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建業地產股份有限公司 *

Central China Real Estate Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0832)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

FINANCIAL HIGHLIGHTS

- Revenue for the six months ended 30 June 2024 amounted to approximately RMB7,243 million, a decrease of 10.3% compared with the corresponding period in 2023.
- Gross profit for the period amounted to approximately RMB684 million, a decrease of 35.2% compared with the corresponding period in 2023.
- Gross profit margin for the period was 9.4%, a decrease of 3.7 percentage points compared with the corresponding period in 2023.
- Loss attributable to equity shareholders of the Company for the period amounted to approximately RMB2,609 million (30 June 2023: approximately RMB1,192 million).
- Loss for the period amounted to approximately RMB2,826 million (30 June 2023: approximately RMB1,169 million).
- Basic loss per share for the period was RMB88.45 cents (30 June 2023: RMB40.67 cents).

* For identification purposes only

INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of Central China Real Estate Limited (the “**Company**”) hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2024, together with the relevant comparative figures in 2023 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2024

(Expressed in Renminbi)

		Six months ended 30 June	
		2024	2023
	Note	RMB'000	RMB'000
		Unaudited	Unaudited
Revenue	3	7,243,098	8,074,292
Cost of sales		<u>(6,558,788)</u>	<u>(7,018,751)</u>
Gross profit		684,310	1,055,541
Other revenue	4	5,380	183,910
Other net losses	4	(773,927)	(50,266)
Write-down of inventories		(898,094)	(793,272)
Selling and marketing expenses		(208,381)	(361,289)
General and administrative expenses		(334,123)	(392,342)
Impairment losses on trade and other receivables and contract assets		<u>(310,479)</u>	<u>(68,540)</u>
		(1,835,314)	(426,258)
Finance costs	5	(515,381)	(512,091)
Share of profits less losses of associates		(12,476)	36,925
Share of profits less losses of joint ventures		<u>(92,246)</u>	<u>2,700</u>
Loss before change in fair value of investment properties and income tax		(2,455,417)	(898,724)
Net valuation (loss)/gain on investment properties		<u>(48,310)</u>	<u>169,535</u>
Loss before taxation	5	(2,503,727)	(729,189)
Income tax	6	<u>(322,588)</u>	<u>(439,440)</u>
Loss for the period		<u>(2,826,315)</u>	<u>(1,168,629)</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2024 (Continued)

(Expressed in Renminbi)

		Six months ended 30 June	
		2024	2023
	Note	RMB'000	RMB'000
		Unaudited	Unaudited
Attributable to:			
Equity shareholders of the Company		(2,609,388)	(1,191,967)
Non-controlling interests		<u>(216,927)</u>	<u>23,338</u>
Loss for the period		<u>(2,826,315)</u>	<u>(1,168,629)</u>
Loss per share	7		
– Basic (RMB cents)		(88.45)	(40.67)
– Diluted (RMB cents)		<u>(88.45)</u>	<u>(40.67)</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2024

(Expressed in Renminbi)

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	Unaudited	Unaudited
Loss for the period	(2,826,315)	(1,168,629)
Other comprehensive expense for the period (after tax and reclassification adjustments)		
<i>Items that will not be reclassified to profit or loss:</i>		
Equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling)	376	50,673
Exchange differences on translation of financial statements to the presentation currency	(122,690)	(269,209)
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on arising on a monetary item that forms part of net investment in foreign operations	(38,994)	(174,726)
Other comprehensive expense for the period	(161,308)	(393,262)
Total comprehensive expense for the period	(2,987,623)	(1,561,891)
Attributable to:		
Equity shareholders of the Company	(2,770,696)	(1,585,229)
Non-controlling interests	(216,927)	23,338
Total comprehensive expense for the period	(2,987,623)	(1,561,891)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2024

(Expressed in Renminbi)

		At 30 June 2024 <i>RMB'000</i> Unaudited	At 31 December 2023 <i>RMB'000</i> Audited
	<i>Note</i>		
Non-current assets			
Property, plant and equipment		8,481,159	8,787,050
Investment properties		4,201,880	4,301,530
Goodwill and other intangible assets		262,146	877,107
Biological assets		113,636	108,945
Interests in associates	8	1,042,366	953,616
Interests in joint ventures	9	3,897,725	3,868,020
Other financial assets		611,550	617,254
Deferred tax assets		96,302	95,357
		<u>18,706,764</u>	<u>19,608,879</u>
Current assets			
Trading securities		3,080	2,424
Biological assets		25,882	26,610
Inventories and other contract costs	10	72,343,179	75,552,395
Contract assets		47,847	47,847
Trade and other receivables	11	6,032,390	6,749,071
Deposits and prepayments	12	9,853,237	10,178,789
Tax recoverable		2,873,121	2,976,171
Restricted bank deposits		1,115,207	1,756,104
Cash and cash equivalents		460,925	388,174
		<u>92,754,868</u>	<u>97,677,585</u>
Current liabilities			
Bank loans	13	(4,124,430)	(4,680,946)
Other loans	14	(1,532,560)	(1,532,560)
Trade and other payables	15	(54,214,757)	(52,173,609)
Contract liabilities		(34,972,124)	(39,396,196)
Senior notes	16	(13,980,017)	(13,865,495)
Lease liabilities		(43,963)	(20,207)
Taxation payable		(1,764,928)	(1,589,059)
		<u>(110,632,779)</u>	<u>(113,258,072)</u>
Net current liabilities		<u>(17,877,911)</u>	<u>(15,580,487)</u>
Total assets less current liabilities		<u>828,853</u>	<u>4,028,392</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2024 (Continued)

(Expressed in Renminbi)

		At 30 June 2024 <i>RMB'000</i> Unaudited	At 31 December 2023 <i>RMB'000</i> Audited
	<i>Note</i>		
Non-current liabilities			
Bank loans	13	(3,983,531)	(3,431,541)
Lease liabilities		(222,168)	(212,427)
Deferred tax liabilities		(1,034,957)	(1,057,100)
		<u>(5,240,656)</u>	<u>(4,701,068)</u>
NET LIABILITIES		<u>(4,411,803)</u>	<u>(672,676)</u>
CAPITAL AND RESERVES			
Share capital		266,528	266,528
Share premium and reserves		<u>(5,520,461)</u>	<u>(2,411,198)</u>
Total deficit attributable to equity shareholders of the Company		(5,253,933)	(2,144,670)
Non-controlling interests		<u>842,130</u>	<u>1,471,994</u>
TOTAL DEFICIT		<u>(4,411,803)</u>	<u>(672,676)</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Renminbi unless otherwise indicated)

Central China Real Estate Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands on 15 November 2007. Its principal place of business is at Units 1602-1605, 16/F, Tower 2, The Gateway, Harbour City, 25 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong and has its registered office at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. This interim financial report as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as “**the Group**”) and the Group’s interests in associates and joint ventures. The principal activity of the Company is investment holding and the Group are principally engaged in property development, property leasing and hotel operations in Henan Province in the People’s Republic of China (“**the PRC**”).

1 BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 June 2024 have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Multiple material uncertainties relating to going concern

The Group incurred a net loss of RMB2,826 million for the six months ended 30 June 2024. As at 30 June 2024, the Group’s net current liabilities and net liabilities amounted to RMB17,878 million and RMB4,412 million respectively, total bank and other loans and senior notes amounted to RMB23,621 million, out of which bank and other loans of RMB5,657 million and offshore senior notes of RMB13,980 million will be due for repayment within the next twelve months, while its cash and cash equivalents amounted to RMB461 million.

During the six months ended 30 June 2024, despite the ongoing relaxed policy environment, the property market did not show a clear recovery due to factors such as weak expectations for household income and the anticipation of price declines. The market continued to exhibit a trend of “price-for-volume,” and overall, it remained in a process of continued bottoming out. As a result, pre-sale of Chinese property developers has continued to decrease during the six months ended 30 June 2024. The Group also experienced a significant decline of its contracted sales in this period. Although the Chinese governments has announced an array of policies to shore up the sector recently, the local market condition in the real estate sector of Henan Province still needs time to recover. Therefore, the Company anticipates that in the absence of a strong and quick recovery in the local market of Henan Province, the Group’s real estate operation in Henan Province remains under pressure in the near term.

On 23 June 2023, the Company announced that it would suspend payments to all offshore creditors (the “**Default**”) to ensure fair treatment among all offshore creditors. Such non-payment may lead to the Group’s creditors demanding acceleration of repayment of their debts and/or take actions pursuant to the respective terms of the relevant financing arrangements. As at 30 June 2024, the Group’s total existing offshore senior notes amounted to RMB13,980 million, such that they become due for immediate redemption once the relevant senior noteholder makes the request under the cross-default provision. If any of the senior note holders request immediate redemption of any of the senior notes and the Group cannot fulfill the request, the senior noteholders are entitled to take possession of the assets securing the senior notes

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

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

- (i) On 20 July 2023, the Group announced to seek a holistic solution to the offshore debts situation (the “**Holistic Solution**”) in order to ensure the sustainability of the operations. The Group has appointed BNP Paribas Securities (Asia) Limited and Haitong International Securities Company Limited as its financial advisors and Linklaters as its legal advisor. The Group is actively seeking communication with offshore creditors in order to provide a Holistic Solution to resolve its current liquidity issue;
- (ii) The Group continues to negotiate with existing lenders, including banks and other financial institutions, material shareholders of the Company and state-owned real-estate funds, on the renewal or extension of the Group’s certain borrowings and seek for additional financing to settle its existing financial obligations and future operating expenditure;
- (iii) The Group continues to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties held for sale, and to speed up the collection of sales proceeds and other receivables;
- (iv) The Group closely monitors the process of construction of its property development projects to ensure that construction and related payments are fulfilled, the relevant properties sold under pre-sale arrangement are completed and delivered to the customers on schedule, such that the Group is able to release restricted pre-sale proceeds as planned, while maintaining more stringent cost control measures;
- (v) The Group will not commit on significant capital expenditures and land acquisitions before securing the necessary funding;

- (vi) The Group will continue to control administrative costs and contain unnecessary capital expenditures to preserve liquidity. The Group will also continue to actively assess additional measures to further reduce discretionary spending; and
- (vii) The Group has been proactive in seeking ways to settle the outstanding litigations of the Group. The Group has made relevant provisions for litigations and claims and will seek to reach an amicable solution on the charges and payment terms to the claims and litigations which have not yet reached a definite outcome.

The directors of the Company have reviewed the Group's cash flow projections prepared by management which cover a period of not less than twelve months from 30 June 2024 and consider multiple material uncertainties exist as to whether the Group will be able to achieve the plans and measures as described above. Specifically, whether the Group will be able to continue as a going concern will depend on the following:

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

The directors of the Company consider that, assuming the success of all the above-mentioned assumptions, plans and measures, the Group will have sufficient working capital to finance its operations and to meet its obligations as and when they fall due for at least twelve months from 30 June 2024. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

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

2 PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value:

- investment property, including interests in leasehold land and buildings held as investment property where the Group is the registered owner of the property interest;
- investments in debt and equity securities;
- derivative financial instruments; and
- biological assets.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except as described below.

Application of amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRSs issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2024:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and the related amendments to Hong Kong Interpretation 5 (2020)
	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

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

(i) Disaggregation of revenue

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

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Revenue from contracts with customers within the scope of HKFRS15		
Disaggregation by major products or service lines		
– Sales of properties	6,769,445	7,674,028
– Revenue from hotel operations	168,750	172,831
– Others	275,323	169,019
	<u>7,213,518</u>	<u>8,015,878</u>
Revenue from other sources		
Rental income from investment properties	26,056	55,875
Rental income from properties for sale	3,524	2,539
	<u>29,580</u>	<u>58,414</u>
	<u>7,243,098</u>	<u>8,074,292</u>

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

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Point in time		
– Sales of properties	6,357,365	6,697,941
– Revenue from hotel operations	168,750	172,831
– Others	275,323	169,019
	6,801,438	7,039,791
Over time		
– Sales of properties	412,080	976,087
	7,213,518	8,015,878

(b) Segment reporting

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

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

(ii) Geographic information

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

4 OTHER REVENUE AND OTHER NET (LOSSES)/INCOME

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Other revenue		
Government grants	3,046	166,428
Interest income	2,237	8,602
Others	97	8,880
	<u>5,380</u>	<u>183,910</u>
Other net losses		
Impairment loss on goodwill	(610,244)	–
Net realised and unrealised gain/(loss) on trading securities	585	(1,137)
Penalty accruals	(149,726)	(81,220)
Net gain on deemed disposals and disposals of joint ventures	–	383
Net (loss)/gain on disposals of subsidiaries	(3,857)	3,934
Net (loss)/gain on deemed disposals and disposals of associates	(2,474)	40,599
Changes in fair value of biological assets less cost to sell	3,603	(28,858)
Net (loss)/gain on disposals of property, plant and equipment	(93)	115
Others	(11,721)	15,918
	<u>(773,927)</u>	<u>(50,266)</u>

5 LOSS BEFORE TAXATION

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

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
(a) Finance costs		
Interest on bank loans and other borrowings	1,076,735	1,182,649
Interest on lease liabilities	<u>6,518</u>	<u>7,773</u>
Total interest expense on financial liabilities not at fair value through profit or loss	1,083,253	1,190,422
Interest accrued on advance payments from customers	255,267	535,493
Less: interest expense capitalised into properties under development	<u>(823,139)</u>	<u>(1,218,364)</u>
	515,381	507,551
Net change in fair value of derivatives	<u>–</u>	<u>4,540</u>
	<u><u>515,381</u></u>	<u><u>512,091</u></u>
(b) Other items		
Amortisation	4,717	4,717
Depreciation charge		
– owned property, plant and equipment	167,022	104,413
– right-of-use assets	3,194	6,600
Cost of properties sold	<u><u>6,230,593</u></u>	<u><u>6,813,354</u></u>

6 INCOME TAX

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Current tax		
PRC Corporate Income Tax	184,095	220,895
PRC Land Appreciation Tax	<u>161,581</u>	<u>108,424</u>
	<u>345,676</u>	<u>329,319</u>
Deferred tax		
PRC Corporate Income Tax	(31,760)	98,409
PRC Land Appreciation Tax	<u>8,672</u>	<u>11,712</u>
	<u>(23,088)</u>	<u>110,121</u>
	<u>322,588</u>	<u>439,440</u>

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

(c) PRC Corporate Income Tax (“CIT”)

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

The PRC subsidiaries were subject to the actual taxation method, charged CIT at a rate of 25% (2023: 25%) on the estimated assessable profits for the period.

(d) Land Appreciation Tax (“LAT”)

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

(e) Withholding tax

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

7 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB2,609,388,000 (2023: loss of RMB1,191,967,000) and the weighted average of 2,950,066,090 ordinary shares (2023: 2,931,126,090 shares) in issue during the interim period.

(b) Diluted loss per share

As the Group incurred losses for the period ended 30 June 2024 and 2023, the deemed issue of ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share are the same as basic loss per share.

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

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Loss attributable to equity shareholders (diluted)	<u>(2,609,388)</u>	<u>(1,191,967)</u>

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

	Six months ended 30 June	
	2024	2023
	(unaudited)	(unaudited)
Weighted average number of ordinary shares at 30 June	<u>2,950,066,090</u>	<u>2,931,126,090</u>
Weighted average number of ordinary shares (diluted) at 30 June	<u>2,950,066,090</u>	<u>2,931,126,090</u>

8 INTEREST IN ASSOCIATES

	At	At
	30 June	31 December
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(audited)
Share of net assets	575,444	583,240
Amounts due from associates	<u>466,922</u>	<u>370,376</u>
	<u>1,042,366</u>	<u>953,616</u>

9 INTEREST IN JOINT VENTURES

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Share of net assets	1,445,427	1,479,477
Amounts due from joint ventures	<u>2,452,298</u>	<u>2,388,543</u>
	<u>3,897,725</u>	<u>3,868,020</u>

10 INVENTORIES AND OTHER CONTRACT COSTS

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Inventories		
– Properties held for future development and under development for sale	67,823,087	70,610,239
– Completed properties held for sale	4,299,244	4,715,069
– Others	<u>103,988</u>	<u>79,098</u>
	72,226,319	75,404,406
Other contract costs	<u>116,860</u>	<u>147,989</u>
	<u>72,343,179</u>	<u>75,552,395</u>

As at 30 June 2024, the Group's inventories of nil (31 December 2023: RMB360,473,000) were pledged as securities of joint ventures' loans.

11 TRADE AND OTHER RECEIVABLES

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Trade debtors and bills receivable, net of loss allowance (<i>note (a)</i>)	158,713	146,969
Other debtors	2,339,629	2,731,435
Amounts due from joint ventures	397,442	363,098
Amounts due from associates	493,316	553,216
Amounts due from entities controlled by the ultimate controlling shareholder	229,368	278,929
Amounts due from non-controlling interests	2,413,922	2,675,424
	6,032,390	6,749,071

(a) Aging analysis

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

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Within 3 months	68,950	51,297
3 to 6 months	12,446	18,562
6 to 12 months	16,244	19,751
Over 1 year	61,073	57,359
	158,713	146,969

Trade debtors and bills receivable are due upon the invoicing.

12 DEPOSITS AND PREPAYMENTS

At 30 June 2024, the balance included deposits and prepayments for leasehold land for development purpose of RMB7,832,866,000 (31 December 2023: RMB7,844,873,000), prepaid value-added tax and related surcharges of RMB185,789,000 (31 December 2023: RMB281,827,000) and prepayment to entities controlled by the ultimate controlling shareholder of RMB150,697,000 (31 December 2023: RMB150,379,000).

13 BANK LOANS

(a) As at 30 June 2024, bank loans were repayable as follows:

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Within 1 year or on demand	4,124,430	4,680,946
After 1 year but within 2 years	2,703,283	2,716,644
After 2 years but within 5 years	1,280,248	714,897
	<u>3,983,531</u>	<u>3,431,541</u>
	<u><u>8,107,961</u></u>	<u><u>8,112,487</u></u>

(b) As at 30 June 2024, the bank loans were secured as follows:

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Bank loans		
– secured	7,540,241	7,726,137
– unsecured	567,720	386,350
	<u>8,107,961</u>	<u>8,112,487</u>

- (c) As at 30 June 2024, the secured bank loans are secured over equity interest in subsidiaries of the Group and other assets as follows:

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Properties for sale	11,375,612	12,665,106
Property, plant and equipment	1,110,084	1,124,435
	<u>12,485,696</u>	<u>13,789,541</u>

14 OTHER LOANS

- (a) As at 30 June 2024, other loans were repayable as follows:

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Within 1 year	<u>1,532,560</u>	<u>1,532,560</u>

- (b) As at 30 June 2024, the other loans were secured as follows:

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Other loans – secured	<u>1,532,560</u>	<u>1,532,560</u>

- (c) As at 30 June 2024, the secured other loans are secured over interests in subsidiaries of the Group and other assets as follows:

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Properties for sale	4,297,809	3,425,142
Property, plant and equipment	296,996	163,268
	<u>4,594,805</u>	<u>3,588,410</u>

15 TRADE AND OTHER PAYABLES

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Trade creditors and bills payable (<i>note (a)</i>)	30,067,026	29,419,960
Other creditors and accrued charges	9,503,821	8,633,105
Interest payables	2,370,891	1,424,467
Amounts due to joint ventures	799,805	827,869
Amounts due to associates	61,610	54,135
Amounts due to entities controlled by the ultimate controlling shareholder	4,225,176	4,514,148
Amounts due to non-controlling interests	4,332,969	4,382,180
Amounts due to a shareholder with significant influence over the Group	770,636	774,955
Financial liabilities measured at amortised cost	52,131,934	50,030,819
Other tax payables	2,082,823	2,142,790
	54,214,757	52,173,609

(a) Aging analysis

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

	At 30 June 2024 <i>RMB'000</i> (unaudited)	At 31 December 2023 <i>RMB'000</i> (audited)
Within 3 months	9,777,788	11,921,990
3-6 months	2,162,085	3,301,969
6-12 months	5,009,139	2,427,281
Over 12 months	13,118,014	11,768,720
	30,067,026	29,419,960

16 SENIOR NOTES

		At 30 June 2024	At 31 December 2023
	Note	RMB'000 (unaudited)	RMB'000 (audited)
US\$200 million due in July 2024		1,425,162	1,414,116
US\$300 million due in August 2024		2,072,487	2,058,763
US\$300 million due in May 2024		2,120,441	2,105,353
US\$300 million due in April 2025	(i)	2,153,389	2,133,470
US\$260 million due in July 2025		1,841,700	1,825,230
US\$400 million due in August 2025	(i)	2,977,131	2,948,990
US\$200 million due in November 2025	(i)	1,389,707	1,379,573
		13,980,017	13,865,495
Representing:			
– Current		13,980,017	13,865,495

- (i) These three senior notes were originally due in 2023. However, according to the exchange offer and consent solicitation reached by the Group and the senior notes holders on 3 April 2023, the maturity dates of these three senior notes were rescheduled to April, August and November 2025 respectively to mitigate the adverse market effect on the Group's ability to satisfy its financial commitments.

As disclosed in Note 1, the failure to make payment on certain senior notes triggered cross-default for the remaining senior notes issued by the Group. Consequently, all senior notes with an aggregate carrying amount of USD1,961,612,000 (approximately RMB13,980,017,000) at 30 June 2024 became due for immediately payment once the relevant lender makes the request under a cross-default provision. As a result, the balance has been classified as a current liability at 30 June 2024.

17 DIVIDENDS

The Company did not declare an interim dividend in respect of the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Overall performance

For the six months ended 30 June 2024, the Group achieved total property contracted sales of RMB4,500 million, representing a period-on-period decrease of 55.1%, with a total contracted sales GFA of 673,927 sq.m., representing a period-on-period decrease of 53.5%, and with the average selling price per sq.m. amounted to RMB6,676, representing a period-on-period decrease of 3.4%.

The cash and cash equivalents and restricted bank deposits of the Group in total amounted to approximately RMB1,576 million as at 30 June 2024 (31 December 2023: RMB2,144 million).

As at 30 June 2024, the total net borrowings were approximately RMB22,044 million (31 December 2023: approximately RMB21,366 million). The Group remains committed to a prudent financial management principle to maintain a reasonable cash reserve and borrowing level.

During the six months ended 30 June 2024, the Group delivered 54 property projects (six months ended 30 June 2023: 30 property projects). Besides, the Group owned 143 projects under development for the six months ended 30 June 2024 (six months ended 30 June 2023: 179 projects).

The Group incurred loss attributable to the equity shareholders of approximately RMB2,609 million for the six months ended 30 June 2024 (six months ended 30 June 2023: approximately RMB1,192 million). This was primarily attributable to a combined impact of the macroeconomic situation and the property market remained sluggish, which resulted in 1) the provision for impairment of inventories, goodwill and receivables; and 2) the revenue recognised and the gross profit margins of property declined, failing to cover the Company's costs and expenses.

As at 30 June 2024, the property sales of the Group not recognised was approximately RMB34,464 million (six months ended 30 June 2023: approximately RMB47,447 million) with a corresponding gross profit of approximately RMB3,096 million (six months ended 30 June 2023: approximately RMB4,785 million). The amount is expected to be recognised as revenue and gross profit in the next two to three years.

In addition, the property sales of the joint ventures and associates not recognised were approximately RMB3,363 million (six months ended 30 June 2023: approximately RMB10,254 million) with a corresponding gross profit of approximately negative RMB74 million (six months ended 30 June 2023: approximately RMB1,098 million).

Revenue: The Group's revenue decreased by 10.3% from approximately RMB8,074 million for the six months ended 30 June 2023 to approximately RMB7,243 million for the six months ended 30 June 2024, primarily due to the combined impact of the macroeconomic situation and the downturn in the property market, which led to an overall decrease in revenue recognised during the period.

- **Income from sales of properties:** Income from property sales decreased by 11.8% from approximately RMB7,674 million for the six months ended 30 June 2023 to approximately RMB6,769 million for the six months ended 30 June 2024. Although the GFA recognised increased by 17.3% from 909,048 sq.m. for the six months ended 30 June 2023 to 1,066,183 sq.m. for the same period in 2024, the average selling price (excluding underground parking spaces) decreased by 23.6% from RMB8,053 per sq.m. for the six months ended 30 June 2023 to RMB6,149 per sq.m. for the same period in 2024, resulting in an overall decline in sales of properties.
- **Revenue from hotel operation:** Revenue from hotel operation decreased by 2.4% from approximately RMB173 million for the six months ended 30 June 2023 to approximately RMB169 million for the six months ended 30 June 2024, which was primarily due to the weakened macroeconomic situation.

Cost of sales: The Group's cost of sales decreased by 6.6% from approximately RMB7,019 million for the six months ended 30 June 2023 to approximately RMB6,559 million for the six months ended 30 June 2024. Although the increase in the GFA recognised resulted in a partial increment in the cost of sales, due to the fact that relatively more projects recognised are located in non-core urban locations nor in core locations where land costs are lower, resulting in an overall decrease in the cost of sales for projects recognised during the period.

Gross profit: The Group's gross profit decreased by 35.2% from approximately RMB1,056 million for the six months ended 30 June 2023 to approximately RMB684 million for the six months ended 30 June 2024, while our gross profit margin decreased by 3.7 percentage points from 13.1% for the same period in 2023 to 9.4% for the six months ended 30 June 2024. This was primarily due to the combined impact of the macroeconomic situation and the property market remained sluggish, which resulted in the continuous adoption of the destocking strategy to simulate sales of various projects and further narrowed the range of sales mark-up. The gross profit margin of overall property sales decreased by 3.2 percentage points from 11.2% for the six months ended 30 June 2023 to 8.0% for the six months ended 30 June 2024.

Other revenue: Other revenue decreased by 97.1% from approximately RMB184 million for the six months ended 30 June 2023 to approximately RMB5 million for the six months ended 30 June 2024. This was primarily due to a decrease in government grants by approximately RMB163 million.

Other net losses: Other net losses increased by approximately RMB724 million from approximately RMB50 million for the six months ended 30 June 2023 to approximately RMB774 million for the six months ended 30 June 2024. This was primarily due to the provision for impairment of goodwill of approximately RMB610 million.

Selling and marketing expenses: Selling and marketing expenses decreased by 42.3% from approximately RMB361 million for the six months ended 30 June 2023 to approximately RMB208 million for the six months ended 30 June 2024, which was mainly due to a decrease in advertising expense of approximately RMB68 million, staff costs such as sales commission of approximately RMB43 million and property management costs of approximately RMB17 million. The rate of selling and marketing expenses on revenue decreased by 1.6 percentage points from approximately 4.5% for the six months ended 30 June 2023 to approximately 2.9% for the same period in 2024.

General and administrative expenses: General and administrative expenses decreased by 14.8% from approximately RMB392 million for the six months ended 30 June 2023 to approximately RMB334 million for the six months ended 30 June 2024. This was primarily due to the decrease in professional service fees of approximately RMB36 million. The rate of general and administration expenses on revenue decreased by 0.3 percentage points from approximately 4.9% for the six months ended 30 June 2023 to approximately 4.6% for the same period in 2024.

Impairment losses on trade and other receivables, and contract assets: Impairment losses on trade and other receivables, and contract assets increased by approximately RMB241 million from approximately RMB69 million for the six months ended 30 June 2023 to approximately RMB310 million for the six months ended 30 June 2024. This was mainly because the credit risk of a portion of other receivables has significantly increased at the end of the period, and the expected credit losses accrued increased compared with the same period in 2023.

Finance costs: Finance costs increased by 0.6% from approximately RMB512 million for the six months ended 30 June 2023 to approximately RMB515 million for the six months ended 30 June 2024. The interest expense on borrowings remained stable.

Share of profits less losses of associates: Share of losses of associates for the six months ended 30 June 2024 amounted to approximately RMB12 million, as compared with the share of profits of approximately RMB37 million for the six months ended 30 June 2023.

Share of profits less losses of joint ventures: Share of losses of joint ventures amounted to approximately RMB92 million for the six months ended 30 June 2024, as compared with the share of profits of approximately RMB3 million for the six months ended 30 June 2023.

Net valuation (loss)/gain on investment property: Net valuation loss on investment property amounted to approximately RMB48 million for the six months ended 30 June 2024 as compared with a net valuation gain of investment property of approximately RMB170 million for the six months ended 30 June 2023. This was mainly due to the sluggish macroeconomic and market situation, which recorded losses after revaluation.

Income tax: Income tax mainly comprises corporate income tax and land appreciation tax. The Group's income tax decreased by 26.6% from approximately RMB439 million for the six months ended 30 June 2023 to approximately RMB323 million for the six months ended 30 June 2024. It was principally due to the decrease of deferred tax liabilities during the period, leading to a decrease in income tax expenses during the period.

Loss for the period: As a result of the foregoing, loss for the period amounted to approximately RMB2,826 million for the six months ended 30 June 2024, an increase by approximately RMB1,657 million from approximately RMB1,169 million for the six months ended 30 June 2023.

Financial resources and utilisation: As at 30 June 2024, the Group's cash and cash equivalents and restricted bank deposits amounted to approximately RMB1,576 million (31 December 2023: approximately RMB2,144 million).

Subsequent to the reporting period, the Company resolved not to declare an interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

Structure of Borrowings and Deposits

The Group remains committed to a prudent financial management principle, focusing on capital allocation and financial management to maintain a reasonable level of cash and borrowings. As at 30 June 2024, the maturity profile of the Group's bank and other borrowings was as follows:

	As at 30 June 2024 <i>RMB'000</i> (unaudited)	As at 31 December 2023 <i>RMB'000</i> (audited)
Maturity Profile		
Bank borrowings		
Within one year or on demand	4,124,430	4,680,946
More than one year, but not exceeding two years	2,703,283	2,716,644
More than two years, but not exceeding five years	1,280,248	714,897
	<u>8,107,961</u>	<u>8,112,487</u>

	As at 30 June 2024 <i>RMB'000</i> (unaudited)	As at 31 December 2023 <i>RMB'000</i> (audited)
Maturity Profile		
Other borrowings		
Within one year	<u>1,532,560</u>	<u>1,532,560</u>
	<u>1,532,560</u>	<u>1,532,560</u>
Senior notes		
Within one year	<u>13,980,017</u>	<u>13,865,495</u>
	<u>13,980,017</u>	<u>13,865,495</u>
Total borrowings	<u>23,620,538</u>	<u>23,510,542</u>
Less:		
Cash and cash equivalents	(460,925)	(388,174)
Restricted bank deposits	<u>(1,115,207)</u>	<u>(1,756,104)</u>
Net borrowings	<u>22,044,406</u>	<u>21,366,264</u>
Total deficit	<u>(4,411,803)</u>	<u>(672,676)</u>
Net gearing ratio (%)	<u>(499.7%)</u>	<u>(3,176.3%)</u>

Pledge of assets: As at 30 June 2024, we had pledged completed properties, properties under development, properties for future development, plant and equipment, and loan deposit with an aggregate carrying amount of approximately RMB17,081 million (31 December 2023: approximately RMB17,372 million) to secure general bank credit facilities and other loans granted to us. We did not pledge any properties for sale to secure loans granted to our joint ventures as at 30 June 2024 (31 December 2023: approximately RMB360 million).

Capital commitment: As at 30 June 2024, we had contractual commitments undertaken by the Group's subsidiaries in respect of property development either in progress or pending execution, the amount of which was approximately RMB6,256 million (31 December 2023: approximately RMB6,827 million). We also had other authorised but not yet contracted expenses and capital investments in property development of approximately RMB37,100 million (31 December 2023: approximately RMB50,608 million).

Contingent liabilities: As at 30 June 2024, we had provided guarantees of approximately RMB36,788 million (31 December 2023: approximately RMB39,569 million) to banks in respect of the mortgage loans provided by the banks to customers who purchased the developed properties of the Company and our joint ventures. We did not provide any guarantees in respect of bank loans and other loans of joint ventures and associates as at 30 June 2024 (31 December 2023: approximately RMB1,313 million).

The Company has made no significant investment, significant acquisitions or disposal of subsidiaries, associates and joint ventures for the six months ended 30 June 2024. Saved as disclosed in this results announcement and other announcements of the Company, the Group did not have any immediate plans for material investments and capital assets as at 30 June 2024.

Up to the date of this results announcement, the Company has not received any notice requiring early repayment of outstanding senior notes under the cross-default provision.

Foreign exchange risk: Our businesses are principally conducted in RMB. The majority of our assets are denominated in RMB. As at 30 June 2024, our major non-RMB assets and liabilities are (i) bank deposits denominated in HKD; and (ii) the senior notes denominated in USD. We are subject to foreign exchange risk arising from future commercial transactions and recognised assets and liabilities denominated in currencies other than RMB.

Interest rate risk: Some of our borrowings have variable interest rates. The risk of rising interest rates would increase the interest costs for both new and existing loans. We currently do not use derivative instruments to hedge against their interest rate risk.

I. Market Review

(1) *The Macro Environment – Economic Landscape*

1. *Nationwide*

In the first half of the year, China's GDP reached RMB61.7 trillion, representing a period-on-period increase of 5.0%. The overall economic performance remained stable and made steady progress, with new growth drivers accelerating and advancements in high-quality development. However, the external environment remains complex and severe, as some overseas economies have entered into interest rate reduction cycles, while the high-interest rate environment persists in the US. Rising unilateralism has increased the complexity, severity and uncertainty of the external landscape, making China's foreign trade difficult to stabilize. From the domestic perspective, the meeting of the Central Committee Political Bureau on 30 April noted that "the continued recovery of the economy still faces many challenges, primarily insufficient effective demand, heightened operational pressures on enterprises, elevated hidden risks in key areas, and impediments to smooth domestic circulation". To consolidate the current trend of economic recovery, sustained policy efforts will be required.

2. *Henan*

Since 2024, Henan province has thoroughly put into practice the directives of the Central Economic Work Conference, overcoming challenges and pushing forward with resolve. The "quality" of Henan's economic development has seen effective enhancement, while the "scale" of growth has continued to expand. The overall economic performance has presented a steady and progressive trend with continuous improvement. In the first half of the year, Henan achieved a regional GDP of RMB3,123.144 billion, representing a period-on-period increase of 4.9% calculated at constant prices, which is 0.2 percentage points higher than that in the first quarter. In summary, as the various macroeconomic policies continue to take effect, Henan's economic recovery trend is being constantly consolidated and strengthened, laying a solid foundation for the high-quality attainment of the annual economic and social development goals.

(2) *The Real Estate Market*

1. *Nationwide*

Since 2024, faced with a severely challenging market and economic landscape, the central government has proactively implemented expansionary policies on both the supply and demand sides. While the overarching “housing is for living, not for speculation” principle remains unchanged, the policy focus has shifted to using “push” measures to adapt to the new situation and “stabilize” the market. To mitigate risks in key areas, the government has expedited the “whitelist” system for real estate projects and pushed forward the “three major projects” with vigor. Additionally, it has lowered down payment ratios, removed the lower limit on mortgage interest rates, and relaxed purchase restrictions, ushering in the most accommodative home-buying environment in history. However, factors such as the anticipated decline in residents’ incomes and the tepid confidence in home purchases continue to constrain the pace of market recovery. From January to June, the sales GFA of new commercial housing dropped 19.5% period-on-period, with residential housing sales plunging 22.2%. The sales of new commercial housing fell 25.3%, and 27.1% for residential housing. As the market remains in a period of bottoming out and recovery, real estate developers have prioritised “exchanging price for volume” to accelerate inventory clearance, leading to price fluctuations. Investment in real estate development declined 10.3% period-on-period, with consecutive widening declines marking a new low in the cumulative growth rate since March 2023, indicating an overall weak performance.

2. *Henan*

The Henan real estate market continued its adjustment trajectory in the first half of the year. Impacted by the high base of the corresponding period last year, the sales volume of commercial housing across various cities saw a general period-on-period decline. In the second quarter, the combined effect of central government policies and locally tailored measures helped bolster market confidence to a certain degree. In particular, the confidence among improvement-driven home buyers exhibited relatively better recovery. Nonetheless, the overall market remains in the process of bottoming out and gradual recovery. In the first half of the year, the sales GFA of new real estate in Henan Province decreased by 19.4% period-on-period, while sales of new real estate declined by 22.6%. Investment in real estate development fell 9.1% period-on-period, as both supply and demand have yet to rebound to the level of the previous year.

II. Market Outlook

(1) *The Macro-economic Landscape*

1. *Nationwide*

The Third Plenary Session of the 20th CPC Central Committee was convened in July, signaling that macroeconomic policies in the second half of the year will be further strengthened to stabilize the economy, with further policy enhancements to expand domestic demand, shore up the fundamentals, and provide support for the economy's sustained recovery. However, it is worth noting that China's economy in the second half of the year will face constraints from both external and internal fronts. On the external side, changing international dynamics will gradually heighten pressure on the country's exports, while also impacting manufacturing investment to a degree. Domestically, effective demand drivers such as business investment and consumer spending remain relatively subdued, as the real estate market continues fluctuating to bottom out, hindering the smooth functioning of domestic circulation. Against this backdrop, it is anticipated that policies targeting infrastructure, large-scale equipment upgrades, and real estate inventory destocking will be further bolstered in the second half of the year.

2. *Henan*

As the various macroeconomic policy measures continue to take effect, the economic recovery momentum across the province has been steadily consolidated and strengthened. However, the factors impacting economic growth have developed more complex than before, with effective demand still appearing inadequate and market confidence needing to be bolstered. The task of stabilising the economy and driving development thus remains arduous. Going forward, Henan will deeply study and implement the spirit of the Third Plenary Session of the 20th Party Congress, comprehensively carrying out the important addresses by General Secretary Xi Jinping on promoting the rise of Central China in the new era and his key directives on Henan's work. Adhering to the general principle of pursuing progress while ensuring stability, the focus will be on the annual targets and tasks, with close attention paid to the weaknesses and shortcomings in the current economic operation. By concentrating on key areas and redoubling efforts, the aim is to make greater contributions to China's overall development through concrete actions that shoulder the main responsibility. Henan's economy is expected to sustain its stable and improving trajectory in the second half of 2024.

(2) *Real Estate Market Outlook*

1. *Nationwide*

Given the lack of significant improvement in residents' income expectations and house price decline forecasts, the national real estate market is expected to continue facing adjustment pressures in the second half of 2024, with the new real estate segment potentially remaining in a bottoming-out phase. In the second half of the year, policy optimisations are anticipated to drive a moderate recovery in transaction volumes of new housing in first-tier cities. Second-, third-, and fourth-tier cities are likely to see insufficient policy support, leaving overall market sentiment difficult to improve significantly. While market activity is forecast to remain subdued, the fading of the high base effect in the second half of the year should lead to a notable narrowing of the period-on-period decline in the sales area of new housing. Some core cities are even expected to begin to bottom out and stabilize in the second half of the year.

2. *Henan*

In the second half of the year, Henan's real estate market policies are anticipated to maintain a relaxed stance in line with the central government's overarching principle to "ensure home delivery and clear excess housing inventory", with the effects gradually materialising. On the supply side, the expansion of "whitelist" financing projects and the gradual availability of loan funds across the province should help drive home delivery and alleviate capital pressures on real estate developers, though confidence in the primary land market remains to be restored. On the demand side, purchase restriction policies are likely to see limited relaxation, especially in Zhengzhou's third- and fourth-tier cities. However, there may be room for adjustments such as lowering personal mortgage rates, offering purchase subsidies, and reducing taxes.

III. Project Development

1. Property development

Property sales performance

The Company has been actively driving property sales. For the six months ended 30 June 2024, the Group achieved total contracted property sales of RMB4,500 million, representing a period-on-period decrease of 55.1%, with a total contracted sales GFA of 673,927 sq.m., representing a period-on-period decrease of 53.5%, and the average selling price per sq.m. amounted to RMB6,676, representing a period-on-period decrease of 3.4%.

City	Contracted sales amount (RMB million)			Contracted GFA (’000 sq.m.)		
	1H2024	1H2023	Change	1H2024	1H2023	Change
Zhengzhou	321	1,425	-77%	25	146	-83%
Kaifeng	84	119	-29%	5	11	-55%
Luoyang	432	799	-46%	47	79	-41%
Pingdingshan	49	169	-71%	7	28	-75%
Anyang	149	484	-69%	22	78	-72%
Hebi	163	373	-56%	24	55	-56%
Xinxiang	244	434	-44%	35	62	-44%
Jiaozuo	80	105	-24%	12	16	-25%
Puyang	266	424	-37%	47	54	-13%
Xuchang	83	258	-68%	15	43	-65%
Luohe	106	225	-53%	16	35	-54%
Sanmenxia	1	51	-98%	0	11	-100%
Shangqiu	565	1,930	-71%	89	313	-72%
Zhoukou	874	1,445	-40%	148	250	-41%
Zhumadian	403	567	-29%	61	76	-20%
Nanyang	346	523	-34%	44	77	-43%
Xinyang	217	541	-60%	50	104	-52%
Jiyuan	57	48	19%	10	5	100%
Hainan	60	105	-43%	17	8	113%
Total	4,500	10,025	-55%	674	1,451	-54%

Newly commenced property projects

During the reporting period, the Company had a total of 3 newly commenced projects, with a newly commenced GFA of approximately 279,000 sq.m. Guided by the principle of production based on sales, the Company ensures supply, sales and inventory are aligned with each other, managing its project commencements based on the geographical distribution of customers and estimated sales. This helps enhance the competitiveness and market performance of the Group's products, allowing the Company to maintain a safe and reasonable inventory structure.

City	Project name	Principal use of property	GFA newly commenced (sq.m.)
Luoyang	Jianye Zhonghong City Zone E	Residential	151,081
Jiaozuo	Jiaozuo Xinrui Mansion	Residential	35,706
Zhoukou	Fugou Binhe Courtyard	Residential	92,563
	Total		<u>279,350</u>

Property projects under construction

As of 30 June 2024, the Company had a total of 143 projects under construction, of which 17 were located in Zhengzhou, 124 in other cities in Henan Province, and 2 in Hainan Province, with a total GFA of approximately 18,114,000 sq.m..

City	Project name	Principal use of property	GFA under development (sq.m.)
Zhengzhou	Dengfeng Songyue Mansion	Residential	101,038
Zhengzhou	Gongyi Spring Time	Residential	122,046
Zhengzhou	Gongyi Chinoiserie Palace	Residential	160,870
Zhengzhou	Zhengzhou CCRE Tihome International City	Residential	1,204,319
Zhengzhou	Xinmi Spring Time	Residential	63,728
Zhengzhou	Xinzheng Blue Ocean Zhengfeng	Residential	207,137
Zhengzhou	Xinzheng Tianhui City	Residential	152,455
Zhengzhou	Xingyang Central Garden	Residential	178,264
Zhengzhou	Zhengxi U-Town	Residential	149,415
Zhengzhou	Zhengzhou J18	Commercial	594,289
Zhengzhou	Zhengzhou Chengyuan	Residential	227,175
Zhengzhou	Zhengzhou Riverside Mansion	Residential	252,495
Zhengzhou	Zhengzhou Blossom Garden	Residential	576,190
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	321,424
Zhengzhou	Zhengzhou Intelligent Square	Commercial	230,205
Zhengzhou	Zhengzhou Art Mansion	Residential	105,946
Zhengzhou	Zhengzhou Wonderland	Residential	134,829
Kaifeng	Lankao CCRE Mall	Residential	138,992
Kaifeng	Lankao Red World	Commercial	127,630
Kaifeng	Tongxu Code One City	Residential	90,626
Kaifeng	Kaifeng Taihe Mansion	Residential	67,896
Luoyang	Luanchuan Luanzhou Palace	Residential	78,651
Luoyang	Luoyang Dachengxiaoyuan	Residential	87,233
Luoyang	Luoyang Dingding Palace	Residential	573,711
Luoyang	Luoyang Fengdu	Residential	154,414
Luoyang	Luoyang Longcheng Dongwang	Residential	14,591
Luoyang	Luoyang Honour Mansion	Residential	112,199

City	Project name	Principal use of property	GFA under development (sq.m.)
Luoyang	Yichuan Dragon Mansion	Residential	25,778
Luoyang	Luoyang Zhonghong City	Residential	134,621
Luoyang	Luoyang Jianye Mansion	Residential	76,282
Pingdingshan	Pingdingshan Spring Time	Residential	91,307
Pingdingshan	Pingdingshan Guangming Mansion	Residential	86,168
Pingdingshan	Pingdingshan Eighteen Cities	Residential	64,518
Pingdingshan	Pingdingshan Honour Mansion	Residential	23,245
Pingdingshan	Ruzhou Sweet-Scented Osmanthus Garden	Residential	42,250
Pingdingshan	Wugang CCRE Mall	Residential	29,496
Pingdingshan	Wugang Forest Peninsula	Residential	160,881
Anyang	Anyang Phoenix City North Bank	Residential	65,108
Anyang	Anyang Jianye City	Residential	321,688
Anyang	Anyang Chinoiserie Palace North Garden	Residential	303,541
Anyang	Anyang Sky Mansion	Residential	31,447
Anyang	Anyang Tonghe Palace	Residential	9,707
Anyang	Linzhou Jianye City	Residential	178,176
Anyang	Tangyin Central Garden	Residential	18,375
Anyang	Anyang Guangming Mansion	Residential	98,709
Hebi	Hebi Chinoiserie Palace	Residential	67,994
Hebi	Hebi Zhenyuehui	Residential	36,008
Hebi	Hebi No.7 Courtyard	Residential	41,787
Hebi	Hebi Flower Creek Town	Residential	137,118
Hebi	Qi County Jianye City	Residential	73,168
Xinxiang	Beverly Manor	Residential	228,093
Xinxiang	Fengqiu Central Garden	Residential	89,278
Xinxiang	Hui County Gongcheng Dongwang	Residential	215,000
Xinxiang	Hui County Code One City	Residential	137,887
Xinxiang	Weihui Spring Time	Residential	206,449
Xinxiang	Xinxiang Blossom Garden	Residential	45,425
Xinxiang	Xinxiang Chinoiserie Palace	Residential	474,930

City	Project name	Principal use of property	GFA under development (sq.m.)
Xinxiang	Changyuan Forest Peninsula Courtyard	Residential	40,026
Xinxiang	Xinxiang Jianye Mansion	Residential	332,673
Xinxiang	Xinxiang Meidi Yunqi	Residential	25,099
Jiaozuo	Bo'ai Spring Time	Residential	93,558
Jiaozuo	Jiaozuo Spring Time	Residential	20,512
Jiaozuo	Jiaozuo Chinoiserie Palace	Residential	45,772
Jiaozuo	Jiaozuo Jianye Mansion	Residential	75,524
Jiaozuo	Mengzhou Jianye Mansion	Residential	110,791
Jiaozuo	Wuzhi Jianye Majestic Mansion	Residential	112,309
Jiaozuo	Wuzhi Star Mall	Residential	15,320
Jiaozuo	Jiaozuo Shuxiang Yard	Residential	110,000
Puyang	Puyang Longcheng	Residential	264,415
Puyang	Puyang Puyuan	Residential	66,939
Puyang	Puyang Chinoiserie Palace	Residential	206,944
Puyang	Puyang Tonghe Palace	Residential	1,850
Puyang	Puyang Code One City	Residential	40,824
Puyang	Puyang Zhenyuehui	Residential	62,572
Puyang	Taiqian Jianrun Mansion	Residential	83,441
Puyang	Puyang Sky Mansion	Residential	407,457
Xuchang	Xiangcheng CCRE Mall	Residential	190,958
Xuchang	Xuchang Pleasure Garden	Residential	66,021
Xuchang	Xuchang Zhenyuehui	Residential	36,428
Xuchang	Yanling Eco-City	Residential	132,885
Xuchang	Yuzhou Spring Time	Residential	98,277
Xuchang	Yuzhou Dachengxiaoyuan	Residential	15,425
Xuchang	Changge Sweet-Scented Osmanthus Garden New City	Residential	90,908
Xuchang	Changge Forest Peninsula	Residential	26,215

City	Project name	Principal use of property	GFA under development (sq.m.)
Luohe	Linying Forest Peninsula	Residential	33,868
Luohe	Luohe Danjiang Mansion	Residential	47,554
Luohe	Luohe Xicheng Forest Peninsula	Residential	89,282
Luohe	Luohe Scholarly Mansion	Residential	260,995
Luohe	Luohe Art Mansion	Residential	229,101
Luohe	Luohe Ideal City	Residential	134,846
Sanmenxia	Sanmenxia New District Forest Peninsula	Residential	78,748
Sanmenxia	Sanmenxia Honour Mansion	Residential	145,734
Sanmenxia	Sanmenxia Code 2 City	Residential	72,460
Shangqiu	Shangqiu Future City	Residential	10,832
Shangqiu	Shangqiu Art Mansion (Phase 2)	Residential	83,649
Shangqiu	Zhecheng Lianmeng Dongwang	Residential	82,736
Shangqiu	Shangqiu Chinoiserie Palace	Residential	84,813
Shangqiu	Minquan Long Palace	Residential	73,760
Shangqiu	Shangqiu Jiangshan Mansion	Residential	231,549
Shangqiu	Shangqiu Shangheyuan	Residential	2,498
Shangqiu	Shangqiu Yuelong Mansion	Residential	82,546
Shangqiu	Yongcheng Lianmeng Dongwang	Residential	144,763
Shangqiu	Yongcheng Art Mansion	Residential	121,657
Zhoukou	Huaiyang CCRE Mall	Commercial	31,657
Zhoukou	Taikang Eco-City	Residential	6,515
Zhoukou	Zhoukou Jianye City	Residential	167,949
Zhoukou	Zhoukou Hill Water Lake City	Residential	124,269
Zhoukou	Zhoukou Chinoiserie Palace	Residential	99,650
Zhoukou	Zhoukou Canal Courtyard	Residential	79,342
Zhoukou	Taikang Jianye Mansion	Residential	232,308
Zhoukou	Huaiyang Jianye Mingren Villa	Residential	56,677
Zhoukou	Huaiyang Qingfeng Courtyard	Residential	174,026
Zhoukou	Fugou Binhe Courtyard	Residential	92,563
Zhumadian	Suiping Jianye City	Residential	9,692
Zhumadian	Suiping Forest Peninsula	Residential	40,386
Zhumadian	Xincai CCRE Mall	Residential	7,075
Zhumadian	Xincai Sweet-Scented Osmanthus Garden	Residential	26,665

City	Project name	Principal use of property	GFA under development (sq.m.)
Zhumadian	Zhengyang Jianye City	Residential	38,433
Zhumadian	Zhumadian Binhelong Palace	Parking space	39,200
Zhumadian	Zhumadian Chinoiserie Palace	Residential	284,869
Zhumadian	Zhumadian Honour Mansion	Residential	151,330
Zhumadian	Shangcai Jianye Mansion	Residential	54,055
Zhumadian	Zhumadian Boshan Mansion	Residential	71,899
Zhumadian	Suiping Jianye Mansion	Residential	126,021
Zhumadian	Pingyu Jiangshan Mansion	Residential	96,232
Zhumadian	Zhumadian Tianzhong Mansion	Residential	25,971
Nanyang	Nanyang Art Mansion	Residential	82,008
Nanyang	Dengzhou Qingyunli	Residential	69,906
Nanyang	Nanyang Shilihushan	Residential	648
Xinyang	Gushi Future City	Residential	53,534
Xinyang	Huangchuan Huangguo Palace	Residential	116,542
Xinyang	Xi County Jianye New City	Residential	39,306
Xinyang	Xinyang Mansion	Residential	143,181
Xinyang	Xinyang Jianye City	Residential	21,540
Xinyang	Luoshan Jianye Mansion	Residential	58,192
Xinyang	Xinyang Sky Mansion	Residential	79,615
Xinyang	Huangchuan Dingcheng Mansion	Residential	156,543
Jiyuan	Jiyuan Spring Time	Residential	15,303
Jiyuan	Jiyuan Blossom Garden	Residential	127,011
Jiyuan	Jiyuan Jianye City	Residential	297,818
Jiyuan	Jiyuan Code One City Majestic Mansion	Commercial	4,409
Hainan	Chengmai Zhonghe Jiayuan	Residential	59,072
Hainan	Dongfang Jiayuan	Residential	225,537
Total			<u>18,113,685</u>

Property projects delivered

As of 30 June 2024, the Company had delivered a total of 54 projects, with a GFA of approximately 3,180,000 sq.m..

City	Project name	Principal use of property	GFA delivered (sq.m.)
Zhengzhou	Zhengzhou Bamboo Garden	Residential	112,849
Zhengzhou	Art Mansion (Phase 1)	Residential	87,830
Zhengzhou	Xinmi Spring Time	Residential	26,290
Zhengzhou	Dengfeng Songyue Mansion	Residential	15,181
Kaifeng	Lankao Jianye CCRE Mall	Residential	95,609
Kaifeng	Lankao Red World	Commercial	7,682
Luoyang	Luoyang Longcheng Dongwang	Residential	87,958
Luoyang	Luoyang Zhongzhou Mansion	Residential	124,279
Luoyang	Zhonghong City Zone C	Residential	140,626
Luoyang	Luoyang Dachengxiaoyuan	Residential	59,580
Anyang	Anyang Junlin Grand Courtyard	Residential	77,830
Anyang	Sky Mansion	Residential	13,037
Xinxiang	Xinxiang Blossom Garden	Residential	21,252
Xinxiang	Hui County Code One City	Residential	4,875
Xinxiang	Xinfei Jianye Mansion	Residential	42,818
Xinxiang	Xinxiang Dongjing Mansion	Parking space	22,008
Xinxiang	Xinlianxin Jianye Honour Mansion	Residential	99,702
Xinxiang	Xinxiang Chinoiserie Palace	Residential	21,635
Hebi	Hebi No.7 Courtyard	Residential	84,351
Jiaozuo	Bo'ai Spring Time	Residential	52,026
Jiaozuo	Jiaozuo Jianye Mansion	Residential	96,800
Jiaozuo	Wuzhi Jianye Majestic Mansion	Residential	65,478
Puyang	Puyang Chinoiserie Palace	Residential	10,000
Xuchang	Changge Sweet-Scented Osmanthus Garden New City	Residential	13,864
Xuchang	Xuchang Pleasure Garden	Commercial	4,219
Xuchang	Yuzhou Dachengxiaoyuan	Residential	25,630

City	Project name	Principal use of property	GFA delivered (sq.m.)
Luohe	Luohe Blossom Garden	Residential	9,775
Luohe	Xicheng Forest Peninsula	Residential	37,631
Luohe	Linying Forest Peninsula	Residential	31,815
Luohe	Luohe Danjiang Mansion	Residential	30,365
Luohe	Luohe Sweet-Scented Osmanthus Garden	Commercial	16,781
Shangqiu	Shangqiu Art Mansion	Residential	134,577
Shangqiu	Shangqiu Shangheyuan	Residential	68,484
Shangqiu	Minquan Jiangye Long Palace	Residential	106,926
Zhoukou	Taikang Jianye Mansion	Residential	72,052
Zhoukou	Zhoukou Chinoiserie Palace	Residential	114,522
Zhoukou	Huaiyang Binhe North Courtyard	Residential	106,987
Zhoukou	Taikang Eco-City	Residential	63,292
Zhoukou	Zhoukou Hill Water Lake City	Residential	183,034
Zhoukou	Zhoukou Jianye City	Residential	141,638
Zhoukou	Fugou Jianye Mansion	Residential	77,591
Zhumadian	Zhumadian Boshan Mansion	Residential	59,508
Zhumadian	Suiping Jianye Mansion	Residential	36,978
Zhumadian	Xincai Sweet-Scented Osmanthus Garden	Residential	33,484
Nanyang	Nanyang Shilihushan	Residential	17,762
Nanyang	Nanyang Art Mansion	Residential	19,090
Nanyang	Nanyang Longyue City	Residential	57,522
Nanyang	Dengzhou Qingyunli	Residential	54,542
Xinyang	Huaihe Courtyard	Residential	48,066
Xinyang	Xi County Honour Mansion	Residential	39,891
Xinyang	Luoshan Jianye Mansion	Residential	72,288
Xinyang	Xinyang Jianye City	Residential	42,946
Xinyang	Huangchuan Huangguo Palace	Residential	57,000
Xinyang	Gushi Jianye Mansion	Residential	31,600
Total			<u><u>3,179,556</u></u>

2. *Hotel overview*

Henan Jianye Zhizun Hotel Investment Co., Ltd. (河南建業至尊酒店管理有限公司), a wholly-owned subsidiary of Central China Real Estate Group (China) Company Limited, is mainly responsible for brand management, design management, project management, opening preparation and operation management of all hotel projects under CCRE. Currently, CCRE has established strategic cooperation with several globally renowned hotel management groups, such as Marriott, InterContinental and Accor, to jointly operate five high-end hotel projects, among which Le Méridien Zhengzhou, Pullman Kaifeng Jianye, Holiday Inn Nanyang, Four Points by Sheraton Luohe and Aloft Zhengzhou Shangjie have all opened successively between 2011 and 2015. CCRE has also launched a portfolio of hotels under its own brands, including Yanling Jianye The Mist Hot Spring Hotel, Zhengzhou Jianye Sky Mansion, Unique Theatre Hotel, Xuchang Shenhui Town • Jianye Starry Hills, Xinyang Jigongshan • Jianye Starry Hills and Xijian Inn, which have opened successively from 2018 to 2021. In addition, CCRE's own-branded hotels such as Pingdingshan Jianye Triumph Hotel, Zhumadian Jianye Triumph Hotel, Yunxiu Hotel, Linqi Hotel and Wugang Jianye Starry Hotel are currently under construction. The total investment in CCRE's hotels has now reached RMB4.97 billion, with 16 hotels established across Henan Province.

Le Méridien Zhengzhou

Le Méridien Zhengzhou Opened on 30 November 2013. It is the first international brand hotel in Central China to embrace art, design and cultural elements. Adjacent to the Zhengdong New District and Zhengzhou East Railway Station, Asia's largest railway station, the hotel is located at the intersection of Metro Lines 3 and 4 in Zhengzhou. It takes just 10 minutes to reach Zhengzhou International Convention and Exhibition Centre by car, and only 28 minutes to arrive at the Xinxing International Airport.

Located at No. 1188, Zhongzhou Avenue, Zhengzhou, the hotel is part of an integrated commercial complex that also includes a nearby shopping mall, restaurants and commercial office buildings. The design of the hotel's restaurants, guestrooms and common areas in the lobby integrates modern art elements with local features, creating a unique and distinctive brand identity for Le Méridien Zhengzhou.

The hotel has a total of 337 deluxe guestrooms and suites, outfitted with world-class amenities that blend classic design and contemporary style. The distinctive restaurants and bars will further enhance the guest experience, offering a tantalizing showcase of Chinese and international culinary delights. The hotel has a fitness centre integrating a gym, spa, swimming pool, yoga studio and jogging track, as well as an 800-sq.m. pillarless banquet hall and 8 multi-function rooms, making it an ideal venue for relaxing and hosting events.

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

Tel: 0371-55998888

Aloft Zhengzhou Shangjie

Aloft Zhengzhou Shangjie opened on 6 August 2011. Located opposite the District Government of Shangjie District, Zhengzhou City, Henan Province, the hotel is situated with convenient transportation access, just a 50-minute drive from the Zhengzhou Railway Station and only an hour away from the Zhengzhou Xinzheng International Airport.

The 16-floor hotel houses 172 modern, fresh and fun Aloft Cheerful Rooms (樂窩客房), including 8 deluxe Cheerful Suites (樂窩套房) and 2 accessible Cheerful Rooms. The rooms feature a 9-foot ceiling, velvety beds, WiFi connectivity, a 42-inch LCD TV, a spacious rainfall shower and fragrant featured coffee. The 3,698-sq.m. cozy meeting room and sizeable banquet hall are brimming with endless creative potential.

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

Tel: 0371-68136666

Holiday Inn Nanyang

Holiday Inn Nanyang opened on 8 August 2012. Located in the historic city of Nanyang, renowned for its natural air and jade culture, the hotel is the first internationally acclaimed five-star hotel in Nanyang. Covering a GFA of 66,700 sq.m, the hotel is blessed with a picturesque garden landscape and a rippling lake, offering an unparalleled geographic advantage.

The 353 guestrooms and suites are tailor-made to deliver a luxurious and comfortable experience for guests. The 1,000- sq.m. banquet hall offers banquet services to both local and international companies. Wi-Fi connectivity is available throughout the hotel, including the fitness centre and swimming pool. Whether for a leisurely getaway, wedding planning or business meetings, Holiday Inn Nanyang is an exceptional choice.

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

Tel: 0377-60218888

Four Points by Sheraton Luohe

Four Points by Sheraton Luohe opened on 29 November 2012. Located on the west branch of Songshan Road, Yancheng District, Luohe City, the hotel is adjacent to Luohe International Convention and Exhibition Centre. It is approximately a 10-minute drive from the downtown and Luohe Railway Station, and a 90-minute drive from Zhengzhou Xinzheng International Airport.

The hotel has 244 cozy guestrooms, featuring The Eatery (宜客樂), the city's sole international buffet restaurant, and Juweixuan (聚味軒), a Chinese restaurant blending traditional and contemporary Cantonese cuisines. It is also equipped with an indoor heated swimming pool, sauna facilities, a fitness centre, a boardgame room and a pillarless banquet hall, all to deliver endless surprises for accommodation, catering and leisure.

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

Tel: 0395-2566999

Pullman Kaifeng Jianye

Pullman Kaifeng Jianye opened on 1 November 2015. Located on the northwest side of the ancient city wall in downtown Kaifeng, the hotel embraces a rippling lake. It is merely a 10-minute drive from Kaifeng Railway Station and a 50-minute journey from Xinzheng International Airport. The hotel covers a total GFA of 43,536 sq.m. and a site area of approximately 58,300 sq.m., where the vegetation surrounding the city wall is meticulously preserved.

The hotel has 186 guestrooms, a five-star resort hotel blending business conference, catering, accommodation and leisure all together. Comprising an array of facilities, including a conference centre, banquet hall, dining restaurant, Chinese restaurant, featured bar, executive lounge, fitness centre, swimming pool, SPA centre, yoga studio and indoor golf, the hotel invites guests to “relax and indulge in a superior experience.” Embracing a post-modern design of Northern Song Dynasty architectural style, the hotel’s exterior features wood-toned materials that harmonize beautifully with the acid blue lake.

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

Tel: 0371-23589999

Zhengzhou Jianye Sky Mansion

Zhengzhou Jianye Sky Mansion opened on 1 October 2018. Located at the northwest corner of the intersection of Dongfeng East Road and Kangning Street, the hotel is situated within a 3-kilometer radius of the city’s CBD Central Business District, new provincial government headquarters and Zhengzhou East High Speed Railway Station – three of the urban core’s key landmarks. The hotel covers a total GFA of 34,251.8 sq.m..

Developed by CCRE, the project is featured as a high-end serviced apartment offering 302 units, ranging from single apartments to four-bedroom apartments. The serviced apartment comprises an array of amenities, including an all-day dining restaurant, Japanese-style izakaya, fitness centre and children’s playroom, providing occupants with a safe, convenient, cozy and comfortable living space.

Address: Block 9, 58 Kangning Street, Zhengzhou City

Tel: 0371-65686888

Yanling Jianye The Mist Hot Spring Hotel

Yanling Jianye The Mist Hot Spring Hotel opened on 1 February 2018. Located in Chenhuadian Town, Yanling County, Xuchang, Henan Province, the hotel covers a GFA of 50,264 sq.m..

Designed by the acclaimed international architects of Amata Luphaiboon and Twitee Vajrabhaya Teparkum, the hotel has 51 guestrooms and is equipped with an all-day dining restaurant, Chinese restaurant, outdoor hot spring and soaking pool, indoor swimming pool and soaking pool, SPA, fitness centre, lobby bar, tea room, and banquet hall.

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

Tel: 0374-7968888

Xuchang Shenhou Town • Jianye Starry Hills

Shenhou Ancient Town is one of the pioneering specialty towns in China, renowned as the “Capital of China’s Jun porcelain”. Dating back to the Northern Song Dynasty reign of Emperor Huizong, the town’s produced Jun porcelain was designated as the “Treasures of the Royal Courts”. Xuchang Shenhou Town • Jianye Starry Hills is the first Starry Hills-branded specialty hotel by CCRE, which opened on 1 October 2019.

Drawing inspiration from Shenhou Ancient Town’s rich Jun porcelain heritage, Xuchang Shenhou Town • Jianye Starry Hills offers guests an immersive experience to connect with this art form. While embracing the local ambiance, guests can delve into the history and techniques of Jun porcelain, with opportunities to try their hand at porcelain-making. Beyond its 30 cozy guestrooms, the hotel features a restaurant, book bar, tea room and reception lounge, creating a serene sanctuary for guests to unwind and forge a dialogue with the past.

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

Tel: 0374-8616999/0374-8618999

Xinyang Jigongshan • Jianye Starry Hills

Jigongshan Mountain in Xinyang is one of the four premier summer retreats in China, situated along the north-south boundary of China. Revered as the “Greenness Dividing Chu (Hubei Province) and Yu (Henan Province)”, the region blends the robust grandeur of the north with the elegant splendor of the south, making it an exceptional destination for both sightseeing and leisure.

Xinyang Jigongshan • Jianye Starry Hills opened on 1 July 2020. Located at the mountainside of Jigongshan Mountain in Xinyang, the hotel is nestled alongside the “Villa Cluster” - a collection of structures built during the late Qing Dynasty and early Republic of China. The hotel offers guests panoramic views of the mountain’s stunning natural scenery, while also providing a space for rest and imagination amidst the diverse architectural styles and rich history of the surrounding area – embodying the brand’s ethos of “living beside the stars, free to indulge one’s passions”.

Featuring 89 guestrooms and an array of amenities, including a restaurant, meeting rooms, a shared common area and a mahjong room, the hotel caters to the diverse vacation needs of individual travelers, groups and families alike. Guests can fully immerse themselves in the carefree mountain lifestyle, embracing the joy of seeing, understanding and reveling in the mountain splendor.

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

Tel: 0376-8658888

Unique Theatre Hotel

Zhengzhou Jianye Unique Theatre Hotel opened on 5 June 2021. Comprising a total of 400 warmly cozy guestrooms, ranging from comfortable rooms to deluxe rooms and family rooms, the hotel houses two all-day dining restaurants, 1 Chinese restaurant, a fitness centre, a treasure-hunting playground and a foot massage spa.

Located in Zhongmu County, Zhengzhou, the hotel is adjacent to Unique Henan • Land of Dramas. It also lies just a 10-minute drive from Jianye • Huayi Brothers Movie Town and Zhengzhou International Cultural and Creative Industrial Park, while being approximately 40 minutes by car from both Zhengzhou East High Speed Railway Station and Xinzheng International Airport. It is the first theme-based hotel under CCRE’s cultural and tourism segment. Unique Henan • Land of Dramas stands as China’s first panoramic and immersive drama-themed park jointly created by CCRE and director Wang Chaoge. Thus, guests staying at Unique Theatre Hotel can immerse themselves in the accommodation experience of “living in a drama “ while witnessing the dazzling culture of Central China.

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

Tel: 0371-86568888

Xijian Inn

Xijian Inn opened on 21 September 2019, located within the Taiji Street area of Jianye • Huayi Brothers Film Town Park, under the “Xijian” brand operated by CCRE. The inn’s name “Xijian” is derived from a line by the renowned Tang Dynasty poet Cen Shen: “Suddenly hearing the sound of a galloping horse, I am happy to see an old friend coming”. This means that when guests arrive, they will experience a sense of delight akin to meeting an old friend, encapsulating the inn’s overarching theme of “living in a movie”. Xijian Inn comprises four distinct accommodation styles: the Jianghu style “One Night in Jianghu”, the mountain style “Qingshan Hou”, the Republic of China style “Crescent Moon House”, and the opera style “West Wing”. The area of One Night in Jianghu is 760 sq.m.; the area of Qingshan Hou is 615 sq.m.; the area of Crescent Moon House is 1,537 sq.m.; the area of the West Wing is 1,840 sq.m., with a total GFA of 4,752 sq.m. There are 67 guest rooms and 76 beds, which can accommodate 136 people.

By day, guests can indulge in delectable food, theatrical performances and cultural explorations, leaving them with an unforgettable cinematic memory. By night, they can retreat to one of the inn's four distinct themed accommodations, where they can immerse themselves in a dreamlike, movie-inspired experience. The 24-hour butler service provides customers with a unique customised experience, while the inn's superior hardware and amenities provide them with a sense of cozy homecoming.

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

Tel: 0371-62168000

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

Pingdingshan Jianye Triumph Hotel and Zhumadian Jianye Triumph Hotel are self-owned brand hotels of CCRE, both of which are standardised hotels meticulously built by Jianye Zhizun Hotel Investment Co., Ltd. Pingdingshan Hotel is also the pioneering work of CCRE's standardised hotel construction. Both Pingdingshan Hotel and Zhumadian Hotel have 161 guestrooms each, with amenities such as a banquet hall, all-day restaurant, conference rooms and a fitness centre, catering to the needs of business travelers.

Wugang Baicheng Tiandi Jianye Starry Hills Hotel (Under Construction)

Wugang Jianye Starry Hills Hotel is located at the southwest corner of Tieshan Avenue and Wenzhou Road. The main body of the hotel is integrated with Baicheng Tiandi Business. This 9-floor building has 87 guestrooms, with a lobby spanning the 1st and 2nd floors, and guestrooms spanning from the 3rd to 9th floors. Departing from the traditionally monotonous hotel design, the hotel has created a stylish ambiance throughout its common areas and private quarters. Step outside, guests will find themselves immersed in Baicheng Tiandi Commercial Street, where they can enjoy dining, shopping and transportation that cater to their needs.

Linqi Hotel (Under Construction)

Located beside Zhengzhou Navigation Stadium, Zhengzhou Jianye Linqi Hotel is adjacent to the super high-rise headquarters office building and Jianye Exhibition Hall that are under construction. Designed by acclaimed architect Amata Luphaiboon, the designer of Six Senses Samui on Samui Island, the hotel's design draws inspiration from nature. Embracing the concepts of trees and forest canopies, the architecture immerses guests in a woodland-like atmosphere, inviting them to experience a sense of dwelling within the woods and reconnecting with the rhythms of growth, rest, and the very essence of the natural self.

The main body of the hotel is an ultra-modern, low-density building standing 5 stories tall, housing 177 guestrooms, with an all-day restaurant, lobby bar, outdoor bar, conference rooms, a gym, a swimming pool, etc. The hotel is committed to providing guests with an experience that embodies the aesthetic perspective and living style of Henan, delivered through world-class design and genuine hospitality of Central China.

Yunxiu Hotel (Under Construction)

Zhengzhou Jianye Yunxiu Hotel is located in Zhengzhou International Cultural and Creative Industry Park. Designed by Oki Sato, founder of Nendo, it is Nendo's inaugural hotel project on a global scale.

Nendo draws inspiration from the unique geographical and cultural elements of Henan, such as kiln caves and Longmen Grottoes. By incorporating cave-like stacking, shadows, holes and layering, the architect has imbued the hotel with a sculptural, chiaroscuro and three-dimensional quality across various areas. Guests residing here will feel as though they are surrounded by wind, light, and mist, experiencing the abundant gifts of nature and embarking on a wondrous journey of artistic design.

The hotel has 231 guestrooms and is equipped with Xiu cafe, Qingfeng Chinese Restaurant, Xiuju Japanese Restaurant, Ciao Bella Italian Restaurant, Sky Terrace Hotel, Yunshang Swimming Fitness Centre and other sound facilities. It is an artistically-designed luxury hotel integrating business conference, catering, accommodation, leisure and entertainment.

3. *Cultural tourism*

CCRE's cultural tourism segment is dedicated to the development and operation of property projects for cultural tourism across Henan Province, with a focus on the historically rich core cities of Zhengzhou, Kaifeng and Luoyang. Leveraging the region's abundant history, culture and natural resources, CCRE presents diverse "Cultural Tourism Stories" through a variety of mediums, including theme parks, tourist districts and live performances, each with its own unique style, form and connotation. As of 30 June 2024, the projects under the segment include Jianye • Huayi Brothers Movie Town, Unique Henan • Land of Dramas and Qishengjiao in Kaifeng.

Thanks to the solid performance of the cultural tourism segment in recent years, the Company has received strong attention from the China's cultural tourism industry, which has led to a substantial increase in its influence in the industry.

In June 2024, Unique Henan • Land of Dramas was selected as one of the top 10 innovative projects for 2024 intangible cultural heritage tourism experiences. In 2024, two projects were featured on CCTV during the Spring Festival for five times and May Day holiday periods for ten times. During the May Day holidays, the flagship "Network News Broadcast" programme reported on Unique Henan • Land of Dramas, with coverage from programmes such as "Morning News", "China's Public Opinion Forum", and "Cultural 10 Minutes". Jianye Movie Town was presented on CCTV, appearing three times a day, with "Morning News", "First Time" and "Economic Information Broadcast" providing ongoing coverage, and CCTV News even dedicating over 20 minutes of live airtime to the project. In July 2024, the People's Daily published a full-page feature article titled "Nurturing and Disseminating Culture through Drama" spotlighting Unique Henan • Land of Dramas.

Jianye • Huayi Brothers Movie Town is located in International Cultural and Creative Industry Park in Zhengzhou with a total GFA of approximately 600 Chinese-mu. Adopting the form of a cinematic set, the project is imbued with a sense of historical culture and urban memory. It functions as an integrated experience hub for film culture, integrating film set tours, film cultural exhibitions, interactive movie-themed entertainment, folk custom and intangible heritage experiences, large-scale serial performances, unique cuisine and themed inns.

The site's first two blocks, covering a GFA of 163.2 Chinese-mu, were grandly premiered on 21 September 2019 and put into operation, eliciting a resounding market response. The site has evolved into a premier social media hotspot in Central China. It has garnered extensive coverage from prestigious national media outlets such as People's Daily, Xinhua News Agency, CCTV and Xuexi Qiangguo (xuexi.cn), earning positive reviews across all sectors of society. In 2020, the site was rated as an AAAA National Tourist Attraction.

In the first half of 2024, starting from the New Year's celebrations, the movie town maintained a series of events, welcoming over 2.2 million visitors and generating approximately RMB117 million in revenue. It has earned a strong reputation in the market, achieving both economic benefits and brand effects.

Unique Henan • Land of Dramas is a large-scale performing arts-themed project co-developed by the Company and Wang Chaoqun, a renowned Chinese director of real scenery performance. Comprising 21 theaters, it is currently the largest theatrical complex in China. Located in International Cultural and Creative Industrial Park in Zhengzhou with a total GFA of approximately 622 Chinese-mu, the project is a key Class A construction project in Henan Province. Drawing inspiration from Henan's rich history and culture, Unique Henan • Land of Dramas employs innovative performance techniques and a unique architectural setting. Visitors can "see, hear, smell, touch and taste" the essence of Central China culture and the brilliance of Chinese civilisation as they journey through the various theater units and outdoor scenic settings and functional spaces. The project holds significant importance in showcasing the distinctive characteristics of Henan, redefining its cultural identity, exuding its grandeur, and nurturing a profound sense of cultural pride. Across its 21 theaters, a cast of nearly a thousand performers presented over 30 plays. The entire site can accommodate up to 10,000 audiences, with the three main theaters each able to host accommodate nearly 5,000 audiences. The total duration of a single show of all plays is nearly 700 minutes, and a total of nearly 200 performances were presented in a single day during the peak season, totaling nearly 5,000 minutes.

After a four-year endeavour, Unique Henan • Land of Dramas celebrated its grand opening premiere on 5 June 2021, the day of Chinese lunar Grain in Ear. Over 2,000 guests, including entrepreneurs, cultural celebrities, CCRE's partners and media representatives from across the country, gathered to witness this occasion, sparking nationwide interest.

Since its official opening on 6 June 2021, the project has garnered rapid popularity and acclaim in the market. As of the first half of 2024, Unique Henan • Land of Dramas has firmly established its presence in the national market, attracting over 70% of its visitors from outside the Henan province, 85% of whom are young people born after 1985, as well as tourists from over 50 countries. During the first half of the year, it welcomed 7 million visitors and generated approximately RMB296 million in revenue.

Located in Kaifeng City, Henan Province (which used to be the Ancient Capital of the Eight Dynasties), Kaifeng Qishengjiao is a cultural tourism and leisure district that integrates shopping stores, unique cuisine, accommodations, entertainment, leisure and cultural experience within a fully recreated Song-style architectural setting. In 2021, the project was selected as a "Provincial Tourism and Leisure Block in Henan Province". The project stands out for its prime location amidst rich local tourism attractions. It is proximate to the 2-km-long Yuhe River constructed with the Company's investment, highlighting the essence of a "Northern Waterside City" and seamlessly integrating with the surrounding travel resources. Since its inception in 2014, Qishengjiao has garnered widespread attention, emerging as a new tourism spot in the city. Responsive to the evolving tourism market, the project has undergone continuous adjustments and explorations, currently undergoing a swift process of upgrade and transformation. In October 2020, a makeover initiative was completed, introducing a collection of highlights such as 17 designer concept stores, an exclusive Baogong cultural IP, an Internet-famous container site, a steam-powered mini train and Snow World Theme Park. Complemented by innovative building light shows, graffiti performances and other performing arts offerings for light cultural tourism, it has blended youth, trendiness and classical elegance, creating a new image of a commercial street embodying "art + trends + culture + architecture + space + creativity + aesthetics".

4. *Green House*

CCRE's green houses serve as the main bodies of the construction and operation of CCRE's modern agricultural projects. As of the end of the reporting period, the Company has established and is operating a total of five green houses, namely Yanling Jianye Green House, Hebi Jianye Green House, Yichuan Jianye Green House, Zhoukou Jianye Green House and Nanyang Jianye Green House.

Yanling Jianye Green House

Yanling Jianye Green House is located in Yanling County, Xuchang City, less than 100 km from Zhengzhou City, with a GFA of over 5,000 Chinese-mu. The project features key elements such as 3,000 Chinese-mu of high-quality landscaping seedlings, smart connected greenhouses, comprehensive exhibition halls, research Centres and fresh-cut flower cultivation facilities. The project is dedicated to creating a six-in-one rural complex that integrates "efficient facility agriculture, leisure and sightseeing agriculture, cultural and creative agriculture, demonstration and experiential agriculture, popular science education agriculture, and health and wellness agriculture".

Yanling Jianye has established a rural complex featuring a diverse array of attractions, such as smart connected greenhouses, Jianye Cafeteria, Hatton Planet, Magic Forest and Butterfly Museum. In the first half of 2024, it welcomed over 80,000 visitors, including provincial and municipal officials, domestic and international experts and scholars in relevant fields, CCRE's property owners and tourists from within and outside the province.

In recent years, Yanling Jianye Green House has earned a number of prestigious accolades, including the "National 4A Grade Tourist Attractions", the "Provincial Key Leading Enterprise of Agricultural Industrialisation" and the "Model Enterprise of Urban Eco-agriculture". The base has also been awarded the "Natural Ecological Plate" by the Education Bureau of Xuchang Municipality and has participated in the "Facility Flower and Tree Industry Technology Innovation Strategic Alliance in Henan Province" by Henan Provincial Department of Science and Technology. Furthermore, the Magnolia Tent Campground was awarded the "Recommended Campground in Henan Province".

Hebi Jianye Green House

Hebi Jianye Green House is located at the urban-rural integration demonstration zone in Hebi City with a GFA of approximately 4,450 Chinese-mu. This rural complex integrates modern agriculture, leisure and tourism, and rural community. The complex's construction offerings include smart interconnected greenhouses, the Jianye Cafeteria, the Chenzhai Flower Market, leisure and sightseeing agriculture, vibrant flower fields and wedding venues. A range of recreational activities, such as off-road go-karts, community mini-trains, a zoo and a racetrack have been completed, all of which have been made accessible to the public.

In the first half of 2024, Hebi Jianye Green House welcomed over 110,000 visitors, including government officials, industry leaders, CCRE's property owners, community groups and school students. Hebi Jianye Green House has earned a number of prestigious accolades in recent years, such as being recognised as "China's Agricultural Park", the "Leisure Tourism Park in Henan", and the "Key Leading Enterprise in Agricultural Industrialisation in Henan". The Hebi Municipal Government and the Hebi Urban-Rural Integration Demonstration Zone have also honored the green house with titles like "Advanced Unit in Building Harmonious Labor Relations in Hebi", "Advanced Unit in Absorbing Employment in Hebi", and "Urban-Rural Integration Demonstration Zone Advanced Unit in Party Building in Hebi".

Yichuan Jianye Green House

Yichuan Jianye Green House is located at north of Zhangyao Village, Jiangzuo Town, Yichuan County, Luoyang City, with approximately 6,725 Chinese-mu and a total investment amount of approximately RMB2 billion. The project is generally positioned to prioritize the sustainable development of the ecological environment, with a focus on integrating "agricultural + cultural tourism + health". The development model centres around a "demonstration zone of modern agricultural complex + ecological culture protection + picturesque village + Jianye Cafeteria". The aim is to create a six-in-one rural complex that encompasses "modern agriculture, ecological leisure, cultural creativity, demonstration experiences, popular science education and wellness".

The project has completed the construction of 16.3 km of roads within the site, 200 Chinese-mu of drip-irrigated fields, and 70,000 sq.m. of irrigation and water storage facilities, all of which are high-standard agricultural infrastructure. Approximately 1,200 Chinese-mu of mountainous forestry have been transformed. 99 wind and solar-powered streetlights have been installed, covering 1.8 km of roads and saving approximately 50,000 kWh of electricity per year. Completed facilities also include an 11,000 sq.m. high-standard smart greenhouse, plant factory, mushroom kiln caves, Yaji Lakeside Restaurant, a natural ecology museum, kiln cave experience dwellings, RV/tent camping area, treehouses/log cabin experience area, fruit and vegetable picking experience garden, sports development area, and ecological conservation area. Yaji Lakeside Restaurant, kiln cave experience dwellings, Forest Valley Natural Snack Bar, Pet Paradise, a children's playground, fruit and vegetable picking experience garden, forest leisure area, Starry Night • RV Camp, Guanshanxu-Weijing Restaurant, Pastoral Hot Pot Restaurant, and a research and learning space have been constructed and are in operation.

Yichuan Jianye Green House has added a variety of new attractions, including a fitness park, glass water slide, UTV all-terrain vehicles, and a boutique starry sky-themed shop. In the first half of 2024, it welcomed over 30,000 visitors. Yichuan Jianye Green House has been recognised with several prestigious honors, including being named the “Forest Health and Wellness Base in Henan”, the “Reassuring Consumption Demonstration Unit in Yichuan”, and the “Advanced Research and Study Base in Yichuan”.

Zhoukou Jianye Green House

Zhoukou Jianye Green House is a key cultural and tourism project invested by the Jianye Group in Zhoukou, with a total site area of about 1,845 mu and a total investment of nearly RMB2 billion. The project is built on the standard of 5A grade scenic area, and there are three plates of cultural tourism, agricultural cultivation and rural habitat. The project started construction in 2017, officially opened for operation in April 2020, and was assessed as a national 4A tourist attraction at the end of 2023. It has become an emerging cultural tourism project with certain popularity and influence in Zhoukou City, and has also become a popular check-in hotspot in Zhoukou City.

At present, the scenic area has been opened to three plates: agricultural tourism, cultural tourism and recreation and human habitation. Agricultural tourism is divided into three parts: Modern Agricultural Museum, Scientific and Technological Agricultural Museum and Ecological Agricultural Park; cultural tourism is mainly about the culture of the old canal, the food culture of the Central Plains of the Jianye Foodcourt and the antique commercial street of Canal Ancient Town; and recreation and human habitation is mainly about the detached villas and riverside houses, which take advantage of the unique natural scenery of the old canal.

The project has written, directed and performed four cultural performances, namely “Laozi Enlightenment (《老子悟道》)”, “Thousand-Character Literature Academy (《千字文書院》)”, “The Prosperous Age of Water Transport (《漕運盛世》)” and “Ji Hongchang-Eternal Monument (《吉鴻昌—永遠的豐碑》)”, as well as numerous youth singing and dancing dramas, lectures on Chinese culture, m, internet celebrity pop-up shows, and national tidal tours, etc., which have been staged year-round. Tourists can enjoy the four classic Chinese cultures originated in Zhoukou in one stop.

As of June 2024, the total number of tourists received at the Zhoukou Jianye Green Base Scenic Area exceeded 4.2 million, and the viewing number of Douyin exceeded 330 million times. The average weekday traffic is about 8,000 people per day, and the weekend traffic is about 30,000 people per day.

“The Millennium Canal has taken on a new look, and thousands of businesses have gathered to promote revitalization.” In the process of operation, the scenic spot has successively won the title of “Henan Province Nighttime Cultural Tourism Consumption Cluster”, “Zhoukou City Specialized Social Practice Education Base for Primary and Secondary Schools” and “Zhoukou Daily” “Research and Practice Education Base for Professional Young Journalists” and other honors.

Nanyang Jianye Green House

Nanyang Jianye Green House is located in the north of Wolong District, Nanyang City, nestled between Dushan Mountain to the west and Yong River to the east. The planned development covers a GFA of 4,800 Chinese-mu, being the fifth greenhouse project under CCRE.

Capitalising on Nanyang's unique cultural characteristics, the project embraces an innovative model that blends “agriculture + cultural tourism”, “agriculture + education”, and “agriculture + health”. The goal is to create a modern agricultural and rural complex that encompasses agricultural demonstration, rural revitalisation, ecological leisure, suburban tourism, health and wellness, popular science education and cultural creativity. The development has already completed construction on a variety of thematic functional areas, including the Jianye Farmhouse Comprehensive Exhibition Hall, Jianye Cafeteria, a plant factory, tropical plant garden, seedling nursery garden, Luo Ke Surge Tide, Long Xiang Equestrian, Lei's Ranch LDMC, and Golden Countryside Research and Study Area. These can fully cater to the all-encompassing leisure and experiential needs of visitors, covering “eating, living, traveling, shopping, entertainment, fitness, learning and research”.

Since its official opening on 28 September 2023, Nanyang Jianye Green House has welcomed over 270,000 visitors in the first half of 2024, serving as a positive driver for the thriving development of modern agricultural technology and cultural tourism industries in Nanyang. Looking ahead, the project is poised to evolve into a distinctive agricultural industrial park and a model demonstration area for rural revitalisation in southwestern Henan. Committed to becoming a demonstration project of a provincial, or even national-level, rural complex, the green house is set to emerge as an exemplary showcase for Nanyang's ecological agriculture, rural revitalisation and leisure tourism.

IV. Land Reserves

During the reporting period, the Group acquired approximately 23,000 sq.m. of land through equity partnerships, adding a GFA of approximately 59,000 sq.m. to its development pipeline. As of 30 June 2024, the Company has a total land reserve with a GFA of approximately 34.33 million sq.m., including attributable equity GFA of approximately 26.22 million sq.m..

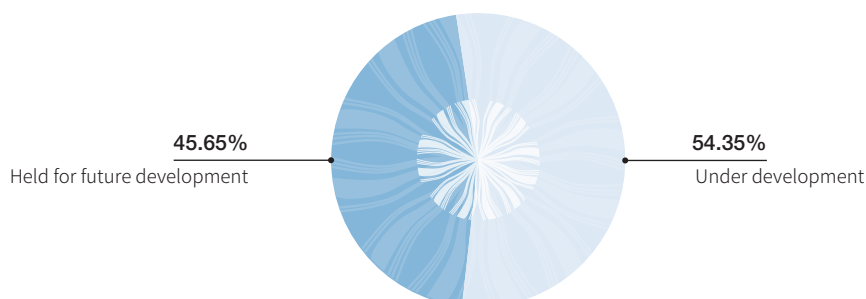
1. Land Acquired through Equity Partnerships

As of 30 June 2024, the Group acquired 1 parcel of land with a GFA of 23,074 sq.m. in Zhengzhou City through equity partnerships.

2. Distribution of Land Reserves

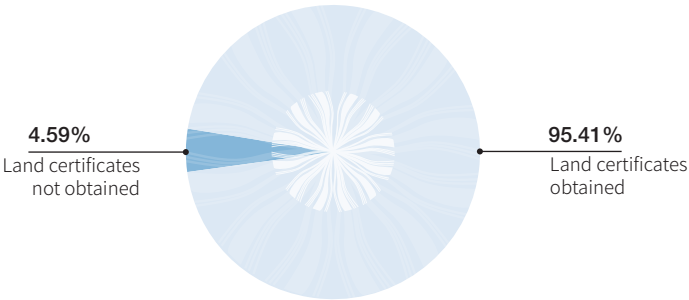
(1) Distribution of the Company's land reserves by development status

As of 30 June 2024, the distribution of the Company's land reserves by development status is set out in the table below:



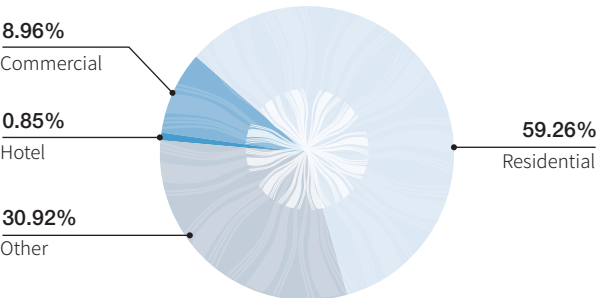
(2) *Distribution of the Company's land reserves by land use right certificates application status*

As of 30 June 2024, the distribution of the Company's land reserves by land use right certificates application status is set out in the table below:



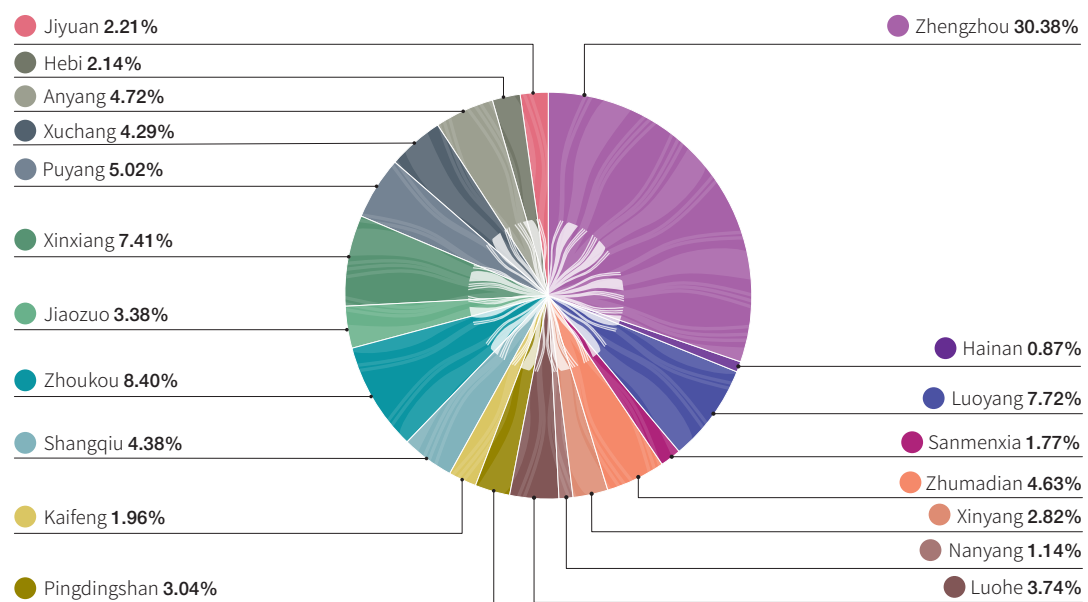
(3) *Distribution of the Company's land reserves by property types*

As of 30 June 2024, the distribution of the Company's land reserves by property types is set out in the table below:



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

As of 30 June 2024, the distribution of the Company’s land reserves by cities is set out in the table below:



V. Product Research and Development

1. Product R&D, Serialisation and Standardisation

The Company has conducted research on urbanisation trends, market dynamics and cultural shifts in line with the Group's development characteristics, through which the Company has streamlined its product portfolio on the basis of its product vision of "creating products that truly resonate with people from Central China" and the Group's overarching principle of "less is more, focus on quality". Building upon this basis, we have continuously refined the coverage of our product standards and created a professionally serialised and standardised construction that is centred around product lines and product compatibility across architecture, landscaping, decoration, structure and equipment.

During the reporting period, the Company has continued to leverage its product lines to undertake meticulous design across all specialties. We have prepared residential community building modules, community decoration design manuals, landscape standardisation guidelines and specialised smart design handbooks to enhance product competitiveness and brand premium, supporting the implementation of our projects in various cities. Furthermore, we have updated the construction methods and standards for railings and louvers in residential projects, making these standards more comprehensive and beneficial for the application and implementation of the Group's projects.

Guided by the development principle of "green, healthy, technological and energy-saving", the Company has embedded these elements into its product designs, further demonstrating its thoughtful consideration for customers.

2. *Residential industrialisation*

Residential industrialisation is instrumental in enhancing construction quality, achieving energy conservation and emission reduction, and improving living environments. This trend is inevitable in the development of residential construction. The Group has been proactively advancing the industrialisation of residential construction by applying prefabricated BIM technology to Plum Garden (梅苑) in Beilong Lake Junlin Grand Courtyard Project, enabling the implementation of prefabricated construction and safeguarding product quality.

3. *Customised Design*

As people's demand for higher living standards increases, traditional product design models can no longer fully keep up with the evolving demands of consumption upgrading.

The Company upholds the core principle of “providing a good life for the people of Central China” and has introduced the Junlin Grand Courtyard project based on customised development. The core principle of the Junlin Grand Courtyard development model is to start from customer needs, focusing on ten customisation aspects: unit design, architectural style, landscape design, supporting facilities, elevator configuration, decoration style, renovation standards, kitchen appliances, bathroom products and property services. The goal is to create residential products that meet the new era's needs for a better life, breaking away from traditional real estate development and design models, and leading the way into a customised and personalised era for residential products.

4. *Environmental Protection and Energy Conservation*

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

VI. Customer Service and Customer Relations

During the reporting period, to further elevate the service quality of the site, the Company consistently invested in renovation activities through a multi-pronged approach, encompassing upgrading hardware, improving greenery, repairing roads and renewing equipment, through which we can continuously enhance the living environment for the property owners, enhancing their sense of well-being and comfort.

During the reporting period, the Company actively responded to the government's directives to "ensure home delivery, ensure livelihoods and ensure stability" by carrying out several initiatives such as planning annual deliveries, precisely managing project classifications, establishing a command Centre for challenging project deliveries, holding monthly delivery meetings for urban branches, regularly organising owner meet-ups, and continuously maintaining customer relationships. Moreover, it innovatively deployed a five-pronged approach, involving "government-enterprise collaborations for support, centralising debt to resume work, introducing external support to overcome obstacles, equity transfers to secure resources, and resource-sharing partnerships". These actions ensured that the Company upheld the commitment to "ensuring delivery", living up to every choice and trust placed by the property owners.

COMMENCEMENT PLAN

In the second half of 2024, the Company plans to commence construction of 10 projects with a GFA of approximately 535,000 sq.m..

City	Project name	Principal use of property	GFA (sq.m.)
Xinxiang	Dongjing Mansion	Residential	92,416
Jiaozuo	Jiaozuo Xinrui Mansion	Residential	10,648
Jiaozuo	Jiaozuo Shuxiang Yard	Residential	109,851
Shangqiu	Shangqiu Jiangshan Mansion	Residential	24,281
Zhoukou	Huaiyang Qingfeng Courtyard	Residential	89,557
Zhoukou	Jianye Chinoiserie Palace	Residential	60,000
Zhoukou	Huaiyang Dongchen Mansion	Residential	92,197
Zhoukou	Huaiyang Dragon Bay	Residential	29,712
Zhumadian	Jianye Binhelong Palace	Residential	19,949
Zhumadian	Pingyu Jianye Jiangshan Mansion	Residential	6,840
Total			<u>535,451</u>

In the second half of 2024, the Company plans to deliver 74 projects in total with a GFA of approximately 5,543,000 sq.m..

City	Project name	Principal use of property	GFA (sq.m.)
Zhengzhou	Gongyi Spring Time	Residential	85,223
Zhengzhou	Zhengxi U-Town	Residential	146,205
Zhengzhou	Zhengzhou Wonderland	Residential	134,829
Zhengzhou	Zhengzhou Chengyuan	Residential	133,952
Zhengzhou	Zhengzhou Plum Garden	Residential	99,188
Zhengzhou	Dengfeng Songyue Mansion	Residential	45,551
Kaifeng	Taihe Mansion	Residential	17,607
Kaifeng	Lankao CCRE Mall	Commercial	10,017
Luoyang	Luoyang Zhonghong City Zone C	Residential	178,582
Luoyang	Luanchuan Luanzhou Palace	Residential	19,770
Luoyang	Luoyang Dingding Palace	Residential	274,665
Sanmenxia	Sanmenxia New District Forest Peninsula	Residential	50,639
Luoyang	Yichuan Dragon Mansion	Residential	52,100
Anyang	Chinoiserie Palace North Garden	Residential	151,878
Anyang	Jianye Chinoiserie Palace Donglu	Residential	161,655
Anyang	Jianye City	Residential	85,617
Pingdingshan	Pingdingshan Wugang Forest Peninsula	Residential	86,177
Pingdingshan	Pingdingshan Spring Time	Residential	123,125
Pingdingshan	Pingdingshan Guangming Mansion	Residential	54,397
Pingdingshan	Pingdingshan Ruzhou Jianye Sweet-Scented Osmanthus Garden	Residential	35,127
Hebi	Hebi No.7 Courtyard	Residential	54,861
Hebi	Qi County Jianye City	Residential	47,368
Xinxiang	Changyuan Forest Peninsula Courtyard	Commercial	10,565
Xinxiang	Xinxiang Chinoiserie Palace	Residential	48,084
Xinxiang	Xinxiang Xinfei Jianye Mansion	Residential	99,983
Xinxiang	Xinxiang Jianye Blossom Garden	Residential	45,524
Xinxiang	Fengqiu Central Garden	Residential	71,208
Xinxiang	Hui County Gongcheng Dongwang	Residential	164,409
Xinxiang	Hui County Code One City	Residential	38,971
Xinxiang	Beverly	Residential	56,525

City	Project name	Principal use of property	GFA (sq.m.)
Jiaozuo	Wuzhi Star Mall	Commercial	39,869
Jiaozuo	Bo'ai Spring Time	Residential	49,115
Jiaozuo	Mengzhou Jianye Mansion	Residential	66,681
Jiaozuo	Mengzhou Jianye Mansion	Residential	53,181
Jiaozuo	Wuzhi Majestic Mansion	Residential	75,429
Jiaozuo	Jiyuan Chinoiserie Palace	Residential	123,005
Puyang	Puyang Chinoiserie Palace	Residential	172,058
Puyang	Puyang Puyuan	Residential	42,227
Puyang	Puyang Longcheng	Residential	104,089
Puyang	Taiqian Jianrun Mansion	Residential	84,735
Xuchang	Xiangcheng Jianye CCRE Mall	Residential	77,918
Xuchang	Xuchang Jianye Pleasure Garden	Residential	21,903
Xuchang	Changge Jianye Forest Peninsula	Residential	19,940
Xuchang	Yuzhou Jianye Dachengxiaoyuan	Residential	24,109
Xuchang	Yuzhou Jianye Spring Time	Residential	33,502
Luohe	Scholarly Mansion	Residential	58,876
Luohe	Changjian Ideal City	Residential	74,688
Luohe	Zhongliang Art Mansion	Residential	79,456
Shangqiu	Shangqiu Chinoiserie Palace	Residential	88,503
Shangqiu	Shangqiu Shangqiu Art Mansion	Residential	64,132
Shangqiu	Shangqiu Future City	Residential	43,709
Shangqiu	Yongcheng Jianye Shenhua Art Mansion	Residential	123,282
Shangqiu	Yongcheng Jianye Lianmeng Dongwang	Residential	144,763
Shangqiu	Zhecheng Jianye Lianmeng Dongwang	Residential	74,011
Shangqiu	Shangqiu Jianye Shangheyuan	Residential	13,382
Shangqiu	Shangqiu Jiangshan Mansion	Residential	99,389
Zhoukou	Zhoukou Jianye City	Residential	52,580
Zhoukou	Jianye Chinoiserie Palace	Residential	70,000
Zhoukou	Huaiyang CCRE Mall	Commercial	22,000
Zhoukou	Zhoukou Jianye City	Residential	76,593
Zhumadian	Pingyu Jiangshan Mansion	Residential	36,831
Zhumadian	Shangcai Jianye Mansion	Residential	28,169
Zhumadian	Zhumadian Chinoiserie Palace	Residential	127,598
Zhumadian	Zhumadian Jianye Tianzhong Mansion	Residential	27,113

City	Project name	Principal use of property	GFA (sq.m.)
Xinyang	Huangchuan Huangguo Palace	Residential	53,276
Xinyang	Gushi Jianye Tianming Future City	Residential	19,351
Xinyang	Xinyang Jianye Mansion	Residential	46,648
Xinyang	Xinyang Mansion	Residential	172,000
Xinyang	Xi County Honour Mansion	Residential	28,930
Xinyang	Huaihe Courtyard	Residential	68,406
Nanyang	Nanyang Jianye Art Mansion	Residential	19,221
Nanyang	Nanyang Dengzhou Jianye Qingyunli	Residential	43,246
Hainan	Zhonghe Jiayuan Project	Residential	18,416
Hainan	Jianye Dongfang Jiayuan	Residential	197,016
	Total		<u>5,543,148</u>

CORPORATE GOVERNANCE PRACTICES

The Company has always valued the superiority, steadiness and rationality of having a sound system of corporate governance and is committed to continuously improving its corporate governance and disclosure practices. For the six months ended 30 June 2024, the Company complied with all code provisions and, where appropriate, adopted the recommended best practices set out in the Corporate Governance Code (the “**Corporate Governance Code**”) in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) with the exception of code provision C.1.6 as addressed below.

Code provision C.1.6 provides that non-executive Directors should attend general meetings to gain a comprehensive and fair understanding of the views of shareholders. Due to his own business engagements, Dr. Sun Yuyang was unable to attend the annual general meeting of the Company held on 30 May 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) in Appendix 10 to the Listing Rules as the code of conduct for the Directors in their dealings in the Company’s securities. Having made specific enquires with each Director, the Company confirmed that all Directors had complied with the required standard as set out in the Model Code for the six months ended 30 June 2024.

CHANGE OF DIRECTORS, AUTHORISED REPRESENTATIVES AND MEMBER OF THE REMUNERATION COMMITTEE

On 14 June 2024, Ms. Wu Wallis resigned as a non-executive Director and an authorised representative of the Company under Rule 3.05 of the Listing Rules due to her personal reasons. With effect from the same date, Mr. Wu Po Sum was appointed as an authorised representative of the Company under Rule 3.05 of the Listing Rules. For further details, please refer to the announcements of the Company dated 14 June 2024.

On 31 July 2024, Mr. Deng Gaoqiang and Mr. Shi Song resigned as non-executive Directors of the Company due to other work commitments. Following the resignation of Mr. Deng Gaoqiang, he ceased to be a member of remuneration committee of the Company. With effect from the same date, Mr. Xu Huizhan and Mr. Zhang Hui were appointed as non-executive Directors; and Mr. Xu Huizhan, was also appointed as a member of the remuneration committee of the Company. For further details, please refer to the announcements of the Company dated 31 July 2024.

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

During the six months ended 30 June 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

SHARE OPTION SCHEME

During the six months ended 30 June 2024, the Company has not granted any share options pursuant to the share option scheme (the “**Scheme**”) approved by the shareholders during the extraordinary general meeting held on 19 April 2018. As of 29 August 2024 (being the date of this results announcement), the total number of shares available for issue under the Scheme, for which the underlying share options have been approved by the shareholders but are yet to be granted by the Company, is 202,912,609 shares, representing approximately 6.68% and 6.68% of the issued share capital of the Company at the date of the Company’s annual report and this announcement respectively.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events subsequent to 30 June 2024 which would materially affect the Group’s operating and financial performance as of the date of this results announcement.

REVIEW OF INTERIM RESULTS BY AUDIT COMMITTEE

The Audit Committee of the Company has discussed with the management the accounting principles and policies adopted by the Group, and has reviewed the Group’s unaudited interim consolidated financial statements for the six months ended 30 June 2024. The unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2024 presented herein has not been reviewed or audited by the auditor of the Company.

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend (the “**Interim Dividend**”) for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

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

This interim results announcement is published on the websites of the Company (<http://www.jianye.com.cn>) and the Stock Exchange (<http://www.hkexnews.hk>). The Company’s interim report for the six months ended 30 June 2024 will be despatched to the shareholders and published on the aforesaid websites in due course.

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

Hong Kong, 29 August 2024

As at the date of this announcement, the Board comprises six Directors, of which Mr. Wu Po Sum is executive Director, Mr. Xu Huizhan and Mr. Zhang Hui are non-executive Directors, Mr. Cheung Shek Lun, Mr. Xin Luo Lin and Dr. Sun Yuyang are independent non-executive Directors.

* *For identification purposes only*