

COUNTRY GARDEN

Holdings Company Limited

碧桂園控股有限公司



Interim Report
2024

Stock Code: 2007

(Incorporated in the Cayman Islands with limited liability)

WHAT IS COUNTRY GARDEN?

Country Garden is a high-tech conglomerate working for society's happiness.

We are committed to robotics and technology-enabled construction

The rapidly evolving, diverse technologies have culminated in the age of robotics. We commit ourselves to this wave of technological innovation by recruiting diverse talents. We draw on their expertise and harness the power of technology to create a better life for society and add impetus to the country's technological advancement and quality development.

We established Bright Dream Robotics to develop and apply construction robots, raising the level of intelligentization of construction work.

We set up a technology-enabled construction group to develop a smart construction system that encompasses construction robots, a new type of prefabricated construction, smart equipment and digitalization through building information modeling (BIM). The effort aims at a perfect combination of workplace safety, quality, efficiency, environmental protection and technology. The company is also developing the businesses of general contracting and labour sub-contracting as it initiates and promotes a transformation in the traditional construction sector.

We have established Phoenix Management Company to actively expand into light-asset management and construction services. Leveraging the Group's extensive expertise in design, development, cost management, and customer resources accumulated over the years, we analyze market demands and continuously refine our products. By working closely with our partners, we strive to deliver exceptional projects.

We build good housing and good communities

Country Garden devotes itself to China's new type of urbanization. In the spirit of the craftsman, we design and build green, low-carbon, intelligent and safe housing, which comes with exquisite interior decoration, scenic gardens, comprehensive amenities and thoughtful services to the residents. We have converted over 1,400 rural towns to modern cities across the country, and more than five million people have chosen to make their homes in housing estates developed by Country Garden. We are proud to have contributed to the urbanization and modernization of our country.

We fulfil social responsibility

We join charitable causes to promote common prosperity. Since its establishment, Country Garden, together with its founder, have donated a cumulative total of over RMB10 billion to charity and carried out its work in poverty alleviation and rural revitalization in 57 counties in 16 provinces across the country, benefitting 490,000 people. It will build on its achievements in poverty alleviation by helping to turn villages into harmonious and good places to live and work, thus contributing to rural revitalization.

Established in 1992, Country Garden was listed on the Stock Exchange of Hong Kong in 2007. Country Garden fosters loyalty to the Communist Party of China and patriotism in its corporate culture. It aspires to be a conscientious, socially responsible and transparent company that works diligently for China's modernization and the Chinese Dream of national rejuvenation.

COUNTRY
GARDEN

►► We are here to make society a better place.

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CORPORATE PROFILE



Country
Garden

Jinhu Yuanzhu Project, Fujian Longyan

Country Garden Holdings Company Limited (stock code: 2007.HK) is one of the China's largest residential property developers that capitalizes on urbanization. With centralized management and standardization, the Group runs the businesses of property development, construction, interior decoration, property investment, and the development and management of hotels. Country Garden offers a broad range of products to cater for diverse demands, namely residential projects such as townhouses, condominiums, car parks and retail shop spaces. The Group also develops and manages hotels at some of its property projects with the aim of enhancing the properties' marketability. The Group's other businesses are robotics and light-asset entrusted management and construction services.

Since its establishment, Country Garden has been benefitting from China's thriving economy. Its business presence has been extended from Guangdong province to other economically vibrant regions of the country. Country Garden had projects of property development and operation in a number of locations of strategic importance in all the provinces, municipalities and autonomous regions of the country by the end of 2023.

CORPORATE PROFILE



Looking ahead, Country Garden will continue to consolidate its various community-based businesses that centre around its real estate business by integrating community resources. Specifically, it will build businesses that can meet all the needs in the entire human life cycle. All this can unlock the value of all of the Group's businesses and contribute to the urbanization and modernization of our country.

CORE VALUES

The
COUNTRY
GARDEN ►►►
that I dream of

- This is a company that brings together the best and the brightest
- This is a place where smart people come to excel
- This is a school where we learn to make ourselves better
- This is a big, happy family
- This is a company that values integrity, proper procedure, and the law
- This is a company of reason, always willing to correct itself
- This is a fair company, where hard work brings rewards
- This is a company that knows how to win, how to learn from experience, and apply what it learns
- This is a company that creates a happy life for the world
- This company is good for the community, good for the economy, and good for its employees
- This is a company that the public knows and loves
- This is a company that is always striving for progress and for humanity

— YEUNG Kwok Keung

1

VALUE:

A transparent company with a conscience and social responsibility

2

VISION:

Country Garden is a diversified technology company that creates a happy life for the world

CORE VALUES

BRAND:

Five-star living for you

5

**CORPORATE
SPIRIT:**

Good for people and good for society

4

**CORPORATE
MISSION:**Make the world a better place
for having us in it

3



CHAIRMAN STATEMENT



YANG Huiyan
Chairman

BUSINESS REVIEW AND OUTLOOK

The property sector is undergoing significant changes in market supply and demand amid the transformation not seen in a century. All the industry players, including the Company, are facing serious challenges such as declining sales rate and credit crunch in the market. With the good wishes of “meeting the housing needs of all people”, there remains huge demand and great potential for the property sector in the long run, albeit challenges ahead.

The PRC has recently unveiled a raft of policies and measures aiming at “bottoming out and stabilization” of the industry, from which enterprises may benefit and we also see a glimpse of hope. Although restoration is a long process, the industry is advancing towards a long-term, healthy development. As the original business model is constantly adapting to the new environment, we are actively responding to the call for policies and continue to work on the strategy of “guaranteeing delivery, operation and credit” so as to ensure the steady progress and sustainable development of the Company.

Guaranteeing delivery remains our top priority. During the six months ended 30 June 2024 (the Period), the Group recorded approximately RMB102.1 billion in revenue, and the Group and its joint ventures and associates together delivered a total of over 150,000 housing units, with delivered GFA of approximately 18.22 million square meters, covering 178 cities in 29 provinces. As the delivery work gradually entered the most difficult stage, the Company adopted the operation strategy of limiting income and expenditure, fully tapped the existing delivery resources, and ensured that main contractors and suppliers have a mutual understanding of project progress and settlement arrangements by negotiating a reasonable payment plan with them. Such efforts were made to effectively ensure the normal operation of projects. Meanwhile, the Company actively responded to various supportive policies of the national and local governments, and made every effort to strive for external resources to support the smooth progress of delivery work by relying on the white list, project and idle land acquisition and reserve and other related policies.

CHAIRMAN STATEMENT

On guaranteeing operation, the Company is committed to maintaining the stability and continuity of its operations and the proactive management of its balance sheet. During the Period, the Group and its joint ventures and associates together achieved contracted sales attributable to the shareholders of the Company of approximately RMB26.0 billion, with contracted sales GFA attributable to the shareholders of the Company of approximately 2.65 million square meters. In respect of operation, on one hand, the Company adapted to market changes through organisational structure adjustment and controlled reasonable allocation of administrative expenses. The administrative expenses further decreasing by 25.3% during the Period as compared to the same period of last year, showcasing the sustainable improvement in operational efficiency. On the other hand, the Company closely followed the actual market conditions to manage inventory classification, actively explored

market potential, and formulated corresponding supply plans in line with the market demand, in a bid to stabilize sales prices, maintain reasonable flow rates, and maximizes the value of development-type assets. With these efforts, the Company is confident of having sufficient operating funds in the coming year.

On guaranteeing credit, the Company attaches great importance to debt risk resolution and has actively communicated with stakeholders to explore various initiatives, including the overall restructuring of offshore debts, the reasonable extension of debt maturity and the moderate reduction of finance costs. At the same time, we responded to the call for various financing policies and actively promoted more projects to enter the white list, in order to gain more time and space for the stable operation of projects and gradually realise a long-term and sustainable capital structure.



Country Garden

Dahe Chenzhang Project, Henan Zhoukou

CHAIRMAN STATEMENT

Country
Garden

IN+ Town Project, Hainan Lingshui

The PRC values the healthy and stable development of the property market. The statement of “strictly controlling new supply, optimizing existing inventory and improving quality” in the Politburo meeting also reveals that after the current round of supply-side reforms, the market will put forward higher requirements on product strength.

In order to better adapt to market changes, the Company is currently exploring two new businesses, namely, construction technology as well as escrow and agency construction, with its property development business as the core. On one hand, through continuous exploration and practice of intelligent construction solutions, the Company strives to achieve the perfect combination of safety, quality, environmental

protection, and efficiency in the construction industry, gradually strengthening the cost control capability of the development business. On the other hand, by actively expanding the light asset escrow and agency construction business, the Company studies market demand and continuously iterates products to assist in market analysis and improvement of product system for the development business. At present, the two new businesses have achieved independent market-oriented operation and have been continuously improving in their respective fields to adapt to the current market changes, and it is hopeful for them to form a synergy with the development business in the future. We believe that the synergistic development of “One Core and Two Wings” can bring strong competitive advantages for the Company in the future.

CHAIRMAN STATEMENT



Country
Garden

Baiyue Qianwan Project, Shanghai

Forging ahead with confidence and fortitude! The advancement of Country Garden cannot be separated from the support and understanding of regulatory authorities, financial institutions, partners, investors, and all homeowners, and it also hinges heavily on the perseverance and dedication of our fellow colleagues. On behalf of the Board, I would like to express my sincere gratitude to everyone!

YANG Huiyan

*Country Garden Holdings Company Limited
Chairman*

Foshan, Guangdong Province,
The PRC, 14th January 2025

BUSINESS OVERVIEW

PROPERTY DEVELOPMENT

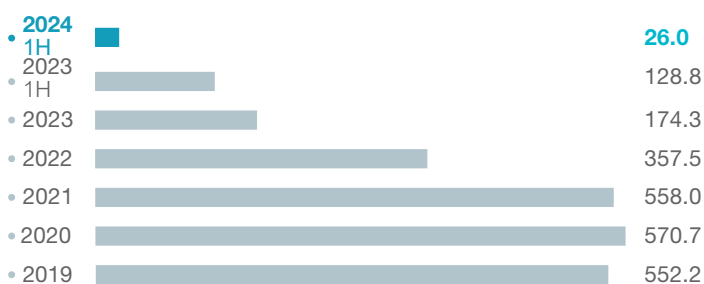
Contracted Sales

In the first half of 2024, the Group together with its joint ventures and associates achieved contracted sales attributable to the shareholders of the Company of approximately RMB25.95 billion with contracted sales GFA attributable to the shareholders of the Company of approximately 2.65 million sq.m.

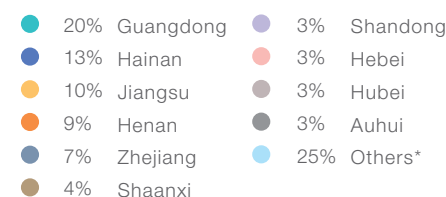
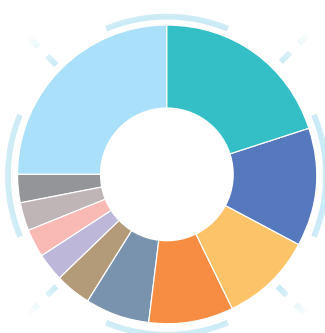
In the first half of 2024, the attributable contracted sales outside Guangdong Province was around 80% of that of the Group, reflecting the Group's efforts in geographic diversification.

In terms of tier cities, around 54% of the attributable contracted sales in Mainland China was contributed by projects located in tier 3&4 cities targeting tier 3&4 cities, around 32% was contributed by projects located in tier 2 cities targeting tier 2 cities and 14% was contributed by the others.

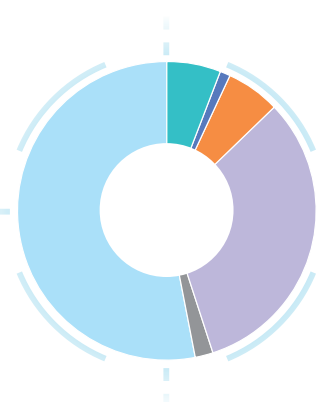
Attributable
contracted sales
(RMB billion)



Geographical
breakdown of
contracted sales in
the first half of 2024
(By Attributable Value)



Contracted sales
breakdown in
Mainland China by
city type in the first
half of 2024
(By Attributable Value)

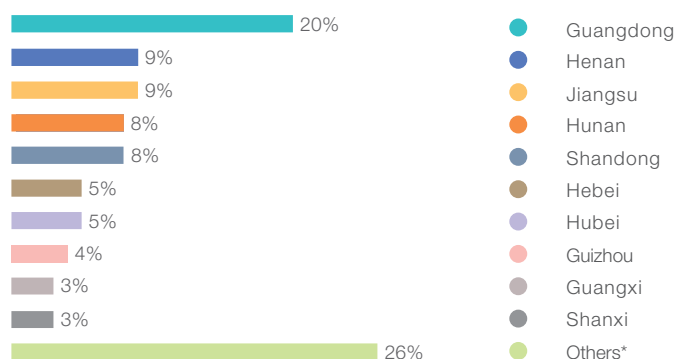


BUSINESS OVERVIEW

Landbank — Mainland China

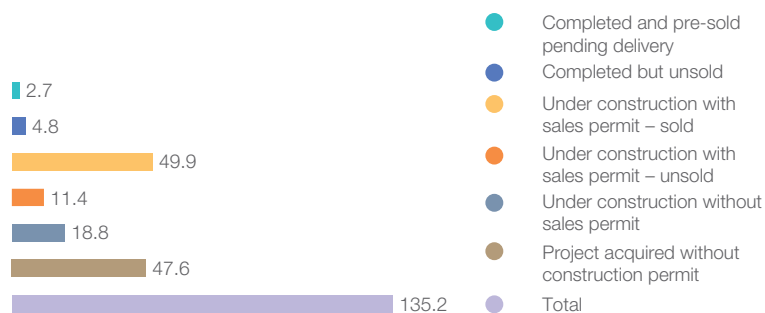
As of June 30, 2024 the acquired attributable GFA in Mainland China together with its joint venture and associates was 135.2 million sq.m.. 80% of the landbank was located outside of Guangdong province.

Landbank breakdown
by province in
Mainland China
(By attributable GFA)



Others* include Liaoning, Hainan, Sichuan, Anhui, Shaanxi, Zhejiang, Jiangxi, Xinjiang, Gansu, Mongolia, Yunnan, Chongqing, Fujian, Tianjin, Qinghai, Jilin, Heilongjiang, Beijing, Shanghai, Ningxia, Tibet.

Attributable
landbank GFA
breakdown by
development stage in
Mainland China
(million sq.m.)



BUSINESS OVERVIEW

Project Location

As of June 30, 2024
the Group operated

3,090 projects under different development stages,

3,059 of these projects were located in Mainland China and

31 were outside Mainland China.



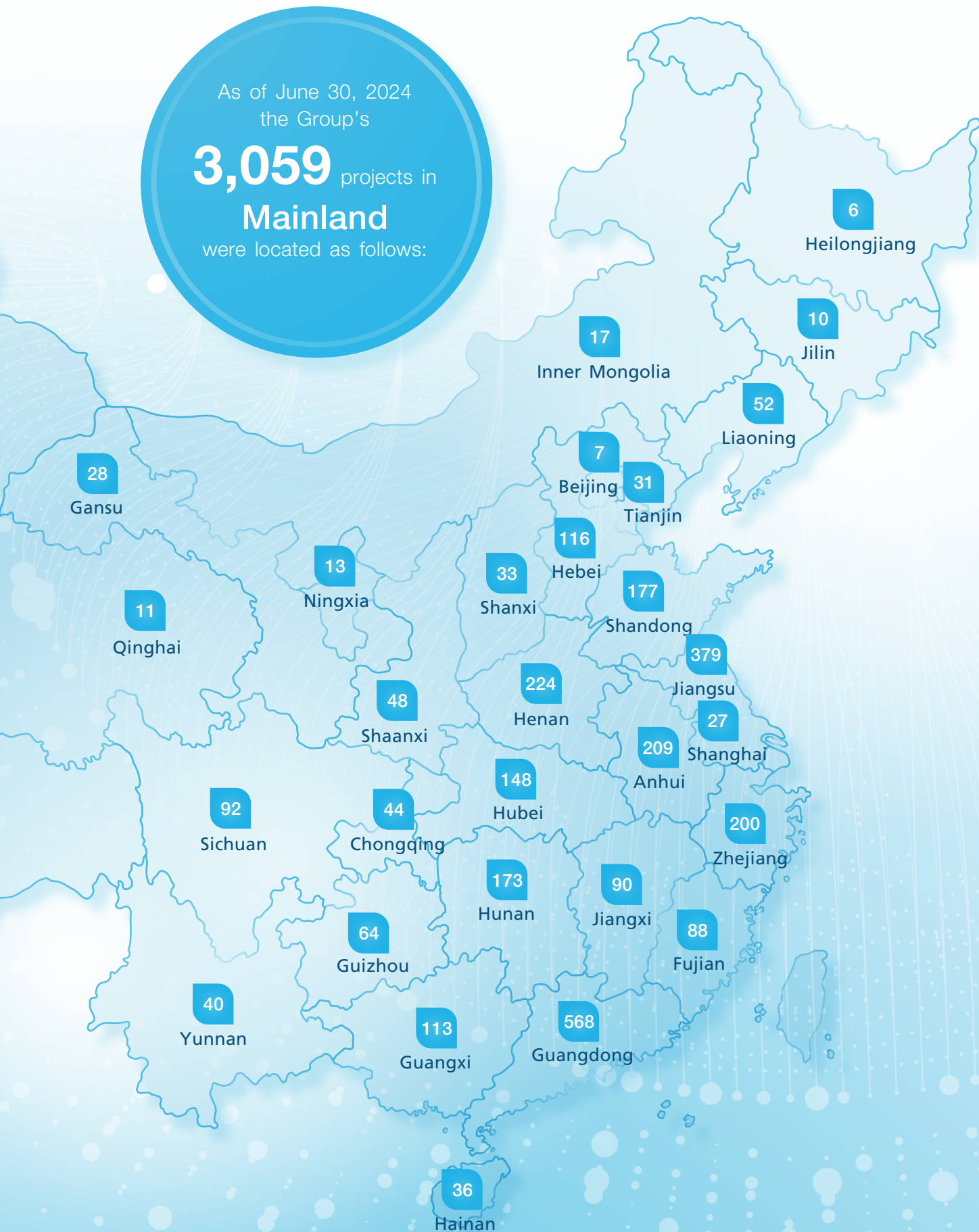
12
Xinjiang

3
Tibet

BUSINESS OVERVIEW

As of June 30, 2024
the Group's

3,059 projects in
Mainland
were located as follows:



BUSINESS OVERVIEW

Top 50 Projects of Equity Contract Sales in Mainland China in the First Half of 2024⁽¹⁾

Serial number	Project	City (District)	Aggregate saleable GFA for entire project	
			sq.m.	
1	Puyan Country Garden (浦沿碧桂園)	Hangzhou (Binjiang)	51,207	
2	Haikou Hainan Heart (海口海南之心)	Haikou (Meilan)	1,654,214	
3	Country Garden — Haitang Prosperity (碧桂園•海棠盛世)	Lingshui (Lingshui)	674,160	
4	Country Garden — Golden Beach (碧桂園•金沙灘)	Lingao (Lingao)	717,887	
5	Cisco Smart City (思科智慧城)	Guangzhou (Panyu)	537,894	
6	Country Garden — Harmony in the world (碧桂園•和世界)	Beijing (Tongzhou)	210,277	
7	Country Garden — Haiyi Peninsula (碧桂園•海逸半島)	Dongfang (Dongfang)	284,811	
8	Shaoguan Country Garden — Sun Palace (韶關碧桂園•太陽城)	Shaoguan (Wujiang)	4,049,827	
9	Country Garden Qiwasong (碧桂園齊瓦頌)	Sanya (Haitang)	104,697	
10	Ganyu Country Garden Yunding (贛榆碧桂園雲頂)	Lianyungang (Ganyu)	216,505	
11	Country Garden — Phoenix City (碧桂園•鳳凰城)	Zhenjiang (Jurong)	6,544,880	
12	Country Garden — Xinglong Lake (碧桂園•興隆湖畔)	Wanning (Wanning)	140,545	
13	Country Garden Lakeside City (碧桂園濱湖城)	Hefei (Chaohu)	892,637	
14	Huizhou Country Garden Tonghu Innovation Town (惠州碧桂園潼湖創新小鎮)	Huizhou (Zhongkai)	450,456	
15	Country Garden — Phoenix City (碧桂園•鳳凰城)	Zhongshan (South District)	1,040,108	
16	Haikou Binhai International (海口濱海國際)	Haikou (Meilan)	721,626	
17	Country Garden — Gaoxin Cloud Villa (碧桂園•高新雲墅)	Xi'an (Chang'an)	311,125	
18	Country Garden — Park Institution (碧桂園•公園學府)	Maoming (Maonan)	310,223	
19	Country garden — Ten Miles Silver Beach Weigang Bay (碧桂園•十里銀灘維港灣)	Huizhou (Huidong)	1,151,849	
20	Country Garden Yunding (碧桂園雲頂)	Xi'an (Chang'an)	979,058	
21	Country Garden — Central Garden (碧桂園•中央公園)	Zhengzhou (Zhongmu)	688,192	
22	Xinxu Meilonghu Intelligent Manufacturing Industry New Town (新圩梅龍湖智能製造產業新城)	Huizhou (Huiyang)	253,124	
23	Zengcheng Country Garden Center (增城碧桂園中心)	Guangzhou (Zengcheng)	97,943	
24	Country Garden — Yunding (碧桂園•雲頂)	Zhengzhou (High tech)	96,059	
25	Country Garden — Sanyuanli (碧桂園•三元里)	Urumqi (Tianshan)	464,029	
26	Shaoguan Country Garden (韶關碧桂園)	Shaoguan (Zhenjiang)	4,283,326	
27	Country Garden — Begonia Cloud Villa (碧桂園•海棠雲墅)	Sanya (Haitang)	33,902	

BUSINESS OVERVIEW

Completed property developments ⁽²⁾				Properties under development ⁽³⁾			Properties for future development ⁽⁴⁾
Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	GFA for future development
sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.
				51,207	51,153	2023/11/11	—
356,465	339,693	5,104	2022/12/1	393,638	249,745	2020/12/23	904,111
116,965	112,239		2023/6/30	127,092	65,406	2021/5/26	430,103
717,887	664,747	89	2021/9/17				—
267,066	201,328		2023/11/30	147,049		2026/6/30	123,779
				162,943	78,732	2021/12/12	47,334
207,613	197,557		2024/1/30	77,199	45,901	2021/8/30	—
2,717,622	2,670,903	45,795	2024/6/20	486,295	251,695	2017/6/28	845,910
104,697	90,681	601	2023/4/25				—
69,940	53,218		2023/9/28	38,269	20,579	2021/12/29	108,296
5,163,849	4,989,939	16,148	2024/5/15	289,252	62,218	2022/5/24	1,091,779
68,761	61,828		2022/6/30	71,784	22,319	2021/8/26	—
892,637	880,532		2020/9/5				—
275,531	245,401	47	2023/8/4				174,925
668,808	668,274		2023/11/17	254,182	174,289	2021/6/25	117,118
560,715	555,347		2022/12/15	99,874	84,601	2021/9/27	61,037
153,371	152,402		2024/4/30	157,754	126,324	2022/4/29	—
				166,868	126,340	2021/11/11	143,355
852,165	818,126	3,839	2023/4/21				299,684
385,091	383,749	251	2024/4/30	544,336	369,977	2022/10/9	49,631
506,401	461,820	2,140	2023/7/14	50,419	1,162	2020/9/28	131,372
208,614	100,131	5,527	2024/6/28	14,035		2025/9/30	30,476
97,943	70,955		2022/5/10				—
				96,059	80,198	2021/8/7	—
				182,872	117,528	2021/10/22	281,157
3,776,039	3,772,526	1,216	2023/11/14	191,020	48,482	2021/3/12	316,267
33,902	20,087		2023/10/24				—

BUSINESS OVERVIEW

Serial number	Project	City (District)	Aggregate saleable GFA for entire project sq.m.	
28	Country Garden — Ten Miles Silver Beach Victoria Harbour Peninsula (碧桂園•十里銀灘維港半島)	Huizhou (Huidong)	678,859	
29	Country Garden — Tangyue Mansion (碧桂園•棠樾府)	Shaoxing (Shengzhou)	158,146	
30	Sanya United Plaza (三亞聯合廣場)	Sanya (Tianya)	128,459	
31	Country Garden — Ten Miles Silver Beach with Sea and Cloud Mountain (碧桂園•十里銀灘伴海雲山)	Huizhou (Huidong)	289,854	
32	Country Garden — Yingbin Mansion (碧桂園•迎賓府)	Cangzhou (Yunhe)	123,763	
33	Country Garden — Zique Terrace (碧桂園•紫闕臺)	Ningbo (Cixi)	315,287	
34	Country Garden — South Railway Station New Town (碧桂園•南站新城)	Huizhou (Huiyang)	611,141	
35	Country Garden — Yunding (碧桂園•雲頂)	Linyi (Lanshan)	290,044	
36	Lanzhou Country Garden (蘭州碧桂園)	Lanzhou (Chengguan)	4,081,405	
37	Country Garden Phoenix City (碧桂園鳳凰城)	Baoji (Weibin)	1,108,739	
38	Country Garden — Longyue Tianchen (碧桂園•龍悅天宸)	Xi'ning (Chengzhong)	171,639	
39	Shanyue Cloud Garden (山樾雲庭)	Suzhou (Huqiu)	61,931	
40	Country Garden — Phoenix City (碧桂園•鳳凰城)	Zhengzhou (Zhongyuan)	700,559	
41	Country Garden — Phoenix City (碧桂園•鳳凰城)	Xi'an (Weiyang)	1,785,816	
42	Country Garden — Century City (碧桂園•世紀城)	Maoming (Xinyi)	437,470	
43	Country Garden — Fengqi Terrace (碧桂園•鳳棲臺)	Datong (Pingcheng)	426,321	
44	Country Garden — Institution Aristocratic Family (碧桂園•學府世家)	Hanzhong (Nanzheng)	175,951	
45	Country Garden — The Capital (碧桂園•首府)	Shantou (Chaoyang)	312,347	
46	Country Garden — Cloud Lake Tianjing (碧桂園•雲湖天境)	Zhengzhou (High tech)	85,437	
47	Country Garden — Duhui Chengpin (碧桂園•都會誠品)	Nanjing (Pukou)	63,785	
48	Country Garden — Future Star Gathering (碧桂園•未來星薈)	Nantong (Qidong)	135,982	
49	Country Garden — Yunyue Bizhen (碧桂園•雲樾碧臻)	Foshan (Nanhai)	253,833	
50	South Lake Country Garden (南湖碧桂園)	Wuhan (Hongshan)	131,880	

Note:

- (1) All the GFAs displayed in this section are attributable to the owners of the Company.
- (2) Based on the measurement reports from relevant government departments.
- (3) Based on the actual measurements by the project management department of the Group.
- (4) "GFA for future development" for each project is the GFA expected to be built.

BUSINESS OVERVIEW

Completed property developments ⁽²⁾				Properties under development ⁽³⁾			Properties for future development ⁽⁴⁾
Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	GFA for future development
sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.
76,504	45,203	1,029	2023/12/8	228,619	5,043	2021/9/24	373,736
85,731	79,952		2024/6/30	72,415	33,304	2022/4/22	—
121,626	118,867		2022/10/9	6,833	4,154	2021/8/20	—
80,806	59,094	2,478	2023/11/9	19,960	642	2021/7/7	189,088
				123,763	112,051	2021/7/30	—
				315,287	269,019	2021/5/27	—
407,280	376,745	2,427	2023/10/12	203,861	12,473	2021/11/30	—
				290,044	288,572	2021/1/19	—
3,559,396	3,545,950	39	2023/6/26	522,009	493,747	2020/11/18	—
561,116	553,776	6,247	2024/1/25	226,877	160,373	2021/11/15	320,746
59,477	57,874	582	2024/1/23	112,162	83,495	2021/3/31	—
59,060	43,752	2,616	2021/12/24	2,871		2021/4/1	—
252,533	249,520	599	2024/6/19	337,948	188,244	2021/7/13	110,078
1,621,976	1,621,452	269	2023/5/23	94,869	94,028	2022/3/22	68,971
202,549	198,746	3,118	2023/8/25	234,921	220,145	2021/7/23	—
				426,321	352,686	2020/9/30	—
93,011	85,854	2,878	2024/6/28	57,856	32,618	2021/8/24	25,084
200,046	198,143	486	2023/6/30	112,302	74,930	2021/12/13	—
				66,003	10,401	2023/6/9	19,434
59,605	55,433	89	2023/12/26	4,180	2,221	2023/6/30	—
70,699	57,979	110	2023/12/14	65,283	2,587	2021/8/27	—
204,757	194,968	462	2023/11/24	49,076	35,280	2020/10/27	—
71,067	56,921	78	2024/6/6	60,813		2024/7/28	—

BUSINESS OVERVIEW

Landbank GFA Breakdown by Location in Mainland China⁽¹⁾

		Completed property developments ⁽²⁾			Properties under development ⁽³⁾		Properties for future development ⁽⁴⁾
Province/Location	Aggregate saleable GFA	Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Total saleable GFA under development	Total saleable GFA pre-sold	GFA for future development
	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.
Guangdong	142,871,172	117,749,044	115,492,877	916,480	12,677,297	5,420,921	12,444,831
Jiangsu	58,211,346	47,292,855	46,508,580	103,582	6,995,983	3,390,747	3,922,508
Anhui	44,078,676	40,788,523	40,533,165	81,518	2,533,498	1,671,083	756,655
Hunan	37,462,046	27,031,763	26,564,590	133,189	5,415,229	3,435,788	5,015,054
Henan	37,080,835	25,133,692	24,519,976	376,294	8,731,780	6,506,075	3,215,363
Shandong	30,011,378	19,877,292	19,473,152	173,260	6,025,156	4,548,144	4,108,930
Hubei	27,711,592	21,848,936	21,625,153	92,108	2,898,536	1,533,362	2,964,120
Guangxi	22,050,046	17,876,573	17,809,147	29,791	2,867,156	2,077,854	1,306,317
Zhejiang	19,458,011	17,171,467	16,962,152	56,015	2,286,430	1,316,238	114
Guizhou	17,756,552	12,929,569	12,468,140	69,048	2,113,643	608,164	2,713,340
Hebei	15,326,932	8,184,105	8,065,324	11,676	5,641,067	4,308,661	1,501,760
Liaoning	15,009,261	11,313,499	11,214,006	21,027	2,459,097	1,550,999	1,236,665
Sichuan	14,160,461	10,732,069	10,601,766	78,682	2,232,347	1,699,156	1,196,045
Shaanxi	11,668,344	8,250,640	8,200,132	17,482	2,289,030	1,411,969	1,128,674
Jiangxi	11,452,047	9,032,954	8,998,475	10,174	1,961,196	1,345,449	457,897
Hainan	9,944,235	6,679,142	6,345,696	131,263	1,869,842	728,838	1,395,251
Fujian	8,715,491	8,093,259	7,908,800	38,355	597,255	285,134	24,977
Gansu	7,972,426	6,273,870	6,154,300	70,985	1,362,743	1,148,741	335,813
Shanxi	7,222,250	3,080,328	2,987,571	74,325	3,274,758	2,649,254	867,164
Chongqing	6,447,420	5,577,587	5,493,198	43,197	658,047	411,382	211,786
Yunnan	4,837,509	3,717,167	3,680,860	1,376	690,539	385,033	429,803
Inner Mongolia	4,787,255	3,095,912	3,072,166	1,453	1,269,944	904,941	421,399
Tianjin	3,705,380	3,001,456	2,964,169	3,392	321,851	223,031	382,073
Xinjiang	3,499,231	1,344,198	1,317,286	280	870,144	721,741	1,284,889
Qinghai	2,046,635	1,555,359	1,500,650	36,223	425,405	344,147	65,871
Ningxia	1,441,965	1,171,503	1,170,684	108	270,462	268,360	0

BUSINESS OVERVIEW

		Completed property developments ⁽²⁾			Properties under development ⁽³⁾		Properties for future development ⁽⁴⁾
Province/Location	Aggregate saleable GFA	Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Total saleable GFA under development	Total saleable GFA pre-sold	GFA for future development
	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.
Jilin	1,263,750	798,885	796,860	195	436,130	343,311	28,735
Shanghai	1,178,249	933,445	760,492	68,946	244,804	225,587	0
Heilongjiang	1,000,203	564,051	548,453	108	436,152	258,402	0
Beijing	711,766	345,338	288,293	20,568	162,943	78,732	203,485
Tibet	164,259	56,635	56,635	0	107,624	96,892	0
Total	569,246,723	441,501,116	434,082,748	2,661,100	80,126,088	49,898,136	47,619,519

Note:

- (1) All the GFAs displayed in this section are attributable to the owners of the Company.
- (2) Based on the measurement reports from relevant government departments.
- (3) Based on the actual measurements by the project management department of the Group.
- (4) "GFA for future development" for each project is the GFA expected to be built.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue was primarily derived from two business segments as follows: Property development and Technology-enabled construction. Revenue of the Group decreased by 54.9% to approximately RMB102,102 million in the first half of 2024 from approximately RMB226,309 million for the corresponding period in 2023. 96.8% of the Group's revenue was generated from the sales of properties (corresponding period in 2023: 97.6%), and 3.2% from Technology-enabled construction and Others segments (corresponding period in 2023: 2.4%).

Property Development

Due to the decrease of GFA delivered, revenue generated from property development decreased by 55.2% to approximately RMB98,829 million for the six months ended 30 June 2024 from approximately RMB220,803 million for the corresponding period in 2023. The recognised average selling price of property delivered (value-added taxes not included) was approximately RMB7,725 per sq.m. for the six months ended 30 June 2024.

Technology-enabled Construction

Technology-enabled construction revenue from external parties decreased by 24.7% to approximately RMB2,464 million for the six months ended 30 June 2024 from approximately RMB3,272 million for the corresponding period in 2023, primarily due to the decrease in new construction volume resulting from sluggish market of real estate.

Others

Others segment mainly includes property investment and hotel operation. Revenue from external parties of others segment decreased by 63.8% to approximately RMB809 million for the six months ended 30 June 2024 from approximately RMB2,234 million for the corresponding period in 2023.

Selling and Marketing Costs and Administrative Expenses

The Group strictly implemented measures to reduce non-core and non-essential operating expenses. Selling and marketing costs and administrative expenses decreased by 50.8% to approximately RMB4,851 million for the six months ended 30 June 2024 from approximately RMB9,857 million for the corresponding period in 2023.

Finance Costs – Net

The Group recorded net finance costs of approximately RMB2,312 million in the first half of 2024 (corresponding period in 2023: approximately RMB1,454 million).

During the Period, the Group recorded net foreign exchange loss of approximately RMB217 million (corresponding period in 2023: approximately RMB3,038 million), finance income of approximately RMB387 million (corresponding period in 2023: approximately RMB1,584 million). Interest expenses amounted to approximately RMB6,713 million for the six months ended 30 June 2024 (corresponding period in 2023: approximately RMB7,054 million), of which approximately RMB4,231 million had been capitalised on qualifying assets (corresponding period in 2023: approximately RMB7,054 million).

MANAGEMENT DISCUSSION AND ANALYSIS

Loss before Income Tax

The Group recorded loss before income tax of approximately RMB10,831 million in the first half of 2024 (corresponding period in 2023: the loss before income tax of approximately RMB46,148 million), mainly due to a net impairment provision of approximately RMB2,698 million for properties under development and completed properties held for sale.

Loss Attributable to Owners of the Company

In the first half of 2024, the loss attributable to owners of the Company was approximately RMB12,842 million (corresponding period in 2023: the loss attributable to owners of the Company was approximately RMB48,932 million).

Liquidity, Financial and Capital Resources

Cash position

As at 30 June 2024, the Group's total cash (equals to the sum of cash and cash equivalents and restricted cash) amounted to approximately RMB44,784 million (31 December 2023: approximately RMB63,816 million), including approximately RMB6,698 million in cash and cash equivalents and approximately RMB38,086 million in restricted cash.

As at 30 June 2024, 93.0% (31 December 2023: 95.4%) of the Group's total cash was denominated in Renminbi and 7.0% (31 December 2023: 4.6%) was denominated in other currencies (mainly US dollars, HK dollars and Malaysian Ringgit).

Debt Composition

As at 30 June 2024, the Group's bank and other borrowings, senior notes, corporate bonds and convertible bonds amounted to approximately RMB153,854 million, RMB70,601 million, RMB19,366 million and RMB6,331 million respectively (31 December 2023: approximately RMB155,752 million, RMB68,367 million, RMB19,359 million and RMB6,171 million respectively).

For bank and other borrowings, approximately RMB121,852 million, RMB29,700 million and RMB2,302 million will be repayable within 1 year, between 1 and 5 years and beyond 5 years respectively (31 December 2023: approximately RMB114,665 million, RMB38,550 million and RMB2,537 million respectively). As at 30 June 2024 and 31 December 2023, the majority of the bank and other borrowings were secured by certain properties, investment properties and equipments and financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income of the Group and secured by the equity interests of certain group companies, and/or guaranteed by the Group.

As at 30 June 2024, the total debts increased to approximately RMB250,152 million, from approximately RMB249,649 million as at 31 December 2023.

Net Gearing Ratio

Net gearing ratio is measured by the net debt (representing bank and other borrowings, senior notes, corporate bonds and convertible bonds, net of total cash, which equals to the sum of cash and cash equivalents and restricted cash) over total equity. The Group's net gearing ratio increased from approximately 209.7% as at 31 December 2023 to approximately 277.3% as at 30 June 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Key Risk Factors and Uncertainties

The following lists out the key risks and uncertainties the Group is facing. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below.

Risks Pertaining to the Property Market and Operation

The Group's businesses and prospects are largely dependent on the performance of the property market in mainland China. The property market in mainland China is affected by a number of factors, including changes in social, political, economic and legal environment, as well as changes in the government's financial, economic, monetary, industrial and environmental conservation policies. The Group is also susceptible to changes in economic conditions, consumer confidence, consumption spending, and changes in consumption preferences. Therefore, the Group continues to implement its strategies to develop and strengthen penetration of different regional markets thereby reducing its dependence on specific markets. Meanwhile, the Group's operation is subject to a number of risk factors distinctive to property development, property investment and property related businesses, such as default on the part of our buyers, tenants and strategic business partners, inadequacies or failures of internal processes, people and systems or other external factors which may have various levels of negative impact on the results of operations.

Interest Rate Risk

The Group's bank and other borrowings mainly bear floating rates. As at 30 June 2024, the weighted average borrowing cost of the Group's total debt was 5.40%, decreased by 33 basic points as compared with that as at 31 December 2023. The Group has implemented certain interest rate management which includes, among others, close monitoring of interest rate movements, applying interest rate swaps to mitigate interest rate risk, refinancing on existing banking facilities and entering into new banking facilities when good pricing opportunities arise.

Foreign Exchange Risk

The Group's foreign exchange exposure is mainly derived from the borrowings denominated in USD and HKD. The Group has been paying closely attention to the fluctuation of the foreign exchange rate and actively taking measures to mitigate the risk of exchange rate fluctuation.

Liquidity Risk

The Group is facing phased liquidity pressure. In light of the current liquidity position, the Group has undertaken a number of plans and measures to mitigate the liquidity pressure and to improve the financial position of the Group, details of which are set out in note 2 to the "NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION" in this report.

Guarantees

As at 30 June 2024, the Group had guarantees in respect of mortgage facilities for certain property buyers amounting to approximately RMB365,079 million (31 December 2023: approximately RMB357,125 million).

Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible for repaying the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks, and the Group is entitled to take over the legal title and possession of the related properties. The guarantees were to be discharged upon the earlier of: (i) issuance of the real estate ownership certificate which are generally available within three months after the buyers take possession of the relevant properties; and (ii) the satisfaction of mortgage loans by the property buyers.

MANAGEMENT DISCUSSION AND ANALYSIS

In addition, as at 30 June 2024, the Group had provided guarantees amounting to approximately RMB6,063 million (31 December 2023: approximately RMB7,169 million) for certain liabilities of the joint ventures, associates and other related parties of the Group.

Material acquisitions and disposals of subsidiaries, associates and joint ventures, and other significant transactions

1. *Disposal of approximately 1.79% equity interest in Zhuhai Wanda Commercial Management Group Co., Ltd.*

On 13 December 2023, Gold Ease Global Limited (**"Gold Ease"**) (an indirect wholly-owned subsidiary of the Company), Country Garden Real Estate Group Co., Ltd. (an indirect wholly-owned subsidiary of the Company), Foshan Shunde Lizhan Enterprise Management Co., Ltd. (an indirect wholly-owned subsidiary of the Company), Dalian Wanda Commercial Management Group Co., Ltd. (**"Wanda Commercial Management Group"**) and Zhuhai Wanying Enterprise Management Co., Ltd. (**"Zhuhai Wanying"**) entered into an agreement (as amended by the supplemental agreement dated 24 September 2024) in relation to the disposal of approximately 1.79% equity interest in Zhuhai Wanda Commercial Management Group Co., Ltd. (the **"Target Company"**) by Gold Ease to Zhuhai Wanying or the designated party of Wanda Commercial Management Group, Zhuhai Wanying or the Target Company, at a consideration of RMB3,068,518,970 (the **"2023 Second Disposal"**). The 2023 Second Disposal was entered into as part of the Group's means to resolve the phased liquidity pressure.

For further details, please refer to the announcements of the Company dated 14 December 2023, 3 January 2024 and 24 September 2024.

2. *Cooperation Agreement in relation to the development of the White Goose Pond International Financial Center located in the core area of Baietan Business District, Liwan District, Guangzhou*

On 23 March 2024, Guangzhou Xingchengsi Trading Co., Ltd. (an indirect non-wholly-owned subsidiary of the Company) (**"Guangzhou Xingchengsi"**) entered into a cooperation agreement (the **"Cooperation Agreement"**) with Guangdong Zhongwei Investment Control Technology Group Co., Ltd. (**"Guangdong Zhongwei"**) and Guangzhou Jinsi Real Estate Development Co., Ltd. (the **"Project Company"**) in relation to the joint construction and development of the White Goose Pond International Financial Center (the **"Building"**) on a piece of land titled Plot AF020106 located in the core area of Baietan Business District, Liwan District, Guangzhou, with a site area of 13,968 square meters (the **"Guangzhou Property"**), for sale through the Project Company (the **"Project"**).

Pursuant to the Cooperation Agreement, Guangzhou Xingchengsi was deemed to have provided a fund of RMB3.1 billion to the Project Company, and Guangdong Zhongwei agreed to provide further funding of approximately RMB2.8 billion in aggregate for the Project in return for, among other things (i) the entitlement to the units of the Building and the relevant sale proceeds calculated based on the proportion of the fundings actually provided by Guangzhou Xingchengsi or Guangdong Zhongwei (as the case may be) to the Project Company; (ii) the voting rights in the Project Company proportionate to Guangdong Zhongwei's entitlement ratio; and (iii) ultimately 100% of the equity interest in the Project Company when Guangzhou Xingchengsi's entitlement to the units of the Building and the relevant sale proceeds has substantially been realised. The introduction of Guangdong Zhongwei as a partner for the joint development of the Guangzhou Property was a timely and much-needed solution to the difficulties faced by the Group in realising the Guangzhou Property.

MANAGEMENT DISCUSSION AND ANALYSIS

In addition, Guangzhou Xingchengsi and Guangdong Zhongwei also entered into a supplemental agreement on 23 March 2024 to set out further provisions in respect of the potential impact of the mortgage of the Guangzhou Property as security for the medium-term notes due 2025 in the amount of RMB1.7 billion issued by Country Garden Real Estate Group Co., Ltd. (a fellow subsidiary of the Company) in 2023 for a term from 12 April 2023 to 30 June 2027 on the performance of the Cooperation Agreement.

For further details, please refer to the announcements of the Company dated 24 March 2024 and 28 March 2024.

3. *Disposal of approximately 1.56% equity interest in Changxin Technology Group Co., Ltd.*

On 27 December 2024, Foshan Nanhai District Huibi No. 5 Equity Investment Partnership (Limited Partnership) ("**Foshan Nanhai**") (an indirect non-wholly owned limited partnership of the Company) as vendor, Hefei Jianchang Equity Investment Partnership Enterprise (Limited Partnership) ("**Hefei Jianchang**") as purchaser and Changxin Technology Group Co., Ltd. ("**Changxin Technology**") as target company entered into the share transfer agreement in relation to the disposal of approximately 1.56% equity interest in Changxin Technology by Foshan Nanhai to Hefei Jianchang, at a total consideration of RMB2.0 billion (the "**2024 Disposal**"). The 2024 Disposal was entered into as part of the Group's means to resolve the phased liquidity pressure.

For further details, please refer to the announcement of the Company dated 27 December 2024.

Significant events during the financial period

Debt restructuring

As disclosed in the announcement of the Company dated 10 October 2023, the Group has been facing phased liquidity pressure and expected that it would not be able to meet all of its offshore payment obligations when due or within the relevant grace periods. Such non-payment might lead to relevant creditors of the Group demanding acceleration of payment of the relevant indebtedness owed to them or pursuing enforcement action. Since then, the Company has actively pursued offshore liability management measures and is in the process of developing a holistic solution in a fair and equitable manner to achieve a sustainable capital structure, while respecting the existing legal status and ranking in right of payment of all creditors.

The Company has since reached an understanding with the co-ordination committee consisting of seven eminent banks that are long-term business partners of the Group on the key terms of a restructuring proposal which forms the framework for further negotiations and detailed documentation and aims at implementing a successful restructuring of the Group's offshore indebtedness. If successfully implemented, the restructuring proposal will enable the Group to achieve significant deleveraging, with a targeted reduction of indebtedness up to USD11.6 billion, a maturity extension of up to 11.5 years and a targeted decrease in the weighted average borrowing cost from approximately 6% per annum before the restructuring to approximately 2% per annum post-restructuring. As a result, the Group will have a more sustainable capital structure, allowing it to focus on delivering housing units, continuing its business operations, preserving asset value, and implementing a business and asset disposal strategy which it believes has the best potential to maximise value for all stakeholders. For further details of the offshore indebtedness of the Group and the restructuring proposal as a holistic solution to address the Group's offshore indebtedness, please refer to the announcements of the Company dated 10 October 2023, 16 January 2024, 28 February 2024, 4 March 2024, 28 March 2024, 7 April 2024, 17 May 2024, 6 June 2024, 27 June 2024, 29 July 2024, 30 September 2024, 31 December 2024, 9 January 2025, 20 January 2025 and 21 January 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Winding-up petition

A winding-up petition dated 27 February 2024 was filed by Ever Credit Limited (the “**Petitioner**”) at the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) against the Company, in relation to the non-payment of a term loan facility between the Petitioner as lender and the Company as borrower in the principal amount of approximately HK\$1.6 billion, plus accrued interest. The Company has been opposing the petition vigorously and proactively communicating with the Petitioner on its debt restructuring plan. The hearing of the petition has been adjourned several times to 26 May 2025. No winding-up order has been granted by the High Court to wind up the Company as at the date of this report. For further details of the winding-up petition, please refer to the announcements of the Company dated 28 February 2024, 4 March 2024, 17 May 2024, 6 June 2024, 29 July 2024, 9 January 2025 and 20 January 2025.

Suspension and resumption of trading in the Shares

Due to the continuous volatility of the industry and the Group’s ongoing debt restructuring work, the Group needed more time to collect information to make appropriate accounting estimates and judgments and to carefully assess its current and future financial resources and financial obligations for the finalisation of the Group’s results for the financial year ended 31 December 2023. As such, the Company was not able to publish the Group’s results for the financial year ended 31 December 2023 (the “**2023 Annual Results**”) by 31 March 2024 in compliance with the Listing Rules, and trading in the Shares on the Stock Exchange was suspended with effect from 2 April 2024. The Company was also unable to publish the interim results of the Group for the six months ended 30 June 2024 (the “**2024 Interim Results**”) by 31 August 2024 pursuant to the Listing Rules. The 2023 Annual Results and the 2024 Interim Results were subsequently published on 14 January 2025.

On 21 January 2025, the Company has fulfilled all requirements prescribed under the resumption guidance from the Stock Exchange dated 24 June 2024 (including, (i) publication of all outstanding financial results required under the Listing Rules and address any audit modifications; (ii) demonstrating the Company’s compliance with Rule 13.24 of the Listing Rules; and (iii) informing the market of all material information for the Company’s shareholders and other investors to appraise the Company’s position), and trading in the Shares on the Stock Exchange has since resumed. For further details on the fulfilment of the resumption guidance, please refer to the announcement of the Company dated 21 January 2025.

Employees and Remuneration Policy

Human resource has always been the most valuable resource of the Group. As at 30 June 2024, the Group had approximately 29,261 full-time employees.

Employees are rewarded on a performance related basis, together with reference to the profitability of the Group, remuneration benchmarks in the industry, and prevailing market conditions within the general framework of the Group’s salary and bonus system. The Group is subject to social insurance contribution plans or other pension schemes organised by the regional governments and is required to pay on behalf of the employees a monthly social insurance premium covering pension insurance, medical insurance, unemployment insurance and housing fund or to contribute regularly to other mandatory provident fund schemes on behalf of the employees. As at the date of this report, there were no significant labor disputes which adversely affect or are likely to have an adverse effect on the operations of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

In order to achieve sustainable development and corporate core advantage, the Group is establishing a “Corporate University”. All employees from different levels and different fields can all have opportunities to receive training, including Leadership Development Program, New Staff Campaign and On-the-job Training. All projects are aimed at enabling employees to become senior management and inter-disciplinary talent and form a perfect HR training system of the Group.

The Group has approved and/or adopted certain share option scheme and share award scheme, details can be referred in the sections headed “EMPLOYEE INCENTIVE MECHANISMS” in “CORPORATE GOVERNANCE AND OTHER INFORMATION” of this report.

Forward Looking

In recent years, China’s property sector has experienced volatile adjustments and encountered unprecedented difficulties. Accompanied with sales plunge in the industry, insufficient consumer confidence and difficulties in obtaining financing have presented significant challenges to the operation and survival of enterprises. The Group’s liquidity is under unprecedented pressure with a dual tightening of sales and financing.

The Group has always been committed to doing the right things and adhering to prudent financial policies and risk control measure in the face of new challenges and market changes. Facing such an extremely difficult situation industry-wide, the Group spared no effort to shoulder its social responsibility, actively respond and fully ensure its delivery. On the basis of delivering over 600,000 units of properties throughout the year 2023, the Group, together with its joint ventures and associates, delivered over 150,000 units of properties in the first half of 2024, continuously being the industry leader of delivery of properties.

In the future, the Group will continue to do its utmost to ensure the safety of cash flow, intensify efforts to revitalize under-performing assets, further streamline its organizational structure and strengthen expense controls, and actively consider taking various debt management measures to resolve periodic liquidity pressures. In order to deliver systematic smart construction solutions that best suit with the construction market, the Group seeks new opportunities in expanding the business of providing property development services and management services for other parties with the implementation of such advanced construction technologies and new ways of organizing and managing construction. The Group will continue to explore new models for real estate development through the new strategy of “one body with two wings”, giving full play to the advantages of the entire industry chain.

The long road to success is indeed as hard as iron, but now we must start from scratch. Despite the current difficulties, the Group will continue to ensure delivery with a high sense of responsibility and make every effort to reverse the situation. The Group firmly believes that the real estate industry will eventually return to stable and healthy after undergoing such difficult adjustments. With the concerted efforts of the entire Group and the help and support of all parties, the Group will be able to navigate through predicaments and set sail again.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board and the management of the Company are committed to the principles of good corporate governance consistent with prudent management and enhancement of shareholder value. These principles emphasise transparency, accountability and independence.

During the six months ended 30 June 2024, the Company has applied the principles and complied with the code provisions set out in Part 2 of the Corporate Governance Code, save and except for the code provision C.1.8 of Part 2 of the Corporate Governance Code as it takes time to discuss with insurance companies to provide the Company with a comprehensive and feasible insurance. During the period after the expiration date of the directors and officers liability insurance of last year (i.e. 21 May 2024) to 30 June 2024, the Company was unable to make appropriate insurance arrangements in respect of legal actions arising from the conduct of its directors committed on or after 22 May 2024. Further, the annual general meeting of the Company for the year ended 31 December 2023 was not held within six months after the end of the year ended 31 December 2023 due to the delay in the publication of the 2023 Annual Results and the despatch of the 2023 Annual Report.

BOARD OF DIRECTORS

The Directors during the six months ended 30 June 2024 and up to the date of this report is set out below:

Executive Directors

Ms. YANG Huiyan (*Chairman*)
Mr. MO Bin (*President*)
Ms. YANG Ziyang
Dr. CHENG Guangyu
Ms. WU Bijun
Mr. SU Baiyuan (resigned on 1 November 2024)

Non-executive Director

Mr. CHEN Chong

Independent Non-executive Directors

Dr. HAN Qinchun (appointed on 15 March 2024)
Mr. WANG Zhijian (appointed on 15 March 2024)
Mr. TUO Tuo (appointed on 15 March 2024)
Mr. TO Yau Kwok (resigned on 1 November 2024)
Mr. LAI Ming, Joseph (resigned on 15 March 2024)
Mr. SHEK Lai Him, Abraham (resigned on 15 March 2024)
Mr. TONG Wui Tung (resigned on 15 March 2024)

AUDIT COMMITTEE

The Audit Committee assists the Board in providing an independent review of the effectiveness of the financial reporting process, risk management and internal control systems of the Group, overseeing the audit process, and performing other duties and responsibilities as may be assigned by the Board from time to time. The members of the Audit Committee are all independent non-executive Directors, namely Mr. WANG Zhijian, Dr. HAN Qinchun and Mr. TUO Tuo (Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham and Mr. TONG Wui Tung were chairman and members of the Audit Committee respectively until their resignation on 15 March 2024). Mr. WANG Zhijian is the chairman of the Audit Committee.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Audit Committee has reviewed with the management of the Company the accounting policies and practices adopted by the Group and discussed, among other things, internal control, risk management and financial reporting matters including a review of the unaudited interim financial information of the Group for the six months ended 30 June 2024. In addition, the independent auditor of the Company, ZHONGHUI ANDA CPA Limited, has reviewed the unaudited interim financial information of the Group for the six months ended 30 June 2024 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

EXTRACTS OF THE REPORT ON REVIEW OF UNAUDITED INTERIM FINANCIAL INFORMATION

The Company’s independent auditor, ZHONGHUI ANDA CPA Limited, has disclaimed a conclusion in its report on review of unaudited interim financial information of the Group’s interim financial information for the six months ended 30 June 2024, and extract of which is as follows:

BASIS FOR DISCLAIMER OF CONCLUSION

Scope limitation relating to the assessment on the appropriateness of the going concern basis of preparing the Interim Financial Information

As disclosed in note 2.1 to the interim financial information, the Group incurred a loss attributable to owners of the Company of approximately RMB12.8 billion for the six months ended 30 June 2024. As at 30 June 2024, the Group had borrowings in total of approximately RMB250.2 billion, out of which approximately RMB203.5 billion was included in current liabilities, while its total cash (including cash and cash equivalents and restricted cash) amounted to approximately RMB44.8 billion. As at 30 June 2024, the Group had certain indebtedness, including senior notes, corporate bonds, convertible bonds and bank and other borrowings, with an aggregated carrying amount of approximately RMB147.3 billion were defaulted or cross-defaulted. The above events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group’s ability to continue as a going concern and, therefore, that the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

In view of the above circumstances, the directors of the Company (the “**Directors**”) have been undertaking a number of plans and measures to mitigate the liquidity pressure and improve its financial position, details of which are set out in note 2.1 to the interim financial information. To assess the appropriateness of the going concern basis, the management of the Group prepared a cash flow forecast (“**Cash Flow Forecast**”), which takes into account the effects of the success in implementing and completing the aforesaid plans and measures as scheduled notwithstanding the inherent uncertainties associated with the outcome of these plans and measures. In particular, the positive outcome of the Cash Flow Forecast is significantly influenced by the success of the proposed restructuring plan for the Group’s offshore liabilities (the “**Proposed Debt Restructuring**”). Based on the result of the Cash Flow Forecast, the Directors are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the foreseeable future and therefore, the Group has the ability to continue as a going concern and will continue its operations for at least 12 months from 30 June 2024. Accordingly, the Directors are of the view that it is appropriate to prepare the interim financial information on a going concern basis.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Should the Group fail to achieve the abovementioned plans and measures, it might 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 effect of these adjustments has not been reflected in the interim financial information.

DISCLAIMER OF CONCLUSION

We have not been able to obtain sufficient appropriate review evidence to satisfy ourselves about the appropriateness of the use of the going concern basis of accounting in the preparation of the interim financial information because of the lack of sufficient appropriate review evidence in relation to the Proposed Debt Restructuring and the measures for future actions assumed in the Cash Flow Forecast which inherent uncertainties associated with the outcome of these plans and measures and how variability in such outcome would affect the Cash Flow Forecast. Because of the significance of the matters above, we disclaim our conclusion as to whether the use of the going concern assumption in the preparation of the interim financial information is appropriate.

The aforesaid "note 2.1 to the interim financial information" in the extract from the report on review of the Group's unaudited interim financial information is disclosed as note 2.1 to the "NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION" in this report.

CHANGES SINCE DATE OF 2023 ANNUAL REPORT

Pursuant to rule 13.51B(1) of the Listing Rules, there is no change to information required to be disclosed by the Directors pursuant to paragraphs (a) to (e) and (g) of rule 13.51(2) of the Listing Rules between the date of the Company's 2023 annual report and up to the date of this report.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as the code of conduct for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standard regarding securities transactions set out therein throughout the six months ended 30 June 2024. No incident of non-compliance was noted by the Company for the six months ended 30 June 2024. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2024, the Directors and chief executive of the Company had the following interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Long positions in the Shares, underlying Shares and debentures of the Company

Name of Directors	Capacity	Number of Shares held	Number of underlying Shares held under equity derivatives	Total	Percentage to total issued Shares as at 30 June 2024	Amount of debentures held
Ms. YANG Huiyan	Interest of controlled corporation	14,539,618,535 ¹	—	14,539,618,535	51.94%	—
Mr. MO Bin	Beneficial owner	86,591,006	—	86,591,006	0.30%	USD30,000,000
Ms. YANG Ziying	Interest of controlled corporation	—	—	—	—	USD18,000,000 ²
Dr. CHENG Guangyu	Beneficial owner	12,338,951	1,757,149 ³	14,096,100	—	—
	Interest of spouse	17,307,339 ⁴	—	17,307,339	—	—
				31,403,439	0.11%	—
Ms. WU Bijun	Beneficial owner	—	—	—	—	USD500,000
Mr. CHEN Chong	Interest of spouse	14,539,618,535 ⁵	—	14,539,618,535	51.94%	—
Mr. SU Baiyuan ⁶	Beneficial owner	492,544	3,060,126 ⁷	3,552,670	—	—
	Interest of spouse	473,961 ⁸	—	473,961	—	—
				4,026,631	0.01%	—

Notes:

- These Shares represent Shares held by Concrete Win Limited in which Ms. YANG Huiyan beneficially owns the entire issued share capital.
- The amount of debentures represents the debentures held by Shiny Dragon Assets Limited in which Ms. YANG Ziying beneficially owns the entire issued share capital.
- The relevant interests are share awards granted pursuant to the Share Award Scheme. The grant date was prior to appointment of Dr. CHENG Guangyu as Director on 20 December 2022.
- These Shares represent Shares held by Ms. ZUO Ying who is the spouse of Dr. CHENG Guangyu.
- These Shares represent Shares held by Ms. YANG Huiyan who is the spouse of Mr. CHEN Chong.
- Mr. SU Baiyuan resigned as executive Director with effect from 1 November 2024.
- The relevant interests are unlisted physically settled options granted pursuant to the Share Option Schemes. Upon exercise of the share options in accordance with the Share Option Schemes, ordinary shares of HKD0.10 each in the share capital of the Company are issuable. The share options are personal to the respective Directors. Further details of the share options are set out in the section of "CORPORATE GOVERNANCE AND OTHER INFORMATION — EMPLOYEE INCENTIVE MECHANISMS — (II) Share Option Schemes" of this report.
- These Shares represent Shares held by Ms. LIU Qing who is the spouse of Mr. SU Baiyuan.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed above, during the six months ended 30 June 2024, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, during the six months ended 30 June 2024, none of the Directors, their spouse or children under the age of 18 had any rights to subscribe for equity or debt securities of the Company or its associated corporation (within the meaning of Part XV of the SFO), nor has any of them exercised such rights.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 30 June 2024, according to the register kept by the Company under Section 336 of the SFO, the following company, other than the Directors and chief executive of the Company, had long positions of 5% or more in the Shares and underlying Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

Long positions in the Shares

Name of Shareholders	Capacity	Number of ordinary Shares held	Percentage of total issued Shares¹ as at 30 June 2024
Concrete Win Limited	Beneficial owner	14,539,618,535 ²	51.94%

Notes:

1. As at 30 June 2024, the total number of the issued Shares is 27,988,507,946 Shares.
2. These Shares are held by Concrete Win Limited, the entire issued share capital of which is beneficially owned by Ms. YANG Huiyan.

Save as disclosed above, the Company has not been notified by any other person (other than the Directors and chief executive of the Company) who had an interest or short positions of 5% or more in the Shares and underlying Shares as of 30 June 2024 which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

EMPLOYEE INCENTIVE MECHANISMS

For the purpose of rewarding the contribution of the senior management (including executive Directors of the Company who are also senior management) and employees of the Group engaging in profitable property development projects of the Group, two incentive mechanisms (as amended from time to time) (the “**Incentive Mechanisms**”) were adopted by the Group (with the latest versions being adopted on 27 December 2019 and 18 September 2020 respectively), which respectively concern property development projects located in the Mainland China and property development projects located in Hong Kong and other overseas jurisdictions (the “**Property Development Projects**”). Under the Incentive Mechanisms, in general, senior management and employees will primarily be provided with cash rewards, calculated with reference to net profits generated from the Property Development Projects and the Group’s internal rate of return. A portion of these cash rewards will then be used as either (i) the consideration for the exercise of the share options to be granted to them by the Company under the terms of the Share Option Schemes (in respect of certain executive Directors of the Company who are also senior management) or (ii) the consideration for the purchase of Shares (i.e. the share awards) (in respect of senior management who are not Directors and employee of the Company).

(I) Share Award Scheme

The aforementioned share awards to the senior management who are not Directors and employees of the Company are funded by existing Shares, and shall be distributed in accordance with the Principles for Employees’ Shares Conversion Rights (as amended from time to time) adopted by the Group on 11 February 2015 (the “**Share Award Scheme**”). The Share Award Scheme has no fixed expiry date.

According to the trust deed approved by the Board on 27 January 2015, the trustee of the Share Award Scheme is Power Great Enterprises Limited (“**Power Great**”), a wholly-owned subsidiary of the Company. During the six months ended 30 June 2024, Power Great had not purchased any Share from the market, and had not acquired any Share by any other means. During the six months ended 30 June 2024, no Shares were granted under the Share Award Scheme. As at 30 June 2024, the total number of Shares in relation to share awards that were granted under the Share Award Scheme was 165,434,000 Shares (being the net number after deduction of the exercised and lapsed share awards). As at the date of this report, the cumulative total number of Shares held by Power Great available for use under the Share Award Scheme was 283,259,032 Shares (including Shares which had been granted to relevant employees with the registration and transfer procedures yet to be completed) (1 January 2024: 283,259,032 Shares).

(II) Share Option Schemes

On 20 March 2007, the 2007 Share Option Scheme was approved and adopted by the then Shareholders for a period of 10 years commencing on the adoption date. The 2007 Share Option Scheme had expired on 19 March 2017.

In view of the expiry of the 2007 Share Option Scheme on 19 March 2017, the 2017 Share Option Scheme was approved and adopted by the Shareholders at the 2017 AGM for a period of 10 years commencing on the adoption date and ending on 17 May 2027. Subject to the terms and conditions of the 2017 Share Option Scheme, the Board may, at its discretion, grant share options to any eligible person to subscribe for the Shares within the validity period of the scheme.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The total number of share options available for grant under the Share Option Schemes is 2,048,830,798 Shares both as at 1 January 2024 and as at 30 June 2024. During the six months ended 30 June 2024, no share options were granted to eligible persons in accordance with the terms of the Share Option Schemes.

(a) *During the six months ended 30 June 2024, details of movements in the share options under the 2007 Share Option Scheme are as follows:*

Category and name of grantees	Outstanding at 1 January 2024	Granted during the period ¹	Options to subscribe for Shares			Outstanding at 30 June 2024	Exercise price per Share HKD	Date of grant	Exercisable period
			Exercised during the period	Cancelled during the period	Lapsed during the period				
Other participants ²	1,506,227	—	—	—	—	1,506,227	3.332	16.03.2016	16.03.2021–15.03.2026
	1,599,861	—	—	—	—	1,599,861	3.106	11.05.2016	11.05.2021–10.05.2026
	816,050	—	—	—	—	816,050	3.740	19.08.2016	19.08.2021–18.08.2026
Total	3,922,138	—	—	—	—	3,922,138			

Notes:

- The 2007 Share Option Scheme has expired on 19 March 2017. Following the date of expiry of the 2007 Share Option Scheme, no subsequent options may be granted under the 2007 Share Option Scheme. During the six months ended 30 June 2024, no share options were granted by the Company in accordance with the terms of the 2007 Share Option Scheme. Therefore, the total number of Shares which may be issued in respect of share options granted under the 2007 Share Option Scheme during the period divided by the weighted average number of Shares in issue during the period is zero.
- The “other participants” are former Directors.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(b) During the six months ended 30 June 2024, details of movements in the share options under the 2017 Share Option Scheme are as follows:

Category and name of grantees	Outstanding at 1 January 2024	Granted during the period ¹	Options to subscribe for Shares			Outstanding at 30 June 2024	Exercise price per Share HKD	Date of grant	Exercisable period
			Exercised during the period	Cancelled during the period	Lapsed during the period				
Director									
Mr. SU Baiyuan ²	1,135,435	—	—	—	—	1,135,435	8.250	22.05.2017	22.05.2022–21.05.2027
	526,868	—	—	—	—	526,868	16.460	21.03.2018	21.03.2023–20.03.2028
	320,165	—	—	—	—	320,165	12.408	09.05.2019	09.05.2024–08.05.2029
	176,545	—	—	—	—	176,545	10.040	12.05.2020	12.05.2025–11.05.2030
	901,113	—	—	—	—	901,113	9.730	26.03.2021	26.03.2026–25.03.2031
Sub-total	3,060,126	—	—	—	—	3,060,126			
Other participants³	1,573,688	—	—	—	—	1,573,688	8.250	22.05.2017	22.05.2022–21.05.2027
	978,409	—	—	—	—	978,409	10.100	24.08.2017	24.08.2022–23.08.2027
	659,817	—	—	—	—	659,817	12.980	08.12.2017	08.12.2022–07.12.2027
	421,667	—	—	—	—	421,667	16.460	21.03.2018	21.03.2023–20.03.2028
	258,092	—	—	—	—	258,092	16.280	10.05.2018	10.05.2023–09.05.2028
	202,300	—	—	—	—	202,300	12.240	22.08.2018	22.08.2023–21.08.2028
	619,907	—	—	—	—	619,907	9.654	06.12.2018	06.12.2023–05.12.2028
	414,881	—	—	—	—	414,881	12.044	25.03.2019	25.03.2024–24.03.2029
	429,995	—	—	—	—	429,995	12.408	09.05.2019	09.05.2024–08.05.2029
	1,039,436	—	—	—	—	1,039,436	9.834	23.08.2019	23.08.2024–22.08.2029
	639,140	—	—	—	—	639,140	11.092	05.12.2019	05.12.2024–04.12.2029
	346,922	—	—	—	—	346,922	10.040	12.05.2020	12.05.2025–11.05.2030
	480,615	—	—	—	—	480,615	10.160	24.07.2020	24.07.2025–23.07.2030
	379,388	—	—	—	—	379,388	10.332	03.12.2020	03.12.2025–02.12.2030
	644,397	—	—	—	—	644,397	9.730	26.03.2021	26.03.2026–25.03.2031
Sub-total	9,088,654	—	—	—	—	9,088,654			
Total	12,148,780	—	—	—	—	12,148,780			

Notes:

- During the six months ended 30 June 2024, no share options were granted by the Company to eligible person in accordance with the terms of the 2017 Share Option Scheme. Therefore, the total number of Shares which may be issued in respect of share options granted under the 2017 Share Option Scheme during the period divided by the weighted average of Shares in issue during the period is zero and the total number of Shares which may be issued in respect of share options granted under all the Share Option Schemes divided by the weighted average of Shares in issue during the period is also zero.
- Mr. SU Baiyuan resigned as executive Director on 1 November 2024.
- The “other participants” are former Directors.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Board will continue to monitor the Share Option Schemes and Share Award Scheme for motivating the eligible person, the senior management and employees of the Group and consider when it may be appropriate and/or desirable to modify or replace the schemes with and/or adopt any other incentive scheme.

CONVERTIBLE BONDS

On 21 November 2018, the Company, Smart Insight International Limited (the “**Issuer**”, a wholly-owned subsidiary of the Company), J.P. Morgan Securities plc, Goldman Sachs (Asia) L.L.C and The Hongkong and Shanghai Banking Corporation Limited (the “**Joint Lead Managers**”) entered into an agreement, under which the Joint Lead Managers agreed to subscribe for the 4.50% secured guaranteed convertible bonds due 2023 to be issued by the Issuer in the aggregate principal amount of HKD7,830 million (the “**2023 Convertible Bonds**”). On 5 December 2018, the Issuer issued the 2023 Convertible Bonds in the principal amount of HKD7,830 million. The 2023 Convertible Bonds are listed on SGX. The 2023 Convertible Bonds have matured on 5 December 2023 and the 2023 Convertible Bonds were defaulted. There has been no change to the conversion price of the 2023 Convertible Bonds since 7 June 2022. The conversion period under the terms of the 2023 Convertible Bonds has expired.

Please refer to the announcements of the Company dated 21 November 2018, 22 November 2018, 12 December 2018, 24 May 2019, 12 September 2019, 1 June 2020, 15 September 2020, 2 June 2021, 13 September 2021, 6 December 2021 and 6 June 2022, and the circular of the Company dated 11 April 2019 for further details.

On 20 January 2022, the Company, the Issuer and UBS AG Hong Kong Branch (the “**Sole Bookrunner**”) entered into an agreement, under which the Sole Bookrunner agreed to subscribe for the 4.95% secured guaranteed convertible bonds due 2026 to be issued by the Issuer in the aggregate principal amount of HKD3,900 million (the “**2026 Convertible Bonds**”). On 28 January 2022, the Issuer issued the 2026 Convertible Bonds in the principal amount of HKD3,900 million. The 2026 Convertible Bonds are listed on SGX. There was no change to the conversion price of the 2026 Convertible Bonds since 13 June 2022. Accordingly, as at the date of this report, based on the total outstanding principal amount of the 2026 Convertible Bonds of HKD3,900 million, the 2026 Convertible Bonds may be converted into the maximum number of 492,424,242 Shares at the latest modified conversion price of HKD7.92 per Share (as last adjusted on 13 June 2022) during the conversion period under the terms of the 2026 Convertible Bonds. No bondholders have exercised their conversion right under the 2026 Convertible Bonds during the six months ended 30 June 2024.

Please refer to the announcements of the Company dated 21 January 2022 and 6 June 2022 for further details.

Details of convertible bonds are set out in note 13 to the “NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION” in this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, bought back, sold or redeemed any of the Shares during the six months ended 30 June 2024.

For details of purchase, sale or redemption by the Company or any of its subsidiaries of its listed securities (other than Shares and convertible bonds referred to in the section headed “CONVERTIBLE BONDS” above) during the six months ended 30 June 2024, please also refer to notes 11 and 12 to the “NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION” in this report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

On 21 October 2020, the Company, as the borrower, entered into a facility agreement (the **“2020 Facility Agreement”**) with various financial institutions as original lenders (the **“2020 Original Lenders”**), and Bank of China (Hong Kong) Limited as the facility agent, pursuant to which the 2020 Original Lenders have agreed to make available a dual tranche term loan facilities with a lender accession option denominated in HKD and USD in an amount of HKD8,133.3 million and USD453 million, respectively (collectively, the **“2020 Loans”**) to the Company for a term of 48 months commencing from the date of the 2020 Facility Agreement. The 2020 Loans obtained under the 2020 Facility Agreement shall be applied by the Company for refinancing in full the loan made available to the Company pursuant to a facility agreement dated 8 December 2016 and refinancing any other existing offshore financial indebtedness of the Group and financing costs and expenses incurred under the 2020 Facility Agreement. Pursuant to the terms of the 2020 Facility Agreement, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2020 Facility Agreement.

On 22 July 2021, the Company, as the borrower, entered into a facility agreement (the **“2021 Facility Agreement”**) with various financial institutions as the original lenders (the **“2021 Original Lenders”**), pursuant to which the 2021 Original Lenders have agreed to make available a dual tranche term loan facilities denominated in HKD and USD in an amount of HKD6,076 million and USD559 million, respectively (collectively, the **“2021 Loans”**) to the Company for a term of 48 months commencing from the date of the 2021 Facility Agreement. The 2021 Loans obtained under the 2021 Facility Agreement shall be applied by the Company for refinancing in full the loan made available to the Company pursuant to a facility agreement dated 17 October 2017 and refinancing any other existing offshore financial indebtedness of the Group and financing costs and expenses incurred under the 2021 Facility Agreement. Pursuant to the terms of the 2021 Facility Agreement, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2021 Facility Agreement.

CORPORATE GOVERNANCE AND OTHER INFORMATION

On 26 December 2022, the Company, as the borrower, entered into a facility agreement (the **“2022 Facility Agreement”**) with various financial institutions as the original lenders (the **“2022 Original Lenders”**) and Industrial and Commercial Bank of China (Asia) Limited as the facility agent, pursuant to which the 2022 Original Lenders have agreed to make available a dual tranche term loan facilities denominated in HKD and USD in a total amount of USD280 million (collectively, the **“2022 Loans”**) to the Company for a term of 36 months commencing from the date of the 2022 Facility Agreement. The 2022 Loans obtained under the 2022 Facility Agreement shall be applied by the Company for refinancing in full the HKD and USD dual tranche term loan facilities made available to the Company pursuant to a facility agreement dated 28 December 2018 and thereafter for financing costs and expenses incurred under the 2022 Facility Agreement. Pursuant to the terms of the 2022 Facility Agreement, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own (whether directly or indirectly) at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2022 Facility Agreement.

On 26 January 2023, the Company, as the borrower, entered into a facility agreement (the **“2023 First Facility Agreement”**) with China Minsheng Banking Corp., Ltd. Hong Kong Branch as the original lender (the **“2023 First Original Lender”**), pursuant to which the 2023 First Original Lender has agreed to make available a term loan facility of the RMB equivalent of up to USD50 million (the **“2023 First Loan”**) to the Company for a term of 36 months commencing from the first drawing of the 2023 First Loan. The 2023 First Loan obtained under the 2023 First Facility Agreement shall be applied by the Company for financing general working capital requirements, including but not limited to refinancing outstanding indebtedness. Pursuant to the terms of the 2023 First Facility Agreement, the Company has undertaken to the 2023 First Original Lender that, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own (whether directly or indirectly) at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board.

On 31 March 2023, the Company, as the borrower, entered into a facility agreement (the **“2023 Second Facility Agreement”**) with Tai Fung Bank Limited as the lender (the **“2023 Second Original Lender”**), pursuant to which the 2023 Second Original Lender has agreed to make available a term loan facility in the amount of HKD950 million (the **“2023 Second Loan”**) to the Company for a term of 36 months commencing from the date of first drawing of the 2023 Second Loan. The 2023 Second Loan obtained under the 2023 Second Facility Agreement shall be applied by the Company for financing general working capital requirements of the Group, including financing the development of the real estate development projects of the Group in the PRC. Pursuant to the terms of the 2023 Second Facility Agreement, among others, (i) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, directly or indirectly, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, directly or indirectly, shall beneficially own 40% or more of the entire issued share capital of the Company; (iii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, acting jointly, shall have control over the Company; or (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2023 Second Facility Agreement.

CORPORATE GOVERNANCE AND OTHER INFORMATION

On 14 July 2023, the Company, as the borrower, entered into a facility agreement (the **“2023 Third Facility Agreement”**) with Chong Hing Bank Limited as the lender (the **“2023 Third Original Lender”**), pursuant to which the 2023 Third Original Lender has agreed to make available a term loan facility in the equivalent amount of USD35 million (the **“2023 Third Loan”**) to the Company for a term of 36 months commencing from the date on which the 2023 Third Loan was made. The 2023 Third Loan obtained under the 2023 Third Facility Agreement shall be applied by the Company for financing general working capital requirements of the Group, including financing the development of real estate developments or projects of the Group in the PRC. Pursuant to the terms of the 2023 Third Facility Agreement, among others, (i) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, shall be the single largest shareholder of the Company; (ii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, directly or indirectly, shall hold the beneficiary interest in not less than 40% of the issued share capital of the Company; (iii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, shall have the power to decide the management and policies of the Company (whether through the ownership of voting capital, by contract or otherwise); or (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairman of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2023 Third Facility Agreement.

On 20 July 2023, the Company, as the borrower, entered into a facility agreement (the **“2023 Fourth Facility Agreement”**) with various financial institutions as the original lenders (the **“2023 Fourth Original Lenders”**) and Bank of China (Hong Kong) Limited as the facility agent, pursuant to which the 2023 Fourth Original Lenders have agreed to make available a dual-tranche term loan facilities (with a lender accession option in the amount of USD11,200,000) denominated in HKD and USD in an amount of HKD3,583,020,000 and USD388,660,000, respectively (the **“2023 Fourth Loans”**) to the Company for a term of 30 months commencing from the date of the 2023 Fourth Facility Agreement. The 2023 Fourth Loans obtained under the 2023 Fourth Facility Agreement shall be applied by the Company for refinancing in full the HKD and USD dual-tranche term loan facilities made available to the Company pursuant to the 2019 Facility Agreement; and thereafter for reimbursing the Company of part or all of the amount funded by the Company's own source for the repayment of the 2019 Facility Agreement. Pursuant to the terms of the 2023 Fourth Facility Agreement, among others, (i) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, shall beneficially own (whether directly or indirectly) at least 40% of the entire issued share capital of the Company; (iii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2023 Fourth Facility Agreement.

Disclosure under Rule 13.19 of the Listing Rules

Offshore liability

The Company announced on 10 October 2023 that it had not made a due payment in the principal amount of HKD470 million under certain of its indebtedness, and the Company also expected that it would not be able to meet all of its offshore payment obligations when due or within the relevant grace periods, including but not limited to those under the USD notes issued by the Company. Such non-payment might lead to relevant creditors of the Group demanding acceleration of payment of the relevant indebtedness owed to them or pursuing enforcement action. Since then, the Company has actively pursued offshore liability management measures and is in the process of developing a holistic solution in a fair and equitable manner to achieve a sustainable capital structure, while respecting the existing legal status and ranking in right of payment of all creditors.

CORPORATE GOVERNANCE AND OTHER INFORMATION

As disclosed in the announcement of the Company dated 9 January 2025, as of 31 December 2023, in relation to offshore debts, the Group had total attributable interest-bearing liabilities (excluding accrued interest) of approximately USD16.4 billion, which comprise of (i) outstanding principal amount of USD senior notes and HKD convertible notes issued by the Group of approximately USD10.3 billion; (ii) outstanding principal amount of three syndicated loans of the Company of approximately USD3.6 billion (the **“Existing Syndicated Loan Debts”**); (iii) outstanding principal amount of shareholder loans advanced to the Company by its controlling Shareholder over the period of December 2021 to September 2023 of approximately USD1.1 billion (the **“Shareholder Loans”**); and (iv) outstanding principal amount of other secured and unsecured debts of approximately USD1.4 billion. The Company has reached an understanding with the co-ordination committee consisting of seven eminent banks that are long-term business partners of the Group who collectively hold or control approximately 48% of the Existing Syndicated Loan Debts on the key terms of its non-binding restructuring proposal, which, if implemented, would enable the Group to achieve significant deleveraging, with a targeted reduction of indebtedness up to USD11.6 billion. It also includes a maturity extension of up to 11.5 years and a reduction in funding costs, with a targeted decrease in the weighted average borrowing cost from approximately 6% per annum before the restructuring to approximately 2% per annum post-restructuring. Further, the controlling Shareholder is also considering converting the Shareholder Loans into shares of the Company or its subsidiaries, subject to terms to be agreed upon.

For further details of the offshore indebtedness of the Group and the restructuring proposal as a holistic solution to address the Group’s offshore indebtedness, please refer to the announcements of the Company dated 10 October 2023, 16 January 2024, 28 February 2024, 4 March 2024, 28 March 2024, 7 April 2024, 17 May 2024, 6 June 2024, 27 June 2024, 29 July 2024, 30 September 2024, 31 December 2024, 9 January 2025, 20 January 2025 and 21 January 2025.

Onshore liability

As disclosed in the announcement of the Company dated 21 January 2025, the Group is negotiating with relevant financial institutions in respect of cross-defaulted onshore loans in an aggregate amount of approximately RMB28.7 billion which may be repayable in the year ending 31 December 2025. A vast majority of the onshore loans are backed by assets as security which made such negotiations possible.

INFORMATION FOR SHAREHOLDERS

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2024 (2023 interim dividend: Nil).

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited 30 June 2024 RMB million	Audited 31 December 2023 RMB million
Non-current assets			
Property, plant and equipment	7	21,403	22,694
Investment properties	7	16,165	16,625
Intangible assets		846	1,004
Right-of-use assets		5,166	5,671
Properties under development		13,398	13,282
Investments in joint ventures		29,348	31,023
Investments in associates		17,172	17,680
Financial assets at fair value through other comprehensive income		7,242	7,408
Trade and other receivables	8	725	848
Deferred income tax assets		20,297	20,570
		131,762	136,805
Current assets			
Properties under development		593,613	657,167
Completed properties held for sale		85,858	75,855
Inventories		4,018	7,806
Trade and other receivables	8	300,698	299,294
Contract assets and contract acquisition costs		14,491	15,943
Prepaid income tax		23,790	24,618
Financial assets at fair value through profit or loss		10,494	11,688
Restricted cash	9	38,086	56,686
Cash and cash equivalents	9	6,698	7,130
		1,077,746	1,156,187
Current liabilities			
Contract liabilities		420,106	489,021
Trade and other payables	10	406,501	408,378
Current income tax liabilities		38,981	36,131
Senior notes	11	70,601	68,367
Corporate bonds	12	4,762	3,170
Convertible bonds	13	6,331	6,171
Bank and other borrowings	14	121,852	114,665
Lease liabilities		203	282
Derivative financial instruments		60	60
		1,069,397	1,126,245
Net current assets		8,349	29,942
Total assets less current liabilities		140,111	166,747

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited 30 June 2024 RMB million	Audited 31 December 2023 RMB million
Non-current liabilities			
Corporate bonds	12	14,604	16,189
Bank and other borrowings	14	32,002	41,087
Lease liabilities		1,319	1,722
Deferred government grants		176	194
Deferred income tax liabilities		17,954	18,946
		66,055	78,138
Equity attributable to owners of the Company			
Share capital and premium	15	50,783	50,783
Other reserves	16	26,036	25,373
Accumulated losses	16	(62,908)	(50,209)
		13,911	25,947
Non-controlling interests		60,145	62,662
Total equity		74,056	88,609
Total equity and non-current liabilities		140,111	166,747

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

Unaudited Six months ended 30 June			
	Note	2024 RMB million	2023 RMB million
Revenue	6	102,102	226,309
Cost of sales	18	(103,806)	(250,572)
Gross loss		(1,704)	(24,263)
Other income and losses — net	17	(1,721)	(2,889)
Losses arising from changes in fair value of and transfers to investment properties	7	(374)	(838)
Selling and marketing costs	18	(2,447)	(6,638)
Administrative expenses	18	(2,404)	(3,219)
Research and development expenses	18	(253)	(704)
Net impairment losses on financial and guarantees	5.2	(122)	(6,662)
Operating loss		(9,025)	(45,213)
Finance income	19	387	1,584
Finance costs	19	(2,699)	(3,038)
Finance costs — net	19	(2,312)	(1,454)
Share of results of joint ventures and associates		506	519
Loss before income tax		(10,831)	(46,148)
Income tax expenses	20	(4,233)	(5,313)
Loss for the period		(15,064)	(51,461)
Loss attributable to:			
— Owners of the Company		(12,842)	(48,932)
— Non-controlling interests		(2,222)	(2,529)
		(15,064)	(51,461)
Losses per share attributable to owners of the Company (expressed in RMB yuan per share)			
Basic	22	(0.46)	(1.79)
Diluted	22	(0.46)	(1.79)

The above interim condensed consolidated income statement should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB million	RMB million
Loss for the period	(15,064)	(51,461)
Other comprehensive income/(loss)		
Item that will not be reclassified to profit or loss:		
— Changes in fair value of financial assets at fair value through other comprehensive income	180	(236)
Items that may be reclassified to profit or loss:		
— Deferred costs of hedging	—	(173)
— Currency translation differences	(46)	16
Total other comprehensive income/(loss) for the period, net of tax	134	(393)
Total comprehensive loss for the period	(14,930)	(51,854)
Total comprehensive loss attributable to:		
— Owners of the Company	(12,718)	(49,350)
— Non-controlling interests	(2,212)	(2,504)
	(14,930)	(51,854)

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited					
	Attributable to owners of the Company				Non-controlling interests RMB million	Total equity RMB million
	Share capital and premium RMB million (note 15)	Other reserves RMB million (note 16)	Retained earnings RMB million (note 16)	Total RMB million		
Balance at 1 January 2024	50,783	25,373	(50,209)	25,947	62,662	88,609
Comprehensive (loss)/income for the six months ended 30 June 2024						
Loss for the period	—	—	(12,842)	(12,842)	(2,222)	(15,064)
Other comprehensive income	—	8	116	124	10	134
Total comprehensive income/(loss) for the six months ended 30 June 2024	—	8	(12,726)	(12,718)	(2,212)	(14,930)
Transactions with owners in their capacity as owners						
Capital injections from non-controlling interests	—	—	—	—	2,181	2,181
Transfer to statutory reserve	—	(18)	18	—	—	—
Dividend	—	—	—	—	(558)	(558)
Employee share schemes						
— Value of employee services	—	147	—	147	—	147
Non-controlling interests arising from business combinations (note 27)	—	—	—	—	146	146
Disposals of subsidiaries (note 26)	—	(9)	9	—	(1,072)	(1,072)
Changes in ownership interests in subsidiaries without change of control (note 25)	—	535	—	535	(1,002)	(467)
Total transactions with owners	—	655	27	682	(305)	377
Balance at 30 June 2024	50,783	26,036	(62,908)	13,911	60,145	74,056

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited					
	Attributable to owners of the Company				Non-controlling interests RMB million	Total equity RMB million
	Share capital and premium RMB million (note 15)	Other reserves RMB million (note 16)	Retained earnings RMB million (note 16)	Total RMB million		
Balance at 1 January 2023	50,536	23,830	129,257	203,623	105,950	309,573
Comprehensive (loss)/income for the six months ended 30 June 2023						
Loss for the period	—	—	(48,932)	(48,932)	(2,529)	(51,461)
Other comprehensive (loss)/income	—	(457)	39	(418)	25	(393)
Total comprehensive loss for the six months ended 30 June 2023	—	(457)	(48,893)	(49,350)	(2,504)	(51,854)
Transactions with owners in their capacity as owners						
Capital injections from non-controlling interests	—	—	—	—	283	283
Dividend	—	—	—	—	(3,348)	(3,348)
Employee share schemes						
— Value of employee services	—	208	—	208	—	208
Non-controlling interests arising from business combinations	—	—	—	—	1,662	1,662
Disposals of subsidiaries	—	(7)	7	—	(129)	(129)
Changes in ownership interests in subsidiaries without change of control	—	580	—	580	(2,606)	(2,026)
Total transactions with owners	—	781	7	788	(4,138)	(3,350)
Balance at 30 June 2023	50,536	24,154	80,371	155,061	99,308	254,369

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		Unaudited Six months ended 30 June	
	Note	2024 RMB million	2023 RMB million
Cash flows from operating activities			
Cash generated from operations		4,425	18,091
Income tax paid		(1,491)	(7,953)
Interest paid		(3,119)	(6,752)
Net cash (used in)/generated from operating activities		(185)	3,386
Cash flows from investing activities			
Net cash inflow on business combinations	27	6	3,274
Proceeds from disposals of property, plant and equipment		158	12
Net cash inflow on disposals of subsidiaries	26	253	1,244
Purchases of property, plant and equipment		(24)	(553)
Proceeds from disposals of investment properties		5	7
Purchases of intangible assets		—	(154)
Purchases of right-of-use assets		—	(192)
Net proceeds related to investments in joint ventures		—	163
Net proceeds related to investments in associates		126	302
Dividend income from joint ventures and associates		602	1,401
Proceeds from disposals of financial assets at fair value through other comprehensive income		400	56
Payments for financial assets at fair value through profit or loss		(54)	(456)
Proceeds from disposals of financial assets at fair value through profit or loss		573	658
Interest received		387	961
Net cash generated from investing activities		2,432	6,723

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		Unaudited Six months ended 30 June	
	Note	2024 RMB million	2023 RMB million
Cash flows from financing activities			
Capital injections from non-controlling interests		—	283
Net cash outflow on transactions with non-controlling interests	25	(154)	(2,026)
Repurchase, purchase under tender offer and repayment of senior notes		—	(3,777)
Issue of corporate bonds	12	242	1,891
Repayment and early redemption of corporate bonds	12	(220)	(7,463)
Settlement of derivative financial instruments		—	(56)
Payments for principal portion of leases		(82)	(56)
Dividends to non-controlling interests		(558)	(3,348)
Proceeds from bank and other borrowings		2,197	14,210
Repayments of bank and other borrowings		(4,095)	(37,007)
Net cash used in financing activities		(2,670)	(37,349)
Net decrease in cash and cash equivalents		(423)	(27,240)
Cash and cash equivalents at the beginning of the period		7,130	128,281
Exchange gains on cash and cash equivalents		(9)	74
Cash and cash equivalents at the end of the period		6,698	101,115

The above interim condensed consolidated cash flow statement should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

1 General information

Country Garden Holdings Company Limited (the “**Company**”) was incorporated in the Cayman Islands on 10 November 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111 Cayman Islands. The Company is engaged in investment holding and its subsidiaries (collectively, the “**Group**”) are principally engaged in the property development, construction, interior decoration, property investment, and the development and management of hotels.

The parent undertaking of the Company is Concrete Win Limited, whose registered office address is Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands.

The shares of the Company are listed on The Stock Exchange of Hong Kong Limited.

This interim financial information is presented in Renminbi (“**RMB**”), unless otherwise stated, and was approved by the Board of Directors of the Company for issue on 14 January 2025. This interim financial information has not been audited.

2 Basis of preparation

This interim financial information for the six months ended 30 June 2024 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34, ‘Interim Financial Reporting’. This interim financial information should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2023 (“**2023 Financial Statements**”), which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) and the disclosure requirements under the Hong Kong Companies Ordinance, and any public announcements made by the Company during the interim reporting period.

2.1 Going concern basis

For the six months ended 30 June 2024, the Group recorded a loss of RMB15,064 million and a loss attributable to owners of the Company of RMB12,842 million. As at 30 June 2024, the Group had borrowings in the forms of senior notes, convertible bonds, corporate bonds and bank and other borrowings amounted to RMB250,152 million in aggregate, of which RMB203,546 million were current liabilities, while the Group’s cash and cash equivalents amounted to RMB6,698 million and restricted cash amounted to RMB38,086 million.

As affected by the downturn of the property market in the PRC, the Group faced significant challenges in the pre-sale performance, in particular, the Group’s pre-sale performance has declined significantly since April 2023 and there has been no obvious sign of rebound up to the date of these condensed consolidated financial statements. Moreover, the Group is facing more difficulties in obtaining financing through the issuance of new domestic corporate bonds and overseas senior notes due to the difficult and challenging debt financing environment.

Despite these challenges and difficulties, the Group commits to timely delivery of its properties to the property buyers, which requires the Group to place higher priority in utilising the available funds for the construction of pre-sale properties. As a result of the above conditions, the Group is facing phased liquidity pressure.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

2 Basis of preparation *(Continued)*

2.1 Going concern basis *(Continued)*

During the period and up to the date of these condensed consolidated financial statements, the Group has commenced negotiations with the bondholders of certain domestic corporate bonds due within 12 months from 30 June 2024 to seek their agreement to extend the respective maturity dates. However, the Group did not make payments of interest and principal due in the year of certain senior notes, convertible bonds and bank and other borrowings.

As a result of the above, an aggregate amount of RMB147,287 million of the Group's indebtedness was defaulted or cross-defaulted as at 30 June 2024. In addition, a winding-up petition dated 27 February 2024 was filed by one of the Group's creditors (the "**Petitioner**") at the High Court of the Hong Kong Special Administrative Region against the Company, in relation to the non-payment of a term loan facility between the Petitioner as lender and the Company as borrower in the principal amount of approximately HK\$1.6 billion, plus accrued interest. The hearing of the Petition is adjourned to 20 January 2025.

All of the above events and conditions indicated the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern for at least 12 months from 30 June 2024, taking into account the following plans and measures:

- (i) The Group will actively resolve its phased liquidity pressure by adopting various debt management measures, including:
 - during the year and up to the date of these condensed consolidated financial statements, the Group has commenced negotiations with the bondholders of certain domestic corporate bonds to seek their agreement to extend the respective maturity dates;
 - the Group, together with its financial advisers, has been actively pushing forward a proposed restructuring of the offshore liabilities of the Group, including the US\$—denominated senior notes with a total principal amount of approximately US\$9.4 billion, convertible bonds with a total principal amount of approximately HK\$6.9 billion and bank and other borrowings from various offshore banks and financial institutions with the total principal amounts of approximately US\$1.9 billion and HK\$24.0 billion;
- (ii) The Group will continue to actively adjust sales and pre-sale activities to respond to market changes and capture demands. The Group believes the PRC property market will gradually return to a sound and stable development track after the profound adjustments, and hence will continue its focus on those core geographical areas and to build up business presence in those cities with better correlation between supply and demand. The Group will implement its sales plan targeting to achieve its budgeted sales and pre-sales volumes and amounts. Besides, the Group will also continue to implement measures to speed up the collection of sales proceeds and other receivables;

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

2 Basis of preparation *(Continued)*

2.1 Going concern basis *(Continued)*

- (iii) The Group will closely monitor the progress of construction of its property development projects according to the sales plan, to ensure that construction and related payments are fulfilled and the relevant properties sold under pre-sale arrangements are completed and delivered to the property buyers on schedule as planned. The Group will maintain continuous communication with its major constructors and suppliers and negotiate the payment arrangements with them so as to complete the construction progress as scheduled. This will also enable the Group to release the remaining guarantee deposits for construction of pre-sale properties from the designated bank accounts to meet its other financial obligations;
- (iv) The Group will strive to revitalise under-performing assets including hotels, office buildings and shops and consider to dispose of its investments in property development projects to generate more cash inflows if needed; and
- (v) The Group will strictly control ineffective production capacity and reduce various non-core and non-essential operating expenses; continue to strengthen cost control and apply the zeroing principle to other expenses except for rigid costs; further streamline the organisational structure; and take further measures to reduce selling and marketing costs and administrative expenses.

The directors of the Company have reviewed the Group's cash flow projections, which covers a period of not less than 18 months from 30 June 2024. The directors of the Company are of the opinion that, considering the anticipated cash inflows to be generated from the Group's operations taking into account reasonably possible changes in operation performance, its cost control measures, as well as the above-mentioned plans and measures, the Group will be able to meet its financial obligations as and when they fall due within twelve months from 30 June 2024. Accordingly, these condensed consolidated financial statements have been prepared on a going concern basis.

Notwithstanding the above, material uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

- (i) Successful progression and completion of the above-mentioned debt management measures, which will be subject to various external conditions that are beyond the Group's control, including but not limited to the proposed restructuring of the offshore liabilities of the Group, possible material adverse changes in the market during the process and fulfilment of legal or regulatory requirements;
- (ii) Successful implementation of the plans and measures to adjust the sales and pre-sales activities to achieve its budgeted sales and pre-sales volumes and amounts, and timely collection of the relevant sales proceeds and other receivables;

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

2 Basis of preparation *(Continued)*

2.1 Going concern basis *(Continued)*

- (iii) Successful monitoring of the progress of construction of its property development projects according to the sales plan, negotiations with the major constructors and suppliers to conduct business under commercial and credit terms acceptable to the Group, fulfillment of its project construction and related payment obligations on agreed schedules, and completion and delivery of properties to the customers on schedule as planned;
- (iv) Successful revitalisation of under-performing assets and disposal of investments in property development projects; and
- (v) Successful implementation of measures to reduce non-core and non-essential operating expenses, and further streamline the organisational structure and reduce selling and marketing costs and administrative expenses.

Should the Group be unable to complete the proposed offshore debt restructuring plan and continue to operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for 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 condensed consolidated financial statements.

3 Adoption of new and revised Hong Kong Financial Reporting Standards

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 January 2024. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the condensed consolidated financial statements and amounts reported for the current period and prior periods.

4 Judgements and estimates

The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the 2023 Financial Statements.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (mainly included foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the 2023 Financial Statements.

There have been no significant changes in any risk management policies since the last year end.

5.2 Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, contract assets, derivative financial assets, wealth management products and cash deposits with banks.

The carrying amounts of trade and other receivables, contract assets, derivative financial assets, wealth management products, restricted cash and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

As at 30 June 2024, the loss allowance provision for contract assets was not material.

As at 30 June 2024, the aging of trade receivables and the loss allowance provision based on dates of delivery of goods and dates of rendering of services are as follow:

Trade receivables	30 June 2024			Total
	Within 180 days	More than 180 days	More than 365 days	
Expected loss rate	0.33%	4.60%	22.05%	
Gross carrying amount (RMB million)	26,769	4,912	3,647	35,328
Loss allowance provision (RMB million)	89	226	804	1,119

Other receivables (excluding deposits for acquisitions of companies and prepayments)	Gross carrying amount (RMB million)	Loss allowance provision (RMB million)	Expected loss rate
Stage 1 (12-month expected credit losses ("ECL"))	165,391	1,254	0.76%
Stage 2 (Lifetime ECL)	67,224	9,026	13.43%
Stage 3 (Lifetime ECL)	47,498	31,322	65.94%
Total	280,113	41,602	

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.2 Credit risk (Continued)

Trade receivables	31 December 2023			Total
	Within 180 days	More than 180 days	More than 365 days	
Expected loss rate	0.24%	3.66%	30.79%	
Gross carrying amount (RMB million)	25,274	4,756	2,757	32,787
Loss allowance provision (RMB million)	61	174	849	1,084
Other receivables (excluding deposits for acquisitions of companies and prepayments)		Gross carrying amount (RMB million)	Loss allowance provision (RMB million)	Expected loss rate
Stage 1 (12-month ECL)		160,469	1,386	0.86%
Stage 2 (Lifetime ECL)		68,504	8,776	12.81%
Stage 3 (Lifetime ECL)		47,881	31,352	65.48%
Total		276,854	41,514	

As at 30 June 2024, the loss allowance provision for trade and other receivables (excluding deposits for acquisitions of companies and prepayments) and financial guarantees reconciles to the opening loss allowance for that provision as follows:

	Trade receivables RMB million	Other receivables (excluding deposits for acquisitions of companies and prepayments) RMB million	Financial guarantees RMB million	Total RMB million
Loss allowance as at 1 January 2023	277	9,437	—	9,714
Provision for loss allowance recognised in profit or loss during the period	2	6,267	393	6,662
Derecognition of other receivables*	—	(2,867)	—	(2,867)
Loss allowance as at 30 June 2023	279	12,837	393	13,509
Loss allowance as at 1 January 2024	1,084	41,514	879	43,477
Provision/(reversal of provision) for loss allowance recognised in profit or loss during the period	35	88	(1)	122
Loss allowance as at 30 June 2024	1,119	41,602	878	43,599

* These other receivables have been settled upon the completion of the business combination.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.2 Credit risk (Continued)

As at 30 June 2024, the gross carrying amount of trade and other receivables (excluding deposits for acquisitions of companies and prepayments) was RMB315,441 million (31 December 2023: RMB309,641 million) and the maximum exposure to loss was RMB272,720 million (31 December 2023: RMB267,043 million). The Group made no write-off of trade and other receivables (excluding deposits for acquisitions of companies and prepayments) and contract assets during the period (30 June 2023: nil).

5.3 Liquidity risk

The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity grouping based on the remaining period at the date of the statement of financial position to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows and included interest, if applicable.

	Less than 1 year RMB million	Between 1 and 2 years RMB million	Between 2 and 5 years RMB million	Over 5 years RMB million	Total RMB million
Unaudited					
At 30 June 2024					
Senior notes	74,208	—	—	—	74,208
Corporate bonds	5,357	8,858	7,682	—	21,897
Convertible bonds	6,877	—	—	—	6,877
Bank and other borrowings	130,054	20,134	11,996	2,425	164,609
Trade and other payables (excluding other taxes payable and salaries payable)	365,907	—	—	—	365,907
Lease liabilities	448	348	782	1,064	2,642
Derivative financial instruments	60	—	—	—	60
	582,911	29,340	20,460	3,489	636,200
	Less than 1 year RMB million	Between 1 and 2 years RMB million	Between 2 and 5 years RMB million	Over 5 years RMB million	Total RMB million
Audited					
At 31 December 2023					
Senior notes	72,003	—	—	—	72,003
Corporate bonds	3,711	7,303	10,424	—	21,438
Convertible bonds	6,839	—	—	—	6,839
Bank and other borrowings	123,698	23,194	18,916	2,684	168,492
Trade and other payables (excluding other taxes payable and salaries payable)	359,247	—	—	—	359,247
Lease liabilities	500	386	839	1,274	2,999
Derivative financial instruments	60	—	—	—	60
	566,058	30,883	30,179	3,958	631,078

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.4 Fair value estimation

The table below analyses financial instruments carried or presented at fair value, by level of the inputs to valuation techniques used to measure fair value. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs) (level 3).

	Level 1 RMB million	Level 2 RMB million	Level 3 RMB million	Total RMB million
At 30 June 2024				
Assets				
Financial assets at fair value through other comprehensive income ("FVOCI")	15	—	7,227	7,242
Financial assets at fair value through profit or loss ("FVTPL")	126	2,218	8,150	10,494
Total	141	2,218	15,377	17,736
Liabilities				
Derivative financial instruments	—	60	—	60
	Level 1 RMB million	Level 2 RMB million	Level 3 RMB million	Total RMB million
At 31 December 2023				
Assets				
Financial assets at FVOCI	35	—	7,373	7,408
Financial assets at FVTPL	241	2,237	9,210	11,688
Total	276	2,237	16,583	19,096
Liabilities				
Derivative financial instruments	—	60	—	60

For Level 2 financial assets at FVTPL, fair values are generally obtained through the use of valuation methodologies with observable market inputs.

For Level 3 financial assets at FVOCI and FVTPL, the investments mainly represent unlisted equity investments in various industries. The fair values of these investments were determined mainly based on direct comparison approach by making reference to recent transaction prices of similar deals or valuation reports.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management *(Continued)***5.4 Fair value estimation** *(Continued)*

The following table presents the changes in level 3 financial instruments for the period ended 30 June 2024 and 2023:

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
At 1 January	16,583	18,864
Additions	—	334
Total gains or losses recognised		
in profit or loss	(560)	146
in other comprehensive income	254	(282)
Disposals	(900)	(56)
At 30 June	15,377	19,006

- (a) There is no material unrealised gain or loss recognised in profit or loss in the current period (2023: no material unrealised gain or loss) attributable to balances held at the end of the reporting period.

There were no changes in valuation techniques during the period.

6 Revenue and segment information

The executive directors of the Company review the Group's internal reporting in order to assess segment performance and allocate resources. The executive directors of the Company have determined the operating segments based on these reports.

During the period, the executive directors of the Company concluded that the Group only has two reportable segments — Property development and Technology-enabled construction. The Others segment mainly includes property investment and hotel operation, which are individually and collectively insignificant for segment reporting purposes.

The executive directors of the Company assess the performance of the operating segments based on a measure of operating profit, adjusted by excluding fair value changes on derivative financial instruments and including share of results of joint ventures and associates.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information *(Continued)*

Segment assets consist primarily of property, plant and equipment, intangible assets, right-of-use assets, investment properties, financial assets at FVOCI, financial assets at FVTPL, properties under development, completed properties held for sale, investments in joint ventures, investments in associates, inventories, receivables, prepaid income tax, contract assets and contract acquisition costs and operating cash. They exclude derivative financial instruments and deferred income tax assets. Segment liabilities consist primarily of operating liabilities. They exclude current income tax liabilities, senior notes, corporate bonds, convertible bonds, bank and other borrowings, derivative financial instruments and deferred income tax liabilities.

Capital expenditure mainly comprises additions to property, plant and equipment, intangible assets and right-of-use assets, excluding those arising from business combinations.

Revenue consists of the following:

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
Sales of properties	98,829	220,803
Rendering of technology-enabled construction services	2,464	3,272
Rental income	402	497
Others	407	1,737
	102,102	226,309

Sales between segments are carried out according to the terms and conditions agreed by the respective segments' management.

The Group's revenue is mainly attributable to the market in Mainland China and over 90% of the Group's non-current assets are located in Mainland China. Geographical information is therefore not presented.

The Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information (Continued)

The segment information provided to the executive directors of the Company for the reportable segments is as follows:

	Property development RMB million	Technology- enabled construction RMB million	Others RMB million	Total RMB million
Six months ended 30 June 2024				
Revenue from contracts with customers	98,829	5,087	2,797	106,713
Revenue from other source: rental income	—	—	402	402
Segment revenue	98,829	5,087	3,199	107,115
Inter-segment revenue	—	(2,623)	(2,390)	(5,013)
Revenue from external customers	98,829	2,464	809	102,102
Share of results of joint ventures and associates	505	—	1	506
Losses arising from changes in fair value of and transfers to investment properties	—	—	(374)	(374)
Depreciation and amortisation expenses of property, plant and equipment, intangible assets and right-of-use assets	(431)	(267)	(347)	(1,045)
Net impairment losses on financial assets and guarantees	(110)	(2)	(10)	(122)
Net write-down of properties under development and completed properties held for sale	(2,698)	—	—	(2,698)
Segment results	(7,294)	200	(1,425)	(8,519)
At 30 June 2024				
Total segment assets after elimination of inter-segment balances	1,075,368	21,002	92,841	1,189,211
Investments in joint ventures and associates	45,481	—	1,039	46,520
Capital expenditure	132	15	3	150
Total segment liabilities after elimination of inter-segment balances	756,935	31,603	39,767	828,305

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information (Continued)

	Property development RMB million	Technology- enabled construction RMB million	Others RMB million	Total RMB million
Six months ended 30 June 2023				
Revenue from contracts with customers	220,803	18,814	10,329	249,946
Revenue from other source: rental income	—	—	497	497
Segment revenue	220,803	18,814	10,826	250,443
Inter-segment revenue	—	(15,542)	(8,592)	(24,134)
Revenue from external customers	220,803	3,272	2,234	226,309
Share of results of joint ventures and associates	526	—	(7)	519
Losses arising from changes in fair value of and transfers to investment properties	—	—	(838)	(838)
Depreciation and amortisation expenses of property, plant and equipment, intangible assets and right-of-use assets	(313)	(355)	(523)	(1,191)
Net impairment losses on financial assets and guarantees	(6,359)	(76)	(227)	(6,662)
Net write-down of properties under development and completed properties held for sale	(40,338)	—	—	(40,338)
Segment results	(42,883)	(272)	(1,539)	(44,694)
At 31 December 2023				
Total segment assets after elimination of inter-segment balances	1,141,720	12,500	118,202	1,272,422
Investments in joint ventures and associates	47,775	—	928	48,703
Capital expenditure	1,025	801	1,004	2,830
Total segment liabilities after elimination of inter-segment balances	820,197	16,791	62,609	899,597

- (a) Substantially all of the revenue from property development is recognised at a point in time.
- (b) All of the revenue from technology-enabled construction is recognised over time.
- (c) During the period ended 30 June 2024, the amount of revenue from others recognised at a point in time and recognised over time are RMB2,117 million (30 June 2023: RMB9,524 million) and RMB680 million (30 June 2023: RMB805 million) respectively.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information (Continued)

Reportable segment results are reconciled to profit before income tax as follows:

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
Total segment results	(8,519)	(44,694)
Finance costs — net	(2,312)	(1,454)
Loss before income tax	(10,831)	(46,148)

Reportable segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

	30 June 2024 RMB million	31 December 2023 RMB million
Total segment assets after elimination of inter-segment balances	1,189,211	1,272,422
Deferred income tax assets	20,297	20,570
Total assets	1,209,508	1,292,992
Total segment liabilities after elimination of inter-segment balances	828,305	899,597
Current income tax liabilities	38,981	36,131
Senior notes	70,601	68,367
Corporate bonds	19,366	19,359
Convertible bonds	6,331	6,171
Bank and other borrowings	153,854	155,752
Derivative financial instruments	60	60
Deferred income tax liabilities	17,954	18,946
Total liabilities	1,135,452	1,204,383

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

7 Property, plant and equipment and investment properties

	Property, plant and equipment RMB million	Investment properties RMB million
Six months ended 30 June 2024		
Opening net book amount at 1 January 2024	22,694	16,625
Acquisition of subsidiaries (note 27)	51	—
Other additions	81	—
Fair value changes	—	(374)
Disposals of subsidiaries	(124)	—
Other disposals	(347)	(86)
Depreciation	(892)	—
Exchange differences	(60)	—
Closing net book amount at 30 June 2024	21,403	16,165
Losses arising from changes in fair value of and transfer to investment properties recognised in profit or loss:		
— revaluation losses upon transfer from properties under development and completed properties held for sale		—
— fair value changes		(374)
		(374)

There were no changes to the valuation techniques during the period.

The Group's policy is to recognise change of fair value hierarchy levels as of the date of event or change in circumstances that caused the change. At 30 June 2024 and 31 December 2023, the Group only had investment properties measured at level 3 valuation.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

8 Trade and other receivables

	30 June 2024 RMB million	31 December 2023 RMB million
Included in current assets		
— Trade receivables — net (note (a))	34,209	31,703
— Other receivables — net (note (b))	238,511	235,340
— Prepayments for land (note (c))	5	5
— Other prepayments (note (d))	27,973	32,246
	300,698	299,294
Included in non-current assets		
— Deposits for acquisitions of companies (note (e))	725	848
	301,423	300,142

(a) Details of trade receivables are as follows:

	30 June 2024 RMB million	31 December 2023 RMB million
Trade receivables	35,328	32,787
Less: allowance for impairment (note 5.2)	(1,119)	(1,084)
Trade receivables — net	34,209	31,703

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

8 Trade and other receivables *(Continued)*(a) *(Continued)*

Trade receivables mainly arise from sales of properties. Property buyers are generally granted credit terms of 1 to 6 months. The ageing analysis of trade receivables based on property delivery date is as follows:

	30 June 2024 RMB million	31 December 2023 RMB million
Within 90 days	24,847	23,399
Over 90 days and within 180 days	1,922	1,875
Over 180 days and within 365 days	4,912	4,756
Over 365 days	3,647	2,757
	35,328	32,787

As at 30 June 2024 and 31 December 2023, trade receivables were mainly denominated in RMB.

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of buyers. Trade receivables were collateralised by the titles of the properties sold.

(b) Details of other receivables are as follows:

	30 June 2024 RMB million	31 December 2023 RMB million
Amounts due from joint ventures, associates and other related parties	56,039	57,869
Land auction and other deposits	26,035	30,325
Others (i)	198,039	188,660
	280,113	276,854
Less: allowance for impairment (note 5.2)	(41,602)	(41,514)
Other receivables — net	238,511	235,340

- (i) These receivables mainly included current accounts due from the other shareholders of certain subsidiaries of the Group, which are mainly interest-free, unsecured and repayable according to contract terms.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

8 Trade and other receivables (Continued)

- (c) Prepayments for land are related to prepaid land acquisition costs while relevant land use right certificates have not been obtained as at 30 June 2024.
- (d) Other prepayments mainly included prepaid value-added taxes and prepayments for purchases of construction materials and services.
- (e) Amounts represent deposits paid for acquisitions of certain property development companies which have not been completed as at the end of the reporting period.

9 Cash and cash equivalents

	30 June 2024 RMB million	31 December 2023 RMB million
Cash at banks and in hand (note (b))	44,784	63,816
Less: restricted cash (note (a))	(38,086)	(56,686)
	6,698	7,130

- (a) The balance mainly included unreleased guarantee deposits for construction of pre-sale properties, guarantee deposits for workers' wages and funds frozen as a result of litigations.
- (b) Cash and bank deposits are denominated in the following currencies:

	30 June 2024 RMB million	31 December 2023 RMB million
RMB	41,634	60,868
Hong Kong Dollar ("HKD")	507	320
United States Dollar ("USD")	951	586
RM	688	642
Other currencies	1,004	1,400
	44,784	63,816

The conversion of RMB and RM denominated balances into other currencies and the remittance of bank balances and cash out of the PRC and Malaysia are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC and Malaysian governments.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

10 Trade and other payables

	30 June 2024 RMB million	31 December 2023 RMB million
Trade payables (note (a))	200,736	192,848
Other payables (note (b))	165,171	166,399
Other taxes payable (note (c))	36,701	45,674
Salaries payable	3,893	3,457
	406,501	408,378

- (a) The ageing analysis of trade payables based on the date of the liability recognition on accrual basis is as follows:

	30 June 2024 RMB million	31 December 2023 RMB million
Within 365 days	197,833	190,059
Over 365 days	2,903	2,789
	200,736	192,848

- (b) Other payables mainly included deposits from property buyers and current accounts due to certain joint ventures, associates and other shareholders of certain subsidiaries of the Group and outstanding considerations to acquire certain subsidiaries, joint ventures and associates. These amounts are mainly interest-free, unsecured and repayable according to contract terms.
- (c) Other taxes payable mainly included output value-added taxes related to receipt in advance from customers amounted to approximately RMB49,200 million (31 December 2023: RMB58,656 million), value-added taxes payable and other taxes.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

11 Senior notes

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
At 1 January	68,367	70,655
Repurchase and purchase under tender offer	—	(1,771)
Repayment upon maturity	—	(2,629)
Interest expenses	1,803	1,807
Coupon interest paid	—	(1,843)
Exchange differences	431	2,463
At 30 June	70,601	68,682
Less: current portion included in current liabilities	(70,601)	(11,490)
Included in non-current liabilities	—	57,192

- (a) As at 30 June 2024, all senior notes are listed on the Singapore Exchange Securities Trading Limited, and contain various early redemption options.

Early redemption options exercisable by the Group are regarded as embedded derivatives not closely related to the host contract. The directors of the Company consider that the fair value of the above early redemption options was insignificant on initial recognition date and at 30 June 2024 and 31 December 2023.

12 Corporate bonds

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
At 1 January	19,359	32,319
Additions (note (a))	242	1,891
Early redemption (note (a))	(220)	—
Repayment upon maturity	—	(7,463)
Interest expenses	407	682
Coupon interest paid	(384)	(470)
Exchange differences	(38)	(15)
At 30 June	19,366	26,944
Less: current portion included in current liabilities	(4,762)	(21,590)
Included in non-current liabilities	14,604	5,354

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

12 Corporate bonds (Continued)

- (a) During the period, corporate bonds newly issued and early redeemed by the Group were listed as follows:

Name of bonds	Par value RMB million	Interest rate	Issue date	Term of the bonds
Issued during the period:				
RLTH25NA	242	7.50%	2 February 2024	1.75 years
Early redeemed during the period:				
RMB corporate bonds of Giant Leap Construction Technology Group Co., Ltd. ("Giant Leap") issued in 2016 — series II	9	4.50%	21 October 2021	5 years
RMB corporate bonds of Country Garden Property issued in 2019 — tranche III	40	4.98%	20 November 2021	5 years
RMB corporate bonds of Country Garden Property issued in 2020 — tranche IV	70	4.15%	3 November 2020	6 years
RMB corporate bonds of Country Garden Property issued in 2021 — tranche I	38	4.80%	12 March 2021	6 years
RMB corporate bonds of Country Garden Property issued in 2021 — tranche IV	63	6.30%	17 December 2021	5 years

- (b) Certain corporate bonds issued by the Group contain a debt component, put options and coupon rate adjustment options. Debt component represents the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate at that time applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the embedded derivatives.

The directors of the Company consider that the fair values of the above put options and coupon rate adjustment options were insignificant on initial recognition date and at 30 June 2024 and 31 December 2023.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

13 Convertible bonds

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
Liability component as at 1 January	6,171	5,793
Interest expenses	203	270
Coupon interest paid	—	(144)
Exchange differences	(43)	184
Liability component as at 30 June	6,331	6,103
Less: current portion included in current liabilities	(6,331)	(6,103)
Included in non-current liabilities	—	—

As at 30 June 2024, there has been no conversion of the 2023 Convertible Bonds and 2026 Convertible Bonds.

14 Bank and other borrowings

	30 June 2024 RMB million	31 December 2023 RMB million
Included in non-current liabilities:		
— Secured	123,479	122,780
— Unsecured	24,188	27,231
Less: current portion of non-current liabilities	(115,665)	(108,924)
	32,002	41,087
Included in current liabilities:		
— Secured	1,791	1,415
— Unsecured	4,396	4,326
Current portion of non-current liabilities	115,665	108,924
	121,852	114,665
Total bank and other borrowings	153,854	155,752

The Group's borrowings as at 30 June 2024 of RMB125,270 million (31 December 2023: RMB124,195 million) were secured by the Group's certain properties, investment properties and equipment of the Group with total carrying values of RMB148,484 million (31 December 2023: RMB147,329 million), and/or equity investment interests.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

14 Bank and other borrowings (Continued)

The weighted average effective interest rate was 5.86% per annum for the six months ended 30 June 2024 (six months ended 30 June 2023: 6.22% per annum).

The carrying amounts of the bank and other borrowings approximated their fair values as these borrowings are mainly floating-rate borrowings.

The carrying amounts of the bank and other borrowings are denominated in the following currencies:

	30 June 2024 RMB million	31 December 2023 RMB million
RMB	114,212	114,810
HKD	22,145	22,106
USD	15,217	15,713
RM	922	1,288
Others	1,358	1,835
	153,854	155,752

15 Share capital and premium

	Number of ordinary shares million	Nominal value of ordinary shares HKD million	Equivalent nominal value of ordinary shares RMB million	Share premium RMB million	Total RMB million	Treasury shares RMB million	Group total RMB million
Authorised							
At 1 January 2023, 30 June 2023, 1 January 2024 and 30 June 2024, HKD0.10 per share	100,000	10,000					
Issued and fully paid							
At 1 January 2023 and 30 June 2023	27,637	2,763	2,560	50,201	52,761	(2,225)	50,536
Issued and fully paid							
At 1 January 2024 and 30 June 2024	27,988	2,798	2,592	50,416	53,008	(2,225)	50,783

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

16 Other reserves and retained earnings

	Merger reserve RMB million	Statutory reserve RMB million	Share option reserve RMB million	FVOCI reserve RMB million	Currency translation reserve RMB million	Revaluation reserve RMB million	Others RMB million	Total other reserves RMB million	Accumulated losses RMB million	Total RMB million
Balance at 1 January 2024	(150)	26,096	2,688	(1,446)	(1,976)	902	(741)	25,373	(50,209)	(24,836)
Loss for the period	—	—	—	—	—	—	—	—	(12,842)	(12,842)
Transfer to statutory reserve	—	(18)	—	—	—	—	—	(18)	18	—
Employee share schemes										
— Value of employee services	—	—	147	—	—	—	—	147	—	147
Changes in fair value of financial assets at FVOCI	—	—	—	180	—	—	—	180	—	180
Disposals of financial assets at FVOCI	—	—	—	(116)	—	—	—	(116)	116	—
Changes in ownership interests in subsidiaries without change of control (note 25)	—	—	—	—	—	—	535	535	—	535
Currency translation differences	—	—	—	—	(56)	—	—	(56)	—	(56)
Disposals of subsidiaries	—	(9)	—	—	—	—	—	(9)	9	—
Balance at 30 June 2024	(150)	26,069	2,835	(1,382)	(2,032)	902	(206)	26,036	(62,908)	(36,872)

	Merger reserve RMB million	Statutory reserve RMB million	Share option reserve RMB million	FVOCI reserve RMB million	Currency translation reserve RMB million	Revaluation reserve RMB million	Cash flow hedge reserve RMB million	Deferred costs of hedging reserve RMB million	Others RMB million	Total other reserves RMB million	Retained earnings RMB million	Total RMB million
Balance at 1 January 2023	(150)	25,028	2,298	(26)	(1,949)	889	(115)	(266)	(1,879)	23,830	129,257	153,087
Loss for the period	—	—	—	—	—	—	—	—	—	—	(48,932)	(48,932)
Employee share schemes												
— Value of employee services	—	—	208	—	—	—	—	—	—	208	—	208
Changes in fair value of financial assets at FVOCI	—	—	—	(236)	—	—	—	—	—	(236)	—	(236)
Disposals of financial assets at FVOCI	—	—	—	(39)	—	—	—	—	—	(39)	39	—
Changes in ownership interests in subsidiaries without change of control	—	—	—	—	—	—	—	—	580	580	—	580
Currency translation differences	—	—	—	—	(9)	—	—	—	—	(9)	—	(9)
Disposals of subsidiaries	—	(7)	—	—	—	—	—	—	—	(7)	7	—
Deferred costs of hedging	—	—	—	—	—	—	—	(173)	—	(173)	—	(173)
Balance at 30 June 2023	(150)	25,021	2,506	(301)	(1,958)	889	(115)	(439)	(1,299)	24,154	80,371	104,525

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

17 Other income and losses — net

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
Other income		
— Government subsidy income	114	153
— Forfeiture income	49	114
— Management and other related service income	3	27
	166	294
Other gains/(losses)		
— Changes in fair value of financial assets at FVTPL	(676)	145
— Losses on disposals of subsidiaries (note 26)	(281)	(667)
— Losses on disposals of investment properties	(38)	(13)
— Gains/(losses) on disposals of property, plant and equipment	41	(99)
— Gains/(losses) on disposals of joint ventures and associates	249	(1,713)
— Others	(1,182)	(836)
	(1,887)	(3,183)
Total other income and losses — net	(1,721)	(2,889)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

18 Expenses by nature

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
Cost of property sold and construction services	100,441	209,004
Net write-down of properties under development and completed properties held for sale	2,698	40,338
Employee benefit expenses	2,152	4,706
Sales commission to agents	1,341	1,801
Depreciation of property, plant and equipment	864	860
Property management and other services expenses	306	815
Advertising and promotion costs	118	814
Other taxes and levies	295	574
Depreciation of right-of-use assets	119	168
Amortisation of intangible assets	62	163
Donations	—	63
Others	514	1,827
Total cost of sales, selling and marketing costs, administrative expenses and research and development expenses	108,910	261,133

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

19 Finance costs — net

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
Finance income:		
— Interest income on bank deposits and others	387	961
— Gains on repurchase of senior notes	—	623
	387	1,584
Finance costs:		
— Interest expenses on bank borrowings, senior notes, corporate bonds and others	(6,680)	(7,042)
— Interest expenses on lease liabilities	(33)	(12)
	(6,713)	(7,054)
Less: amounts capitalised on qualifying assets	4,231	7,054
	(2,482)	—
Net foreign exchange losses	(217)	(3,038)
Finance costs — net	(2,312)	(1,454)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

20 Income tax expenses

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
Current income tax		
— Corporate income tax	1,866	1,449
— Land appreciation tax	3,446	3,332
Deferred income tax	5,312 (1,079)	4,781 532
	4,233	5,313

- (a) Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits of the Group's subsidiaries in Hong Kong.
- (b) The Mainland China corporate income tax is 25%.
- (c) Mainland China land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land and all property development expenditures.
- (d) Withholding income tax is provided for dividend distributed and undistributed profit of the Mainland China subsidiaries of the Group. The relevant overseas holding companies have successfully obtained endorsement from various Mainland China tax bureaus to enjoy the treaty benefit of 5% withholding income tax rate on dividends received from the Mainland China subsidiaries of the Group. Accordingly, withholding income tax has been provided at 5% of the dividends to be distributed by the Mainland China subsidiaries of the Group.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

21 Dividend

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2024 (2023 interim dividend: nil).

22 Losses per share**(a) Basic**

Basic losses per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held as treasury shares.

	Six months ended 30 June	
	2024	2023
Loss attributable to owners of the Company (RMB million)	(12,842)	(48,932)
Weighted average number of ordinary shares in issue (million)	27,989	27,355
Losses per share — Basic (RMB yuan per share)	(0.46)	(1.79)

(b) Diluted

For the period ended 30 June 2023 and 2024, the share options, awarded share, written call options and convertible bonds were excluded from the computation of diluted losses per share as they are anti-dilutive.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

23 Guarantees

	30 June 2024 RMB million	31 December 2023 RMB million
Guarantees in respect of mortgage facilities for certain property buyers (note (a))	365,079	357,125
Guarantees to joint ventures and associates in respect of liabilities (note (b))	6,063	7,169
	371,142	364,294
Less: allowance for impairment (note 5.2)	(878)	(879)
	370,264	363,415

- (a) These represented the guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain property buyers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks and the Group is entitled to retain the legal title and take over the possession of the related properties. The above guarantees are to be discharged upon the earlier of (i) issuance of the real estate ownership certificates which are generally available within three months after the buyers taking possession of the relevant properties; and (ii) the satisfaction of mortgaged loans by the property buyers.
- (b) These mainly represented the maximum exposure of the guarantees provided for the borrowings of certain joint ventures and associates.

24 Contingencies

From time to time, the Group may become involved in litigations relating to claims arising from the ordinary course of business. The Group believes that there are currently no claims or actions pending against the Group which the ultimate disposition of which could have a material adverse effect on the Group's financial position, results of operations or cash flows. However, litigations are subject to inherent uncertainties and the Group's view of these matters may change in the future. When an unfavorable outcome occurs, there exists the possibility of a material adverse impact on the Group's financial position, results of operations or cash flows for the periods in which the unfavorable outcome occurs, and potentially in future periods.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

25 Transactions with non-controlling interests

The aggregate effects of transactions with non-controlling interests on the equity attributable to owners of the Company for the six months ended 30 June 2024 are as follows:

	Six months ended 30 June 2024 RMB million
Changes in equity attributable to owners of the Company arising from:	
— Acquisitions of additional interests in subsidiaries (note (a))	535
— Disposal of interests in a subsidiary without loss of control	—
	535

- (a) The Group acquired additional equity interests of certain subsidiaries from the respective non-controlling interests for a total cash consideration of RMB467 million.

The following table summarises the effect of these acquisitions:

	Six months ended 30 June 2024 RMB million
Total carrying amounts of non-controlling interests acquired	1,002
Total consideration	(467)
Total difference recognised within equity	535

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

26 Disposals of subsidiaries

During the period, the Group disposed of interests in a number of subsidiaries to certain third parties. Details of the disposals are as follows:

	RMB million
Disposal considerations	
— Cash received	285
— Outstanding and included in other receivables	410
	695
Less :	
— Total net assets of subsidiaries disposed of	(2,048)
— Non-controlling interests disposed of	1,072
Losses on disposals (note 17)	(281)
Cash proceeds from disposals, net of cash disposed of	
— Cash considerations received	285
— Less: cash and cash equivalents in the subsidiaries disposed of	(32)
Net cash inflow on disposals	253

27 Business combinations

Business combinations during the period mainly included the acquisitions of interest in various property development companies and acquisitions of additional interests in certain joint ventures and associates which were accounted for as the Group's subsidiaries after the acquisitions. The directors of the Company consider that none of these subsidiaries acquired during the period was significant to the Group and thus the individual financial information of these subsidiaries on the acquisition dates was not disclosed.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

27 Business combinations *(Continued)*

The acquired companies' principal activities are property development. The combined financial information of these acquired companies on the acquisition dates is summarised as follows:

	RMB million
Total consideration	
— Cash	4
— Fair value of investments in joint ventures and associates held before business combinations	2,015
— Effective settlement of other receivables	2,235
	4,254
Total recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	10
Restricted cash	143
Property, plant and equipment	51
Intangible assets	15
Right-of-use assets	86
Properties under development and completed properties held for sale	7,199
Prepaid income tax	226
Contract assets and contract acquisition costs	49
Trade and other receivables	1,679
Deferred income tax assets	113
Bank and other borrowings	(223)
Trade and other payables	(1,369)
Contract liabilities	(2,908)
Current income tax liabilities	(337)
Deferred income tax liabilities	(334)
Total identifiable net assets	4,400
Non-controlling interests	(146)
	4,254
Inflow of cash to acquire business, net of cash acquired	
— Cash considerations	(4)
— Cash and cash equivalents in the subsidiaries acquired	10
Net cash inflow on business combinations	6

The acquired businesses contributed total revenues of RMB53 million and net loss of RMB492 million to the Group for the period from their respective acquisition dates to 30 June 2024. Had these companies been consolidated from 1 January 2024, the interim condensed consolidated income statement of the Group for the six months ended 30 June 2024 would show pro-forma revenue of RMB102,119 million and loss for the period of RMB14,822 million.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

28 Related party transactions**(a) Ultimate controlling shareholder**

The Company is ultimately controlled by Ms. Yang Huiyan (the “**Ultimate Controlling Shareholder**”) as to 51.94% as at 30 June 2024.

(b) Transactions with related parties

Saved as disclosed in other notes above, the Group had the following significant transactions with related parties during the period:

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
(i) Entities controlled, jointly controlled or significantly influenced by certain shareholders, certain directors and/or their close family members:		
Purchase of design service	190	295
Construction service income	11	1
Purchase of property management and related services	306	815
Property lease income	11	40
Other transactions	108	113
(ii) Joint ventures:		
Provision of guarantee in respect of borrowings	4,413	10,246
Construction service income	637	1,314
Other transactions	164	907
(iii) Associates:		
Provision of guarantee in respect of borrowings	1,650	2,282
Construction service income	75	143
Other transactions	29	74

The prices for the above transactions were determined in accordance with the terms of the underlying agreements.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

28 Related party transactions (Continued)**(c) Key management compensation**

Key management includes directors and chief executive officer of the Company.

	Six months ended 30 June	
	2024 RMB million	2023 RMB million
Salaries, bonus, share-based compensation expenses and other employee benefits	3	9

(d) Balances with related parties

Saved as disclosed in other notes above, the Group had the following significant balances with its related parties:

	30 June 2024 RMB million	31 December 2023 RMB million
(i) Entities controlled, jointly controlled or significantly influenced by certain shareholders, certain directors and/or their close family members:		
Trade and other receivables	1,642	1,316
Contract assets and contract acquisition costs	38	37
Trade and other payables	5,023	4,339
Other borrowings	7,630	7,428
(ii) Joint ventures:		
Trade and other receivables	42,444	44,494
Contract assets and contract acquisition costs	1,215	1,654
Trade and other payables	41,170	44,922
(iii) Associates:		
Trade and other receivables	17,018	16,084
Contract assets and contract acquisition costs	100	610
Trade and other payables	25,025	25,410

The above balances due from/to related parties are mainly interest-free or at interest rate agreed by both parties, unsecured and to be settled according to the contract terms.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

28 Related party transactions *(Continued)*

(e) Senior notes

As at 30 June 2024, senior notes with principal amount of USD575 million (equivalent to approximately RMB4,098 million) (31 December 2023: USD575 million, equivalent to approximately RMB4,072 million) and USD30 million (equivalent to approximately RMB214 million) (31 December 2023: USD30 million, equivalent to approximately RMB212 million), USD18 million (equivalent to approximately RMB128 million) (31 December 2023: USD18 million, equivalent to approximately RMB127 million) and USD0.5 million (equivalent to approximately RMB3.6 million) (31 December 2023: USD0.5 million, equivalent to approximately RMB3.5 million) were held by Mr. YEUNG Kwok Keung, Mr. MO Bin, Ms. YANG Ziyang and Ms. WU Bijun respectively.

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Ms. YANG Huiyan (*Chairman*)
 Mr. MO Bin (*President*)
 Ms. YANG Ziying
 Dr. CHENG Guangyu
 Ms. WU Bijun
 Mr. SU Baiyuan (resigned on 1 November 2024)

Non-executive Director

Mr. CHEN Chong

Independent Non-executive Directors

Dr. HAN Qinchun (appointed on 15 March 2024)
 Mr. WANG Zhijian (appointed on 15 March 2024)
 Mr. TUO Tuo (appointed on 15 March 2024)
 Mr. TO Yau Kwok (resigned on 1 November 2024)
 Mr. LAI Ming, Joseph (resigned on 15 March 2024)
 Mr. SHEK Lai Him, Abraham
 (resigned on 15 March 2024)
 Mr. TONG Wui Tung (resigned on 15 March 2024)

CHIEF FINANCIAL OFFICER

Ms. WU Bijun

JOINT COMPANY SECRETARIES

Mr. LEUNG Chong Shun
 Mr. LUO Jie

AUTHORIZED REPRESENTATIVES

Ms. YANG Huiyan
 Mr. MO Bin
 Mr. LUO Jie (*alternate to Mr. MO Bin*)
 Ms. MA Shichao (*alternate to Ms. YANG Huiyan*)
 (resigned on 20 August 2024)

AUDIT COMMITTEE

Mr. WANG Zhijian
 (appointed as Chairman on 15 March 2024)
 Dr. HAN Qinchun (appointed on 15 March 2024)
 Mr. TUO Tuo (appointed on 15 March 2024)
 Mr. LAI Ming, Joseph (resigned on 15 March 2024)
 Mr. SHEK Lai Him, Abraham
 (resigned on 15 March 2024)
 Mr. TONG Wui Tung (resigned on 15 March 2024)

REMUNERATION COMMITTEE

Mr. TUO Tuo
 (appointed as Chairman on 15 March 2024)
 Ms. YANG Huiyan
 Mr. MO Bin
 Dr. HAN Qinchun (appointed on 15 March 2024)
 Mr. WANG Zhijian (appointed on 15 March 2024)
 Mr. TONG Wui Tung (resigned on 15 March 2024)
 Mr. LAI Ming, Joseph (resigned on 15 March 2024)
 Mr. SHEK Lai Him, Abraham
 (resigned on 15 March 2024)

NOMINATION COMMITTEE

Ms. YANG Huiyan (*Chairman*)
 Mr. WANG Zhijian (appointed on 15 March 2024)
 Mr. TUO Tuo (appointed on 15 March 2024)
 Mr. LAI Ming, Joseph (resigned on 15 March 2024)
 Mr. TONG Wui Tung (resigned on 15 March 2024)

CORPORATE GOVERNANCE COMMITTEE

Ms. YANG Huiyan (*Chairman*)
 Mr. MO Bin
 Dr. CHENG Guangyu

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Ms. YANG Huiyan (*Chairman*)
 Mr. MO Bin
 Dr. CHENG Guangyu
 Dr. HAN Qinchun (appointed on 15 March 2024)
 Mr. WANG Zhijian (appointed on 15 March 2024)
 Mr. TUO Tuo (appointed on 15 March 2024)
 Mr. LAI Ming, Joseph (resigned on 15 March 2024)
 Mr. SHEK Lai Him, Abraham
 (resigned on 15 March 2024)
 Mr. TONG Wui Tung (resigned on 15 March 2024)

EXECUTIVE COMMITTEE

Ms. YANG Huiyan (*Chairman*)
 Mr. MO Bin
 Ms. YANG Ziying
 Dr. CHENG Guangyu

FINANCE COMMITTEE*

Ms. WU Bijun (*Chairman*)
 Ms. YANG Huiyan
 Mr. MO Bin
 Ms. YANG Ziying
 Dr. CHENG Guangyu

* Other two members are senior management of the finance centre of the Company

CORPORATE INFORMATION

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE PRC

Country Garden Centre
No. 1 Country Garden Road
Beijiao Town, Shunde District, Foshan
Guangdong Province 528312
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 1702, 17/F.
Dina House, Ruttonjee Centre
11 Duddell Street
Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3
Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKERS**(In Alphabetical Order)**

Agricultural Bank of China Limited
Bank of Beijing Co., Ltd.
Bank of China (Hong Kong) Limited
Bank of China Limited
China CITIC Bank Corporation Limited
China Construction Bank Corporation
China Development Bank Corporation
China Everbright Bank Company Limited

China Guangfa Bank Co., Ltd.
China Merchants Bank Co., Ltd.
China Minsheng Banking Corp., Ltd.
China Zheshang Bank Co., Ltd.
Chong Hing Bank Limited
CIMB Bank Berhad
CMB Wing Lung Bank Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of China Limited
Industrial Bank Co., Ltd.
Malayan Banking Berhad
Ping An Bank Company Limited
Postal Savings Bank of China
Shanghai Pudong Development Bank Co., Ltd.
Standard Chartered Bank (Hong Kong) Limited
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited

AUDITOR

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

LEGAL ADVISORS**As to Hong Kong law:**

Woo Kwan Lee & Lo
Lu, Lai & Li

As to PRC law:

King & Wood Mallesons
Guangdong GuoDing Law Firm
DeHeng Law Offices
Dentons Law Firm
Grandall Law Firm

STOCK CODES

Stock Exchange	2007
Reuters	2007.HK
Bloomberg	2007 HK Equity

WEBSITE

<http://www.countrygarden.com.cn>

GLOSSARY

“2007 Share Option Scheme”	the share option scheme of the Company adopted on 20 March 2007 and which had expired on 19 March 2017
“2017 AGM”	the annual general meeting of the Company held on 18 May 2017
“2017 Share Option Scheme”	the share option scheme of the Company adopted on 18 May 2017
“AGM”	the annual general meeting of the Company to be held in 2025
“attributable contracted sales”	the contracted sales of the Group’s subsidiaries, joint ventures and associates attributable to shareholders of the Company
“Audit Committee”	audit committee of the Company
“Board”	the board of Directors
“Bright Dream Robotics”	Guangdong Bright Dream Robotics Co., Ltd., a wholly-owned subsidiary of the Company
“Chairman” or “Chairman of the Board”	the chairman of the Board
“Chief Financial Officer”	chief financial officer of the Company
“Company” or “Country Garden”	Country Garden Holdings Company Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 2007)
“Corporate Governance Code”	Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Corporate Governance Committee”	corporate governance committee of the Company
“Country Garden Property”	Country Garden Real Estate Group Co., Ltd., a wholly-owned subsidiary of the Company
“Director(s)”	director(s) of the Company
“Environmental, Social and Governance Committee”	environmental, social and governance committee of the Company
“Executive Committee”	executive committee of the Company
“Finance Committee”	finance committee of the Company

GLOSSARY

“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Mainland China”	the People’s Republic of China, for the purpose of this interim report, excluding Hong Kong, Macau and Taiwan
“Malaysia Country Garden”	Country Garden Real Estate Sdn. Bhd., a wholly-owned subsidiary of the Company
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“municipal administrative regions”	include prefecture-level cities, prefectures, autonomous prefectures, leagues, provincial-controlled divisions
“net current assets”	the value of total current assets after its current liabilities have been subtracted
“Nomination Committee”	nomination committee of the Company
“PRC” or “China”	the People’s Republic of China
“President”	president of the Company
“Remuneration Committee”	remuneration committee of the Company
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGX”	Singapore Exchange Securities Trading Limited
“Share Option Schemes”	2007 Share Option Scheme and 2017 Share Option Scheme

GLOSSARY

“Share(s)”	ordinary share(s) in the capital of the Company with a par value of HKD0.10 each
“Shareholder(s)”	shareholder(s) of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“total cash”	the sum of cash and cash equivalents and restricted cash
“USD”	US dollar, the lawful currency of the United States of America
“%”	per cent



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