*

2023 (continued)

Note 10: The loan is also secured by the investment property of Nanchang Red Star Macalline Global Home Expo Center Company Limited, a subsidiary of the Group.

Note 11: The loan is also secured by the investment property of Chongqing Red Star Macalline International Home Furnishing Plaza Company Limited, a subsidiary of the Group.

Note 12: The loan is also secured by the investment property of Ningbo Red Star Macalline Home Shopping Plaza Company Limited, a subsidiary of the Group.

Note 13: The loan is also secured by the investment property of Nantong Hongmei Shibo Home Furnishing Plaza Company Limited, a subsidiary of the Group.

Note 14: The loan is also secured by the investment property of Nanning Red Star Macalline Shibo Home Furnishing Exhibition Centre Company Limited, a subsidiary of the Group.

Note 15: The loan is also secured by the fixed asset of Shanghai Jianliu Enterprise Management Co., Ltd., a subsidiary of the Group.

Note 16: The loan is also secured by the fixed asset of Shanghai Enliu Enterprise Management Co., Ltd., a subsidiary of the Group.

Note 17: The loan is also secured by the fixed asset of Shanghai Laicheng Enterprise Management Limited, a subsidiary of the Group.

Note 18: The loan is also secured by the investment property of Hangzhou Weiliang Electromechanical Hardware Market Co., Ltd., a subsidiary of the Group.

Note 19: The loan is also secured by the investment property of Suzhou Red Star Macalline Shibo Home Furnishing Plaza Company Limited, a subsidiary of the Group.

Note 20: The loan is also secured by the Company's shareholding of 6.3 million shares in De Rucci Bedding Co., Ltd.

Note 21: The loan is also secured by the investment property of Dongguan Red Star Macalline Shibo Furniture Plaza Company Limited, a subsidiary of the Group.

Note 22: The loan is also secured by the investment property of Hangzhou Weiliang Electromechanical Hardware Market Co., Ltd., a subsidiary of the Group.

Note 23: The loan is also secured by the investment property of Changzhou World Furniture and Home Plaza Co., Ltd., a subsidiary of the Group.

Note 24: The loan is also secured by the investment property of Hefei Red Star Macalline Shibo Furniture Plaza Company Limited, a subsidiary of the Group.

Note 25: The loan is also secured by the investment property of Changzhou Hongyang Home Furnishing Plaza Company Limited, a subsidiary of the Group.

Note 26: The loan is also secured by the investment property of Liuzhou Red Star Macalline Home Furnishing Company Limited, a subsidiary of the Group.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (3) Guarantees from related parties (continued)

*Receiving guarantees from related parties (continued)*

2023 (continued)

Note 27: The loan is also secured by the investment property of Foshan Junda Enterprise Management Company Limited, a subsidiary of the Group.

Note 28: The loan is also secured by the investment property of Shanghai Shanhai Art Furniture Company Limited, a subsidiary of the Group.

Note 29: The loan is also secured by the investment property of Shanghai Shanhai Art Furniture Company Limited, a subsidiary of the Group.

Note 30: The loan is also secured by the investment property of Chongqing Red Star Macalline Expo Home Living Plaza Company Limited, a subsidiary of the Group.

Note 31: The loan is also secured by the investment property of Wuxi Red Star Macalline Home Living Plaza Company Limited, a subsidiary of the Group.

Note 32: The loan is also secured by the investment property of Shanghai Xinwei Properties Company Limited, a subsidiary of the Group.

Note 33: The loan is also secured by the investment property of Shanghai Xinwei Properties Company Limited, a subsidiary of the Group.

Note 34: The loan is also secured by the investment property of Chengdu Tianfu New Area Red Star Macalline World Trade Home Company Limited, a subsidiary of the Group.

Note 35: The loan is also secured by the investment property of Beijing Red Star Macalline International Home Furnishing Plaza Company Limited and Wuhan Red Star Macalline Shibo Home Furnishing Plaza Development Company Limited, subsidiaries of the Group.

Note 36: The loan is also secured by the investment property of Tianjin Red Star Macalline Home Living and Decorating Plaza Company Limited and Chongqing Xingkaik Home Furnishing Company Limited, subsidiaries of the Group.

Note 37: The loan is also secured by the investment property of Jinan Red Star Macalline Shibo Home Living Plaza Company Limited, a subsidiary of the Group.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Account receivables</b>					
Shanghai Xingzhiyu Commercial Management Co., Ltd. (上海星之域商業經營管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	56,590	2,547	40,722	1,833
Shanghai Xinhua Chengcheng Asset Management Co., Ltd. (上海新華成城資產管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	40,000	4,983	33,333	1,500
Shanghai Macalline Property Management Service Co., Ltd. and its subsidiaries and branches (上海美凱龍物業管理服務有限公司及其附屬、分公司)	Associate	37,581	1,691	37,494	1,687
Yangzhou Xinglong Real Estate Development Co., Ltd. (揚州星龍房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	28,673	3,101	25,836	2,252

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Account receivables (continued)</b>					
Shanghai Jiazhan Construction Engineering Company Limited (上海嘉展建築裝潢工程有限公司)	Associate	13,000	13,000	13,000	13,000
Danyang Rongjin Hongxing Real Estate Development Co., Ltd. (丹陽市融錦宏星置業發展有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	10,412	469	6,086	274
Shanghai Xingyue Property Service Co., Ltd. and its branches (上海星悅物業服務有限公司及其分公司)	Subsidiary of an associate	8,563	385	11,613	523
Shenzhen Huasheng Home Furnishing Group Co., Ltd. (深圳華生大家居集團有限公司)	Associate	4,000	4,000	4,000	4,000
Xi'an Jiahexing Home Furnishing Co., Ltd. (西安佳和興家居有限責任公司)	Associate	3,415	1,037	4,480	904
Cixi Xingkai Real Estate Co., Ltd. (慈溪星凱置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	3,333	668	–	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Account receivables (continued)</b>					
Yiwu Meilong Real Estate Co., Ltd. (義烏美龍置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	3,328	791	2,328	459
Nanchang Haoran Real Estate Co., Ltd. (南昌浩然置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	2,530	713	2,530	915
Taiyuan Shuangming Kailong Real Estate Development Co., Ltd. (太原雙明凱龍房地產開發有限公司)	Corporate with family member who has a close relationship with the former actual controller served as director or executive	2,230	123	–	–
Changzhou Aegean Ole Business Management Co., Ltd. (常州愛琴海奧萊商業管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	2,093	94	1,749	79

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Account receivables (continued)</b>					
Shanghai Macalline Aijia Real Estate Management Consulting Co., Ltd. (上海美凱龍愛家房地產管理諮詢有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,694	93	1,420	504
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	Joint venture	1,676	187	1,544	138
Tianjin Xingkai Real Estate Development Co., Ltd. (天津星凱房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	1,650	1,650	1,650	597
Xuzhou Red Star Macalline International Furniture Decoration City Co., Ltd. (徐州紅星美凱龍國際傢俱裝飾城有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	1,614	320	1,062	252

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

Relationship with the Group	30 June 2023		31 December 2022		
	Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)	
<b>Account receivables (continued)</b>					
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	1,500	280	–	–
Changzhou Jintan Weiyi Construction Engineering Co., Ltd. (常州市金壇維億建設工程有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,500	1,500	1,500	1,500
Xuzhou Maoxing Real Estate Co., Ltd. (徐州茂星置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	1,290	193	990	52
Ningbo Kailong Property Company Limited (寧波凱龍置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,257	69	–	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Account receivables (continued)</b>					
Anka Household Products (Shanghai) Co., Ltd. (安咖家居用品(上海)有限公司)	Associate	1,116	50	1,005	45
Changchun Red Star Macalline Real Estate Development Co., Ltd. (長春紅星美凱龍房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	1,110	401	1,110	221
Jinan Xinglong Real Estate Development Co., Ltd. (濟南星龍房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	1,100	374	950	344
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,078	167	6,746	470
Changxing Ronghao Trading Co., Ltd. (長興榮皓貿易有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,026	46	1,026	46

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance	Bad debt Allowance	Book balance	Bad debt Allowance
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>Account receivables (continued)</b>					
Tianjin Meilong Real Estate Development Co., Ltd. (天津美龍房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	833	833	833	301
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	789	142	750	164
Ningbo Huixin Real Estate Co., Ltd. (寧波匯鑫置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	628	35	–	–
Shanghai CTME Economy & Trade Development Co., Ltd. (上海中貿美凱龍經貿發展有限公司)	Joint venture	600	600	–	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Account receivables (continued)</b>					
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	428	80	181	40
Chongqing Jinke Zhongjun Real Estate Development Co., Ltd. (重慶金科中俊房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	409	82	409	21
Hengshui Xinglong Real Estate Development Co., Ltd. (衡水星龍房地產開發有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	330	53	7,940	442
Liuzhou Red Star Macalline Real Estate Co., Ltd. (柳州紅星美凱龍置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	317	14	317	14

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Account receivables (continued)</b>					
Hangzhou Nabel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	290	13	166	7
Kunming Yuanhonghui Real Estate Co., Ltd (昆明遠鴻匯房地產有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	224	81	96	34
Zhengzhou Xingbo Real Estate Development Co., Ltd. (鄭州星鉑房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	199	9	–	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Account receivables (continued)</b>					
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	191	94	125	6
Dalian Xingkai Commercial Management Co., Ltd. (大連星凱商業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	120	7	460	24
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	116	5	263	12
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Associate	109	5	58	3
Taiyuan Xingguang Huanyu Real Estate Development Co., Ltd. (太原星光寰宇房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	70	3	-	-

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Account receivables (continued)</b>					
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Joint venture	57	3	388	17
Shenzhen Red Star Macalline Expo Home Plaza Co., Ltd. (深圳紅星美凱龍世博家居廣場有限公司)	Joint venture	50	2	123	6
Xiangshan Meilong Real Estate Co., Ltd. (象山美龍置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	44	16	444	101
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	42	2	–	–
Taiyuan Shuangmingzhikun Real Estate Development Co., Ltd. (太原雙明智坤房地產開發有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	34	7	–	–
Xiangshan Kaisheng Real Estate Co., Ltd. (象山凱勝置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	34	12	34	12

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Account receivables (continued)</b>					
Yuyao Xingkai Real Estate Co., Ltd. (余姚星凱置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	32	1	43	2
Shanghai Longhong Cinema Management Co., Ltd. (上海龍紅影院管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	27	1	27	1
Shanxi Hongxing New World Real Estate Co., Ltd. (山西紅星新世界置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	18	1	–	–
Shengbao (Shanghai) Intelligent Technology Co., Ltd. (晟葆(上海)智能科技有限公司)	Associate	13	1	69	3
Qingdao Dana International Studios Co., Ltd. (青島德納國際影城有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	12	1	12	1

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Account receivables (continued)</b>					
Shaoxing Xingkai Real Estate Co., Ltd. (紹興星凱置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	12	2	-	-
Qingdao Hongying Cinema Management Co., Ltd. (青島紅影影院管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	11	0	11	0
Yancheng Kailong Property Company Limited (鹽城凱龍置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	7	0	7	0
Changzhou Longyao Equity Investment Management Co., Ltd. (常州龍耀股權投資管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	3	0	-	-

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Account receivables (continued)</b>					
Shanghai Meiyong Enterprise Management Co., Ltd. (上海美影企業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	3	0	3	0
Sichuan Intelligent Meizhai Decoration Design Engineering Co., Ltd. (四川智能美宅裝飾設計工程有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	2	0	-	-
Quzhou Huicheng Ole Business Management Co., Ltd. (衢州市慧城奧萊商業管理有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	-	-	4,769	249

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Account receivables (continued)</b>					
Shanghai Luochang Enterprise Management Co., Ltd. (上海洛昶企業管理有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	-	-	1,518	79
Xining Yuanhong Real Estate Development Co., Ltd. (西寧遠鴻房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	-	-	905	47
Jiaxing Longmao Xiansen Home Furnishing Co., Ltd. (嘉興龍貓先森家居有限公司) <sup>(1)</sup>	Joint venture	N/A	N/A	834	38
Hefei Longmao Xiansen Home Furnishing Co., Ltd. (合肥龍貓先森家居有限公司) <sup>(1)</sup>	Joint venture	N/A	N/A	822	37
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司)	Subsidiary of corporate that has a significant impact on the Company	-	-	350	16

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Account receivables (continued)</b>					
Shanghai Aegean Ole Business Management Co., Ltd. (上海愛琴海奧萊商業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	-	-	43	2
Shanghai Tianhe Smart Home Technology Company Ltd. and its branches (上海天合智能科技股份有限公司及其分公司)	Associate	-	-	10	0
		<b>239,413</b>	<b>41,037</b>	224,184	33,274

Note 1: These companies ceased to be considered as related parties during the period ended June 2023.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Prepayments</b>					
Shanghai Xingyue Property Service Co., Ltd. and its branches (上海星悅物業服務有限公司及其分公司)	Subsidiary of an associate	5,284	–	–	–
Shanghai Macalline Property Management Service Co., Ltd. and its subsidiaries and branches (上海美凱龍物業管理服務有限公司及其附屬、分公司)	Associate	5,000	–	10,952	–
Shanghai Hongxing Hongyi Investment Management Co., Ltd. (上海紅星宏易投資管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	3,600	–	–	–
Hangzhou Alimama Software Services Co., Ltd. (杭州阿里媽媽軟件服務有限公司)	Subsidiary of corporate that has a significant impact on the Company	1,594	–	2,809	–
Shanghai Zhenyang Decoration Co., Ltd. (上海振洋建築裝潢工程有限公司) <sup>(1)</sup>	Associate	N/A	N/A	1,480	–
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,029	–	177	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Prepayments (continued)</b>					
Wuhan Hanyang Sixin Property Management Service Co., Ltd. (武漢漢陽四新物業管理服務有限公司)	Subsidiary of an associate	913	–	–	–
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	902	–	902	–
Shanghai AI.Pure Intelligent Technology Co., Ltd. (上海智諦智能科技有限公司)	Associate	765	–	765	–
Shanghai Jiazhan Construction Engineering Company Limited (上海嘉展建築裝潢工程有限公司)	Associate	573	–	573	–
Weihai Macalline Property Management Service Co., Ltd. (威海美凱龍物業管理服務有限公司)	Subsidiary of an associate	212	–	–	–
Sunsea Parking Holdings Limited and its subsidiaries and branches (陽光海天停車控股有限公司及其附屬、分公司)	Subsidiary of an associate	200	–	41	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Prepayments (continued)</b>					
CSSC Cruise Industry Development (Shanghai) Co., Ltd. (中船郵輪產業發展(上海)有限公司)	Associate	190	–	185	–
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	167	–	80	–
Tao Bao (China) Software Co., Ltd. (淘寶(中國)軟件有限公司)	Subsidiary of corporate that has a significant impact on the Company	101	–	116	–
Huizhou Better Life Furniture Co., Ltd. (惠州美好生活傢俱有限公司)	Subsidiary of an associate	90	–	–	–
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	86	–	124	–
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	78	–	158	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Prepayments (continued)</b>					
Alibaba Cloud Computing Co., Ltd (阿里雲計算有限公司)	Subsidiary of corporate that has a significant impact on the Company	77	–	555	–
Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限公司)	Associate	73	–	67	–
Beijing Allgf Cultural and Scientific Consultation Co., Ltd. (北京國富縱橫文化科技諮詢股份有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	66	–	–	–
Xuzhou Red Star Macalline International Furniture Decoration City Co., Ltd. (徐州紅星美凱龍國際傢俱裝飾城有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	61	–	131	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Prepayments (continued)</b>					
Shanghai CTME Economy & Trade Development Co., Ltd. (上海中貿美凱龍經貿發展有限公司)	Joint venture	47	–	195	–
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	45	–	151	–
Alibaba (China) Technology Co., Ltd. (阿里巴巴(中國)網絡技術有限公司)	Subsidiary of corporate that has a significant impact on the Company	15	–	89	–
Liuzhou Lianfa Shengtai Property Service Co., Ltd. (柳州聯發盛泰物業服務有限公司)	Corporate controlled by the largest shareholder	6	–	N/A	N/A
Shenzhen Dream Maker Household Co., Ltd. (造夢者家居(深圳)有限公司)	Corporate with family member who has a close relationship with the former actual controller served as director or executive	6	–	–	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Prepayments (continued)</b>					
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	4	–	45	–
Asia New Materials (Beijing) Building Materials Co., Ltd. (亞細亞新材(北京)建築材料有限公司)	Subsidiary of an associate	2	–	6	–
Chongqing Jinke Zhongjun Real Estate Development Co., Ltd. (重慶金科中俊房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	1	–	1	–
Hang Zhou Nobel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	0	–	0	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Prepayments (continued)</b>					
Shanghai Macalline Aijia Real Estate Management Consulting Co., Ltd. (上海美凱龍愛家房地產管理諮詢有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	-	-	253	-
Chongqing Xinshengyue Media Co., Ltd (重慶鑫生悅傳媒有限公司) <sup>(1)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	N/A	N/A	170	-
Zhejiang Alibaba Communication Technology Co., Ltd. (浙江阿里巴巴通信技術有限公司)	Subsidiary of corporate that has a significant impact on the Company	-	-	108	-
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司)	Subsidiary of corporate that has a significant impact on the Company	-	-	80	-

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Prepayments (continued)</b>					
Changzhou Aegean Ole Business Management Co., Ltd. (常州愛琴海奧萊商業管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	-	-	60	-
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Associate	-	-	22	-
Binzhou Ginza Home Furnishings Co., Ltd (濱州銀座家居有限公司)	Subsidiary of an associate	-	-	15	-
		<b>21,187</b>	<b>-</b>	<b>20,310</b>	<b>-</b>

Note 1: These companies ceased to be considered as related parties during the period ended 30 June 2023.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Deposit and other receivable</b>					
Shanghai Mingyi Enterprise Development Co., Ltd. (上海名藝商業企業發展有限公司)	Joint venture	173,000	8,650	173,000	8,650
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	31,001	0	31,002	0
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	27,872	9,040	27,840	6,892
Shanghai Macalline Property Management Service Co., Ltd. and its subsidiaries and branches (上海美凱龍物業管理服務有限公司及其附屬、分公司)	Associate	8,162	1	–	–
Shanghai Xingyue Property Service Co., Ltd. and its branches (上海星悅物業服務有限公司及其分公司)	Subsidiary of an associate	5,578	513	–	–
Shenzhen Red Star Macalline Century Center Home Furnishing Plaza Company Limited (深圳紅星美凱龍世紀中心家居生活廣場有限公司)	Corporate which the director, supervisor or senior management has a position	5,265	5,265	5,265	5,265

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Deposit and other receivable (continued)</b>					
Yunnan Red Star Macalline Real Estate Co., Ltd. (雲南紅星美凱龍置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	4,031	4,031	4,031	4,031
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	2,408	221	–	–
Shanghai Yunshen Intelligent Technology Co., Ltd. (上海雲紳智能科技有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,200	1	1,200	1
Xuzhou Red Star Macalline International Furniture Decoration City Co., Ltd. (徐州紅星美凱龍國際傢俱裝飾城有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	1,010	93	–	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Deposit and other receivable (continued)</b>					
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	665	61	–	–
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Associate	281	12	–	–
Chongqing Jinke Zhongjun Real Estate Development Co., Ltd. (重慶金科中俊房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	240	0	240	0
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	Joint venture	213	0	200	0
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司)	Subsidiary of corporate that has a significant impact on the Company	210	0	150	0

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Deposit and other receivable (continued)</b>					
Alibaba (China) Technology Co., Ltd. (阿里巴巴(中國)網絡技術有限公司)	Subsidiary of corporate that has a significant impact on the Company	210	0	270	0
Quzhou Huicheng Ole Business Management Co., Ltd. (衢州市慧城奧萊商業管理有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	150	0	150	0
Shanghai Yuanxing Huanyu Real Estate Group Co., Ltd (上海遠星寰宇房地產集團有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	20	0	20	0
Jinke Smart Service Group Co., Ltd. and its branches (金科智慧服務集團股份有限公司及其分公司) <sup>(1)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	N/A	N/A	5	0

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Deposit and other receivable (continued)</b>					
Xiamen Liankehui Community Service Co., Ltd. (廈門聯客薈社區服務有限公司)	Corporate controlled by the largest shareholder	5	0	–	–
Hangzhou Nabel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	4	4	–	–
Suzhou Supin Home Culture Co., Ltd. (蘇州市蘇品宅配文化有限公司)	Associate	3	3	82	82
Zhengzhou Xingbo Real Estate Development Co., Ltd. (鄭州星鉑房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	3	0	11	0
Liuzhou Lianfa Shengtai Property Service Co., Ltd. (柳州聯發盛泰物業服務有限公司)	Corporate controlled by the largest shareholder	2	0	N/A	N/A

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Deposit and other receivable (continued)</b>					
Hangzhou Alimama Software Services Co., Ltd. (杭州阿里媽媽軟件服務有限公司)	Subsidiary of corporate that has a significant impact on the Company	-	-	526	1
Anhui Tenghui Investment Group Hefei Co., Ltd. (安徽騰輝投資集團合肥有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	-	-	500	500
Jinan Xinglong Real Estate Development Co., Ltd. (濟南星龍房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	-	-	100	0
Shenzhen Red Star Macalline Expo Home Plaza Co., Ltd. (深圳紅星美凱龍世博家居廣場有限公司)	Joint venture	-	-	1	0
		<b>261,533</b>	<b>27,895</b>	244,593	25,422

Note 1: These companies ceased to be considered as related parties during the period ended 30 June 2023.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Contract assets</b>					
Quzhou Huicheng Ole Business Management Co., Ltd. (衢州市慧城奧萊商業管理有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	137,072	7,539	66,754	532
Yangzhou Xinglong Real Estate Development Co., Ltd. (揚州星龍房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	62,309	3,427	48,348	385
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	45,668	2,512	50,167	400
Xi'an Jiahexing Home Furnishing Co., Ltd. (西安佳和興家居有限責任公司)	Associate	39,771	7,731	117,873	939

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Contract assets (continued)</b>					
Shanghai Luochang Enterprise Management Co., Ltd. (上海洛昶企業管理有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	25,215	1,387	30,057	239
Changchun Red Star Macalline Real Estate Development Co., Ltd. (長春紅星美凱龍房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	3,411	188	3,411	27
Hengshui Xinglong Real Estate Development Co., Ltd. (衡水星龍房地產開發有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	2,053	113	1,090	9
Xining Yuanhong Real Estate Development Co., Ltd (西寧遠鴻房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	1,156	64	880	7

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Contract assets (continued)</b>					
Ningbo Kailong Property Company Limited (寧波凱龍置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,056	154	2,313	18
Taiyuan Shuangmingzhikun Real Estate Development Co., Ltd. (太原雙明智坤房地產開發有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	753	41	787	6
Dalian Xingkai Commercial Management Co., Ltd (大連星凱商業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	704	39	764	6
Taiyuan Shuangming Kailong Real Estate Development Co., Ltd. (太原雙明凱龍房地產開發有限公司)	Corporate with family member who has a close relationship with the former actual controller served as director or executive	255	14	255	2

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Contract assets (continued)</b>					
Kunming Yuanhonghui Real Estate Co., Ltd (昆明遠鴻匯房地產有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	128	7	256	2
Ningbo Huixin Real Estate Co., Ltd (寧波匯鑫置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	127	40	44	0
Dalian Xingqin Commercial Management Co., Ltd (大連星琴商業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	95	5	95	1
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	94	5	261	2

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance RMB'000 (Unaudited)	Bad debt Allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt Allowance RMB'000 (Audited)
<b>Contract assets (continued)</b>					
Liuzhou Red Star Macalline Real Estate Co., Ltd. (柳州紅星美凱龍置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	86	21	86	1
Shanghai CTME Economy & Trade Development Co., Ltd. (上海中質美凱龍經貿發展有限公司)	Joint venture	69	12	668	5
Shanghai Macalline Aijia Real Estate Management Consulting Co., Ltd. (上海美凱龍愛家房地產管理諮詢有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	-	-	111	1
		<b>320,022</b>	<b>23,299</b>	324,220	2,582

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Note receivables</b>					
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市 海新美凱投資有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	8,000	-	-	-
		8,000	-	-	-

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Deposit and other receivables (non-current)</b>					
Chengdu Xingyuan Real Estate Co., Ltd (成都星遠置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	247,705	–	247,705	–
Xi'an Hongxing Jiaxin Home Furnishing Co., Ltd (西安紅星佳鑫家居有限公司)	Associate	25	0	25	0
		<b>247,730</b>	<b>0</b>	<b>247,730</b>	<b>0</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Loan receivables (non-current)</b>					
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣 場有限公司)	Joint venture	5,000	50	5,000	50
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星 美凱龍商業管理有限公司)	Joint venture	4,391	44	26,805	268
Xi'an Jiahexing Home Furnishing Co., Ltd. (西安 佳和興家居有限責任公司)	Associate	-	-	581,314	5,813
		<b>9,391</b>	<b>94</b>	613,119	6,131

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023		31 December 2022	
		Book balance <i>RMB'000</i> (Unaudited)	Bad debt Allowance <i>RMB'000</i> (Unaudited)	Book balance <i>RMB'000</i> (Audited)	Bad debt Allowance <i>RMB'000</i> (Audited)
<b>Loan receivables</b>					
Xi'an Jiahexing Home Furnishing Co., Ltd. (西安佳 和興家居有限責任公司)	Associate	492,485	4,925	7,000	70
Shanghai Mingyi Enterprise Development Co., Ltd. (上海 名藝商業企業發展有限公司)	Joint venture	6,913	69	6,685	67
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星 美凱龍商業管理有限公司)	Joint venture	23,210	232	–	–
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣 場有限公司)	Joint venture	76	1	77	1
		522,684	5,227	13,762	138

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Trade payables</b>			
Shanghai Macalline Property Management Service Co., Ltd. and its subsidiaries and branches (上海美凱龍物業管理服務有限公司及其附屬、分公司)	Associate	112,992	88,561
Shanghai Xingyue Property Service Co., Ltd. and its branches (上海星悅物業服務有限公司及其分公司)	Subsidiary of an associate	69,703	60,683
Shanghai Xingzhiyu Commercial Management Co., Ltd. (上海星之域商業經營管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	18,393	10,353
Shanghai Xincheng'an Construction Co., Ltd. (上海鑫誠安建設有限公司)	Associate	16,476	20,300
Shanghai Jiazhan Construction Engineering Company Limited (上海嘉展建築裝潢工程有限公司)	Associate	10,635	19,640

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Trade payables (continued)</b>			
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	4,235	4,824
Shanghai Yuanxing Huanyu Real Estate Group Co., Ltd (上海遠星寰宇房地產集團有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	2,587	2,587
Alibaba Cloud Computing Limited (阿里雲計算有限公司)	Subsidiary of corporate that has a significant impact on the Group	897	558
Sunsea Parking Holdings Limited and its subsidiaries and branches (陽光海天停車控股有限公司及其附屬、分公司)	Subsidiary of an associate	213	28
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	207	202
Beijing Allgf Cultural and Scientific Consultation Co., Ltd. (北京國富縱橫文化科技諮詢股份有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	159	337
Shanghai Shengyu Information Technology Co., Ltd (上海盛域信息技術有限公司)	Subsidiary of an associate	126	126
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	116	44

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Trade payables (continued)</b>			
Hangzhou Nabel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	101	101
Shaanxi Red Star Amule Decoration Engineering Co., Ltd. (陝西紅星愛木樂裝潢工程有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	39	N/A
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	33	84
Yimeijisi Optoelectronics Technology (Fujian) Co., Ltd. (誼美吉斯光電科技(福建)有限公司)	Associate	18	2,817
Shanghai Macalline Aijia Property Management Consulting Co., Ltd. (上海美凱龍愛家房地產管理諮詢有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	16	–
Shanghai Zhenyang Decoration Co., Ltd. (上海振洋建築裝潢工程有限公司) <sup>(1)</sup>	Associate	N/A	41,252
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司)	Subsidiary of corporate that has a significant impact on the Company	–	33,181
Hangzhou Alimama Software Services Co., Ltd. (杭州阿里媽媽軟件服務有限公司)	Subsidiary of corporate that has a significant impact on the Group	–	582
Chongqing Xinshengyue Media Co., Ltd (重慶鑫生悅傳媒有限公司) <sup>(1)</sup>	Corporate significantly influenced by the former controlling shareholder or the former actual controller	N/A	160

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Trade payables (continued)</b>			
Changzhou Red Star Furniture General Factory Co., Ltd. (常州市紅星傢俱總廠 有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	–	57
Suzhou Supin Home Culture Co., Ltd. (蘇 州市蘇品宅配文化有限公司)	Associate	–	39
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧 家(上海)物聯網科技有限公司)	Associate	–	38
Shanghai Yuanhe Commercial Development Co., Ltd (上海遠褐商業發 展有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	–	32
		<b>236,946</b>	286,586

Note 1: These companies ceased to be considered as related parties during the period ended 30 June 2023.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Other payables</b>			
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團 有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	257,391	–
Shandong Inzone Green Home Co., Ltd. and its subsidiaries (山東銀座家居有限公 司及其附屬公司)	Associate	137,904	162,225
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	90,295	92,333
Xiamen C&D Inc. (廈門建發股份有限公司)	Largest shareholder	83,437	N/A
CSSC Cruise Industry Development (Shanghai) Co., Ltd. (中船郵輪產業發展 (上海)有限公司)	Associate	49,764	66,764
Shenzhen Red Star Macalline Home Furnishing Plaza Company Limited (深圳 紅星美凱龍家居生活廣場有限公司)	Associate	35,323	35,323
Sunsea Parking Holdings Limited and its subsidiaries and branches (陽光海天停 車控股有限公司及其附屬、分公司)	Subsidiary of an associate	33,528	57,066
Shanghai Macalline Property Management Service Co., Ltd. and its subsidiaries and branches (上海美凱龍物業管理服務 有限公司及其附屬、分公司)	Associate	24,492	11,432
Lianfa Group Co., Ltd. (聯發集團有限公司)	Corporate controlled by the largest shareholder	20,903	N/A
Alibaba (China) Technology Co., Ltd. (阿里 巴巴(中國)網絡技術有限公司)	Subsidiary of corporate that has a significant impact on the Group	19,858	–
Wuhan Zhengkai Logistics Co., Ltd. (武漢 市正凱物流有限公司)	Associate	6,231	6,381

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Other payables (continued)</b>			
Changzhou Meikai Information Technology Co., Ltd. (常州美開信息科技有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	5,442	–
Yimeijisi Optoelectronics Technology (Fujian) Co., Ltd. (誼美吉斯光電科技(福建)有限公司)	Associate	5,216	766
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	4,394	813
Shanghai Xincheng'an Construction Co., Ltd. (上海鑫誠安建設有限公司)	Associate	3,458	5,192
Alibaba (Chengdu) Software Technology Co., Ltd. (阿里巴巴(成都)軟件技術有限公司)	Subsidiary of corporate that has a significant impact on the Group	3,402	–
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	2,856	1,748
Guangzhou Huoshuyinhua Information Technology Co., Ltd (廣州火數銀花信息科技有限公司)	Associate	1,800	1,500
Hangzhou Nabel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	1,602	665
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	1,647	1,597

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Other payables (continued)</b>			
Tibet Yiyong Enterprise Management Co., Ltd. (西藏奕盈企業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,440	–
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Associate	1,068	460
Shanghai Xinhua Chengcheng Asset Management Co., Ltd. (上海新華成城資產管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,000	–
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	603	296
Shanghai Jiazhan Construction Engineering Company Limited (上海嘉展建築裝潢工程有限公司)	Associate	592	930
Shanghai Yuansuo Property Co., Ltd (上海遠繡物業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	584	584
Nanjing Oukailong Home Furnishing Co., Ltd. (南京歐凱龍家居有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	494	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Other payables (continued)</b>			
Shanghai Yuanxing Huanyu Real Estate Group Co., Ltd and its branches (上海遠星寰宇房地產集團有限公司及其分公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	463	429
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Joint venture	457	391
Shenzhen Red Star Macalline Expo Home Plaza Co., Ltd. (深圳紅星美凱龍世博家居廣場有限公司)	Joint venture	372	456
Shengbao (Shanghai) Intelligent Technology Co., Ltd. (晟葆(上海)智能科技有限公司)	Associate	240	76
Chongqing Ocean Red Star Enterprise Development Co., Ltd (重慶遠洋紅星企業發展有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	200	200
Xi'an Jiahexing Home Furnishing Co., Ltd. (西安佳和興家居有限責任公司)	Associate	179	420,000
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	Joint venture	170	369
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	100	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Other payables (continued)</b>			
Jiangsu Baili Aijia Household Technology Co., Ltd. (江蘇佰麗愛家家居科技有限公司)	Associate	95	–
Sichuan Intelligent Meizhai Decoration Design Engineering Co., Ltd. (四川智能美宅裝飾設計工程有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	81	–
Mex Smart Home (Shen Zhen) Co., Ltd. (美時智能家居(深圳)有限公司)	Subsidiary of an associate	80	–
Xiamen Synbop Technology Co., Ltd. (廈門絲柏科技有限公司)	Corporate controlled by the largest shareholder	52	–
Suzhou Supin Home Culture Co., Ltd. (蘇州市蘇品宅配文化有限公司)	Associate	51	–
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	Associate	50	50
Anka Household Products (Shanghai) Co., Ltd. (安咖家居用品(上海)有限公司)	Associate	50	–
Changzhou Red Star Furniture General Factory Co., Ltd. (常州市紅星傢俱總廠有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	42	2
Hangzhou Nabel Group Co., Ltd. and its branches (杭州諾貝爾集團有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	80	41

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Other payables (continued)</b>			
Asia New Materials (Beijing) Building Materials Co., Ltd. (亞細亞新材(北京)建 築材料有限公司)	Subsidiary of an associate	40	28
Beijing Allgf Cultural and Scientific Consultation Co., Ltd. (北京國富縱橫文 化科技諮詢股份有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	27	78
Shanghai Tianhe Smart Home Technology Company Ltd. (上海天合智能科技股份 有限公司)	Associate	27	108
Hangzhou Feishi Bath & Kitchen Products Co., Ltd. (杭州菲氏浴廚用品有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	20	–
Yangzhou Kailong Consulting Co., Ltd. (揚 州凱龍管理諮詢有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	12	12
Business Division of Nanjing Pukou Lilicheng Furniture (南京市浦口區立力成 傢俱經營部)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	5	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Other payables (continued)</b>			
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	1	1,116
Shanghai Mingyi Enterprise Development Co., Ltd. (上海名藝商業企業發展有限公司)	Joint venture	–	180,000
Shanghai Xingyue Property Service Co., Ltd. and its branches (上海星悅物業服務有限公司及其分公司)	Subsidiary of an associate	–	3,399
Shanghai Zhenyang Decoration Co., Ltd. (上海振洋建築裝潢工程有限公司) <sup>(1)</sup>	Associate	N/A	1,772
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	–	11
Nanchang Xinshi Enterprise Management Co., Ltd (南昌歆獅企業管理有限公司)	Joint venture	–	2,500
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	9,603	7,661
		<b>807,221</b>	<b>1,064,774</b>

Note 1: These companies ceased to be considered as related parties during the period ended 30 June 2023.

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

		30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Relationship with the Group			
<b>Bills payables</b>			
Shanghai Jiazhan Construction Engineering Company Limited (上海嘉展 建築裝潢工程有限公司)	Associate	8,178	–
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科 技有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	900	–
		<b>9,078</b>	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Rental and service fee received in advance</b>			
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Associate	400	234
Hangzhou Nabel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	236	590
Hangzhou Nabel Group Co., Ltd. and its branches (杭州諾貝爾集團有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	228	229
Beijing Hema Network Technology Co., Ltd. (北京盒馬網絡科技有限公司)	Subsidiary of corporate that has a significant impact on the Company	132	127
Nanjing Oukailong Home Furnishing Co., Ltd. (南京歐凱龍家居有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	51	–
Shanghai Tianhe Smart Home Technology Company Ltd. and its branches (上海天合智能科技股份有限公司及其分公司)	Associate	25	84
Shengbao (Shanghai) Intelligent Technology Co., Ltd. (晟葆(上海)智能科技有限公司)	Associate	17	2

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Rental and service fee received in advance (continued)</b>			
Sichuan Intelligent Meizhai Decoration Design Engineering Co., Ltd. (四川智能美宅裝飾設計工程有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	5	–
QIAN Zhongxiang (錢忠祥) <sup>(1)</sup>	Family member who has a close relationship with former director, supervisor, or senior management	N/A	3
Asia New Materials (Beijing) Building Materials Co., Ltd. (亞細亞新材(北京)建築材料有限公司)	Subsidiary of an associate	3	3
Changzhou Yizhi International Trade Co., Ltd. (常州市藝致國際貿易有限公司) <sup>(1)</sup>	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	N/A	8
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	Associate	–	107
		<b>1,097</b>	<b>1,387</b>

Note 1: These companies and individual ceased to be considered as related parties during the period ended 30 June 2023.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Contract liabilities</b>			
Chongqing Jinke Real Estate Development Co., Ltd. (重慶金科房地產開發有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	240,566	240,566
Sunsea Parking Holdings Limited and its subsidiaries and branches (陽光海天停車控股有限公司及其附屬、分公司)	Subsidiary of an associate	27,646	37,617
Dalian Red Star Macalline Investment Development Co., Ltd. (大連紅星美凱龍投資發展有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	6,444	–
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Associate	3,367	1,952
Shanghai Qiaotong Enterprise Management Co., Ltd. (上海喬彤企業管理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	3,022	3,022
Hangzhou Nabel Ceramics Co., Ltd. and its branches (杭州諾貝爾陶瓷有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	2,675	3,302
Kunming Yuanhonghui Real Estate Co., Ltd (昆明遠鴻匯房地產有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	2,554	2,554

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Contract liabilities (continued)</b>			
Taiyuan Shuangming Kailong Real Estate Development Co., Ltd. (太原雙明凱龍房地產開發有限公司)	Corporate with family member who has a close relationship with the former actual controller served as director or executive	2,104	–
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	1,677	2,625
Mex Smart Home (Shen Zhen) Co., Ltd. (美時智能家居(深圳)有限公司)	Subsidiary of an associate	972	939
Wuhu Minghui Business Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Joint venture	851	–
Ningbo Kailong Property Company Limited (寧波凱龍置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	805	805
Shenzhen Long Life Basics Sleep Science and Technology Co., Ltd. (深圳市朗樂福睡眠科技有限公司) <sup>(1)</sup>	Associate	N/A	193
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	618	575
Anka Household Products (Shanghai) Co., Ltd. (安咖家居用品(上海)有限公司)	Associate	604	604

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Contract liabilities (continued)</b>			
LEAWOD Door and Window Group Co., Ltd. (良木道門窗集團有限公司) <sup>(1)</sup>	Associate	N/A	42
Xiangshan Kaisheng Real Estate Co., Ltd. (象山凱勝置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	398	398
Liuzhou Red Star Macalline Real Estate Co., Ltd. (柳州紅星美凱龍置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	382	382
Huai'an Xinmeilong Real Estate Co., Ltd. (淮安新美龍置業有限公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	223	223
Shanghai Macalline Aijia Property Management Consulting Co., Ltd. (上海美凱龍愛家房地產管理諮詢有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	154	–
Tianjin Macalline Real Estate Co., Ltd. (天津美凱龍置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	77	61
Hengshui Xinglong Real Estate Development Co., Ltd. (衡水星龍房地產開發有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	51	5,996

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

		30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Contract liabilities (continued)</b>			
Suzhou Supin Home Culture Co., Ltd. (蘇州市蘇品宅配文化有限公司)	Associate	31	31
Shenzhen Dream Maker Household Co., Ltd. (造夢者家居(深圳)有限公司)	Corporate with family member who has a close relationship with the former actual controller served as director or executive	30	–
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint venture	28	371
Shanghai Hongmei Real Estate Co., Ltd. (上海洪美置業有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	16	16
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Joint venture	3	70
Hangzhou Nabel Group Co., Ltd. and its branches (杭州諾貝爾集團有限公司及其分公司)	Corporate controlled or invested by the family member who has a close relationship with the former actual controller	2	–
Shenzhen Red Star Macalline Expo Home Plaza Co., Ltd. (深圳紅星美凱龍世博家居廣場有限公司)	Joint venture	2	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Contract liabilities (continued)</b>			
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	–	153
Guangdong VIFA Customized Home Furnishings Co., Ltd. (廣東威法定制家居股份有限公司) <sup>(1)</sup>	Associate	N/A	94
Shanghai Brewster Environmental Protection Technology Co., Ltd (上海布魯斯特環保科技有限公司)	Subsidiary of an associate	–	47
		<b>295,302</b>	302,638

Note 1: These companies ceased to be considered as related parties during the period ended 30 June 2023.

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

		30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Relationship with the Group			
<b>Lease liabilities</b>			
Changzhou Red Star Home Furnishing City (常州市紅星裝飾城)	Corporate controlled by the former controlling shareholder or the former actual controller	17,461	23,112
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Corporate significantly influenced by the former controlling shareholder or the former actual controller	365	365
		17,826	23,477
<b>Lease liabilities (non-current)</b>			
Changzhou Red Star Home Furnishing City (常州市紅星裝飾城)	Corporate controlled by the former controlling shareholder or the former actual controller	–	5,549
		–	5,549

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Other payable (non-current)</b>			
Wuhu Red Star Macalline Equity Investment Fund Management Company Limited (蕪湖紅星美凱龍股權投資基金管 理有限公司)	Joint venture	9,800	9,800
		<b>9,800</b>	9,800

	Relationship with the Group	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
<b>Other non-current liabilities</b>			
Sunsea Parking Holdings Limited and its subsidiaries and branches (陽光海天停 車控股有限公司及其附屬、分公司)	Subsidiary of an associate	191,184	235,131
		<b>191,184</b>	235,131

## 25. RELATED PARTY TRANSACTIONS (continued)

### 1. Major Transactions between the Group and Related Parties (continued)

#### (4) Amounts due from/to related parties (continued)

		30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Relationship with the Group			
<b>Bank and other borrowings</b>			
Shanghai Red Star Macalline Commercial Factoring Company Limited (上海紅星美凱龍商業保理有限公司)	Corporate controlled by the former controlling shareholder or the former actual controller	9,418	34,918
		<b>9,418</b>	34,918

### 2. Key management personnel emoluments

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including directors of the Company and other key management of the Group. The key management personnel compensation are as follows:

	Six months ended 30 June 2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Key management personnel compensation	13,514	15,851

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 26. EVENTS AFTER THE REPORTING PERIOD

### The completion of the election of new session of the Board

The Company held the 69th extraordinary meeting of the 4th session of the Board on 26 July 2023, and approved proposals such as the Proposal on Nominating Candidates for Directors of the 5th session of the Board and the Proposal on Nominating Candidates for Independent Non-executive Directors of the 5th session of the Board; And on the same day, the 19th extraordinary meeting of the 4th session of the supervisory committee (the “**Supervisory Committee**”) of the Company was held, and the Proposal on Nominating Candidates for Independent Supervisors of the 5th session of the Supervisory Committee of the Company was considered and approved. The third extraordinary general meeting of shareholders for 2023 was held on 15 August 2023, and the proposals for electing Directors of the fifth session of the Board, independent non-executive Directors of the fifth session of the Board, and independent Supervisors of the fifth session of the Supervisory Committee were reviewed and passed.

After completing the election of the Board and Supervisory Committee, the Company held the first temporary meeting of the fifth session of the Board and the first temporary meeting of the fifth session of the Supervisory Committee on the same day, and considered and approved matters related to the election of the chairman of the fifth session of the Board, the chairman of the fifth session of the Supervisory Committee, members of specialized committees of the Board, and the appointment of senior management personnel, securities affairs representatives, etc. Members of the 5th Board of Directors: Mr. Zheng Yongda (Chairman), Mr. Wang Wenhui, Mr. Zou Shaorong, Mr. Che Jianxing, Mr. Li Jianhong, Mr. Shi Yaofeng, Mr. Yang Yingwu, Ms. Xu Di, Mr. Song Guangbin, Mr. Xue Wei (independent non-executive Director), Mr. Huang Jianzhong (independent non-executive Director), Mr. Chen Shanang (independent non-executive Director), Mr. Wong Chi Wai (independent non-executive Director), and Mr. Cai Qinghui (independent non-executive Director).

For details, please refer to the announcements disclosed on the Company’s designated domestic media on 27 July and 16 August 2023, and the website (<http://www.hkexnews.hk>) on the Hong Kong Stock Exchange on 26 July and 15 August, respectively.