



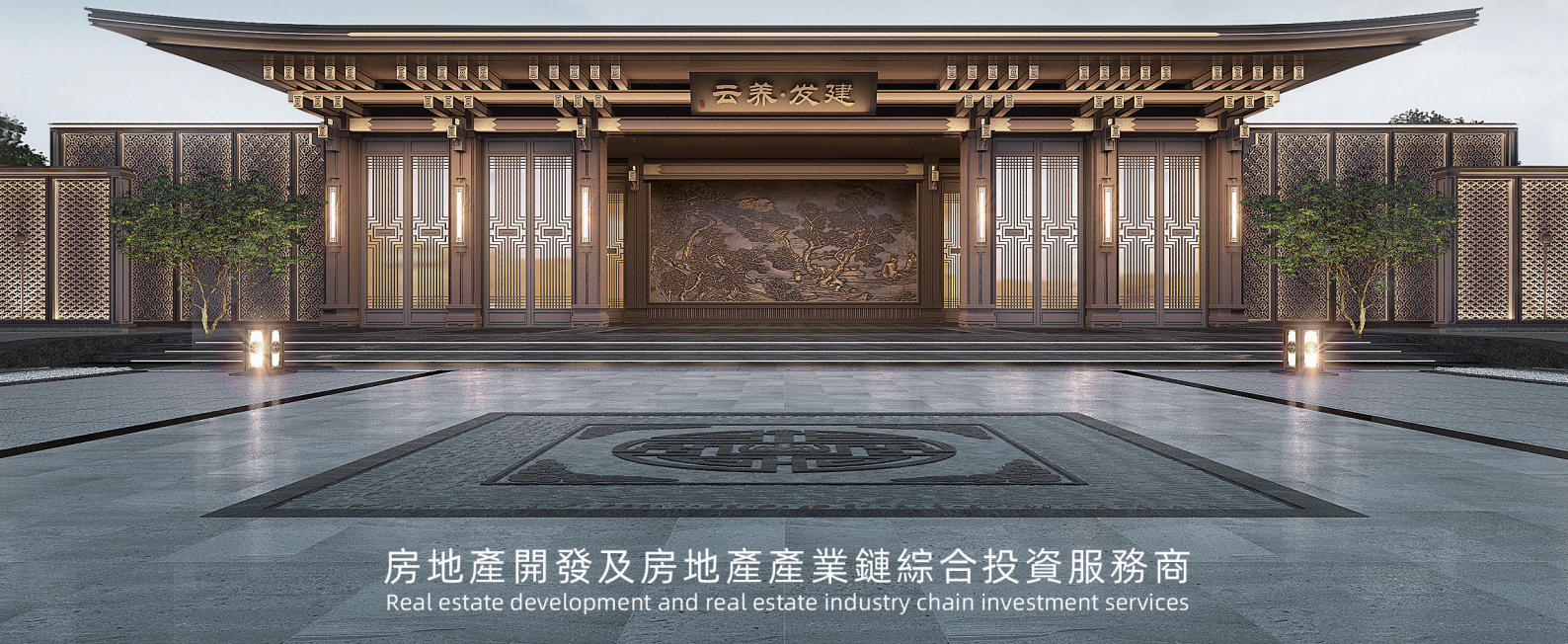
建發國際投資集團有限公司
C&D International Investment Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1908

2020

INTERIM REPORT



房地產開發及房地產產業鏈綜合投資服務商
Real estate development and real estate industry chain investment services

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. ZHUANG Yuekai (*Chairman*)
Ms. ZHAO Chengmin
Mr. LIN Weiguo (*Chief Executive Officer*)

Non-executive Directors

Mr. HUANG Wenzhou
Ms. YE Yanliu
Mr. WANG Wenhui (*appointed on 20 April 2020*)
Ms. WU Xiaomin (*resigned on 30 March 2020*)

Independent Non-executive Directors

Mr. WONG Chi Wai
Mr. WONG Tat Yan, Paul
Mr. CHAN Chun Yee

COMPANY SECRETARY

Miss LEUNG Ching Ching

AUDIT COMMITTEE

Mr. WONG Chi Wai (*Committee Chairman*)
Mr. WONG Tat Yan, Paul
Mr. CHAN Chun Yee

REMUNERATION COMMITTEE

Mr. WONG Tat Yan, Paul (*Committee Chairman*)
Mr. ZHUANG Yuekai
Mr. WONG Chi Wai
Mr. CHAN Chun Yee

NOMINATION COMMITTEE

Mr. ZHUANG Yuekai (*Committee Chairman*)
Mr. CHAN Chun Yee
Mr. WONG Chi Wai
Mr. WONG Tat Yan, Paul

INDEPENDENT AUDITOR

Grant Thornton Hong Kong Limited

PRINCIPAL BANKERS

(in alphabetical order)

Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of China Limited
Bank of Communications Co., Ltd.
China Construction Bank Corporation
China Merchants Bank Co., Ltd.
Industrial and Commercial Bank of China Limited
Industrial Bank Co., Ltd
Postal Savings Bank of China
Shanghai Pudong Development Bank

REGISTERED OFFICE

Second Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Office No. 3517
35th Floor, Wu Chung House
213 Queen's Road East
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Tricor Services (Cayman Islands) Limited
Second Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East, Hong Kong

LEGAL ADVISER AS TO HONG KONG LAWS

King & Wood Mallesons

STOCK CODE

1908

COMPANY'S WEBSITE

www.cndintl.com
(the contents of which do not form part of this report)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

The board (the “Board”) of directors (the “Directors”) of C&D International Investment Group Limited (the “Company”) is pleased to announce the following unaudited interim consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2020 (the “Period”) together with the comparative figures for the corresponding period in 2019 (the “corresponding period of the previous year”).

	Notes	For the six months ended 30 June 2020 RMB'000 (Unaudited)	For the six months ended 30 June 2019 RMB'000 (Unaudited)
Revenue	4	2,853,513	1,277,767
Cost of sales		(2,228,821)	(758,786)
Gross profit		624,692	518,981
Other income	6	153,456	97,845
Loss on changes in fair value of investment properties		(4,608)	(2,097)
Administrative expenses		(42,885)	(25,846)
Selling expenses		(450,713)	(215,741)
Finance costs	7	(158,526)	(99,535)
Share of profit of associates		31,851	53,559
Share of profit of joint ventures		567	6,485
Profit before income tax	8	153,834	333,651
Income tax expense	9	(38,352)	(144,275)
Profit for the Period		115,482	189,376
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences		(43,139)	5,485
Total comprehensive income for the Period		72,343	194,861

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the six months ended 30 June 2020 RMB'000 (Unaudited)	For the six months ended 30 June 2019 RMB'000 (Unaudited)
Profit for the Period attributable to:			
Equity holders of the Company		151,105	209,591
Non-controlling interests		(35,623)	(20,215)
		115,482	189,376
Total comprehensive income for the Period attributable to:			
Equity holders of the Company		107,985	215,071
Non-controlling interests		(35,642)	(20,210)
		72,343	194,861
Earnings per share for profit attributable to the equity holders of the Company			
— Basic (RMB cents)	11	5.80	24.35
— Diluted (RMB cents)	11	5.70	18.92

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		137,723	108,872
Right-of-use assets		198,208	210,845
Investment properties	12	1,255,630	1,255,730
Interests in associates		5,231,460	6,436,704
Interest in a joint venture		41,449	44,175
Other financial assets	13	208,250	125,690
Deposits for acquisition of land use rights		64,166	64,166
Deferred tax assets		2,152,864	1,400,495
Goodwill		577	–
		9,290,327	9,646,677
Current assets			
Inventories of properties and other contract costs	14		
— Properties under development		96,997,811	72,758,410
— Properties held for sale		2,249,784	3,150,724
— Other contract costs		405,063	258,728
Trade and other receivables	15	4,102,662	6,604,465
Amounts due from non-controlling interests	18	6,681,034	8,474,646
Other financial assets	13	50,000	448,990
Deposits for acquisition of land use rights		8,448,797	2,195,933
Prepaid taxes		991,562	487,979
Cash at banks and on hand	16	9,929,115	11,562,270
		129,855,828	105,942,145
Total assets		139,146,155	115,588,822
Current liabilities			
Trade and other payables	17	6,794,901	8,099,577
Contract liabilities		53,091,168	36,423,681
Amounts due to related companies	18	2,304,762	2,553,834
Amounts due to non-controlling interests	18	3,833,140	2,915,151
Interest-bearing borrowings	19	1,774,570	3,263,480
Income tax liabilities		1,718,810	1,883,024
Lease liabilities		22,166	28,355
Receipts under securitisation arrangements	20	–	2,498,155
		69,539,517	57,665,257

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Net current assets		60,316,311	48,276,888
Total assets less current liabilities		69,606,638	57,923,565
Non-current liabilities			
Loans from intermediate holding company	18	27,694,880	23,082,304
Lease liabilities		105,809	109,739
Receipts under securitisation arrangements	20	2,918,850	902,774
Interest-bearing borrowings	19	20,767,178	13,979,542
Deferred tax liabilities		254,458	239,264
		51,741,175	38,313,623
Total liabilities		121,280,692	95,978,880
Net assets		17,865,463	19,609,942
EQUITY			
Share capital	21	100,636	76,921
Reserves		6,328,479	7,221,228
Equity attributable to the equity holders of the Company		6,429,115	7,298,149
Non-controlling interests		11,436,348	12,311,793
Total equity		17,865,463	19,609,942

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to the equity holders of the Company										
	Share capital RMB'000	Perpetual convertible bond* RMB'000	Share premium* RMB'000	Statutory reserve* RMB'000	Exchange reserve* RMB'000	Capital reserve* RMB'000	Revaluation reserve* RMB'000	Retained earnings* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2019, as previously reported	61,532	2,666,100	1,359,438	181,447	(5,419)	(157,805)	2,692	1,986,037	6,094,022	4,510,024	10,604,046
Adjustment on adoption of HKFRS 16, net of tax	-	-	-	-	-	-	-	(5,869)	(5,869)	(5,464)	(11,333)
Balance at 1 January 2019, as adjusted	61,532	2,666,100	1,359,438	181,447	(5,419)	(157,805)	2,692	1,980,168	6,088,153	4,504,560	10,592,713
Total comprehensive income for the Period	-	-	-	-	-	-	-	209,591	209,591	(20,215)	189,376
Profit for the Period	-	-	-	-	-	-	-	209,591	209,591	(20,215)	189,376
Other comprehensive income	-	-	-	-	-	-	-	-	-	5,485	5,485
— Currency translation differences	-	-	-	-	5,480	-	-	-	5,480	5	5,485
Total comprehensive income	-	-	-	-	5,480	-	-	209,591	215,071	(20,210)	194,861
Transactions with owners											
Issuance of share capital, net of transaction costs	4,725	-	411,135	-	-	-	-	-	415,860	-	415,860
Conversion of perpetual convertible bond	10,664	(906,474)	895,810	-	-	-	-	-	-	-	-
Distributions to holders of perpetual convertible bond	-	-	(15,100)	-	-	-	-	-	(15,100)	-	(15,100)
2018 final dividend approved	-	-	(960,448)	-	-	-	-	-	(960,448)	-	(960,448)
Capital contribution from non-controlling shareholders	-	-	-	-	-	-	-	-	-	386,000	386,000
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	197	197
Dividends paid to a non-controlling shareholder	-	-	-	-	-	-	-	-	-	(50,000)	(50,000)
Changes in ownership interests in subsidiaries without change of control	-	-	-	-	-	3,032	-	-	3,032	(3,032)	-
Total transactions with owners	15,389	(906,474)	331,397	-	-	3,032	-	-	(556,656)	333,165	(223,491)
Balance at 30 June 2019 (unaudited)	76,921	1,759,626	1,690,835	181,447	61	(154,773)	2,692	2,189,759	5,746,568	4,817,515	10,564,083

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to the equity holders of the Company										
	Share capital RMB'000	Perpetual convertible bond* RMB'000	Share premium* RMB'000	Statutory reserve* RMB'000	Exchange reserve* RMB'000	Capital reserve* RMB'000	Revaluation reserve* RMB'000	Retained earnings* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2020	76,921	1,759,626	1,690,891	493,507	32,843	(144,432)	2,692	3,386,101	7,298,149	12,311,793	19,609,942
Total comprehensive income for the Period											
Profit for the Period	-	-	-	-	-	-	-	151,105	151,105	(35,623)	115,482
Other comprehensive income	-	-	-	-	(43,120)	-	-	-	(43,120)	(19)	(43,139)
— Currency translation differences	-	-	-	-	(43,120)	-	-	-	(43,120)	(19)	(43,139)
Total comprehensive income	-	-	-	-	(43,120)	-	-	151,105	107,985	(35,642)	72,343
Transactions with owners											
Conversion of perpetual convertible bond	23,715	(1,759,626)	1,735,911	-	-	-	-	-	-	-	-
Distributions to holders of perpetual convertible bond	-	-	(84,038)	-	-	-	-	-	(84,038)	-	(84,038)
2019 final dividend approved and paid	-	-	(884,835)	-	-	-	-	-	(884,835)	-	(884,835)
Derecognition of a subsidiary	-	-	-	-	-	-	-	-	-	(2,195,205)	(2,195,205)
Deemed disposal of subsidiaries	-	-	-	-	-	-	-	-	-	(236,822)	(236,822)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	1,613,064	1,613,064
Acquisition of subsidiaries**	-	-	-	-	-	-	-	-	-	3,660	3,660
Dividends paid to former shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	(1,485)	(1,485)
Change in ownership interests in subsidiaries without change of control	-	-	-	-	-	(8,146)	-	-	(8,146)	(23,015)	(31,161)
Total transactions with owners	23,715	(1,759,626)	767,038	-	(10,277)	(8,146)	-	-	(977,019)	(839,803)	(1,816,822)
Balance at 30 June 2020 (unaudited)	100,636	-	2,457,929	493,507	(10,277)	(152,578)	2,692	3,537,206	6,429,115	11,436,348	17,865,463

* These reserve accounts comprise the Group's reserves of RMB6,328,479,000 in the consolidated statement of financial position.

** During the Period, Xiamen Yi Yue acquired (1) 80% equity interests in Xiamen Hengrongchen Real Estate Development Company Limited* (廈門恒融農房地產開發有限公司) ("Xiamen Hengrongchen") and (2) 40% equity interests in Lianjiang Zhaohuifeng Real Estate Company Limited* (連江兆匯置業有限公司) ("Lianjiang Zhaohuifeng") respectively from independent third parties. As at 30 June 2020, the Group has sufficiently dominant voting interest to direct the relevant activities of Xiamen Hengrongchen and Lianjiang Zhaohuifeng, and therefore owns the control of Xiamen Hengrongchen and Lianjiang Zhaohuifeng. Accordingly, as at 30 June 2020, Xiamen Hengrongchen and Lianjiang Zhaohuifeng are classified as the subsidiaries of the Company and consolidated into the Group.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the six months ended 30 June 2020 RMB'000 (Unaudited)	For the six months ended 30 June 2019 RMB'000 (Unaudited)
Net cash used in operating activities		(12,303,934)	(153,403)
Net cash used in investing activities		1,985,488	(265,659)
Net cash generated from financing activities (Note)		8,101,361	5,171,321
Net increase in cash and cash equivalents		(2,217,085)	4,752,259
Cash and cash equivalents as at 1 January		10,385,864	3,665,083
Effect of foreign exchange rate changes on cash and cash equivalents		2,737	15,188
Cash and cash equivalents as at 30 June	16	8,171,516	8,432,530

Note: Included in net cash used in financing activities for the six months ended 30 June 2020 were repayment of interest-bearing borrowings of approximately RMB98,884.55 million (corresponding period of the previous year: approximately RMB35,326.57 million).

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

1. GENERAL INFORMATION

The Company's functional currency is Hong Kong Dollars ("HK\$"). However, the interim condensed consolidated financial information for the six months ended 30 June 2020 (the "Interim Financial Information") is presented in Renminbi ("RMB"), as the directors of the Company consider that RMB is the functional currency of the primary economic environment in which most of the Group's transactions are denominated and settled in and this presentation is more useful for its existing and potential investors. The Interim Financial Information is presented in thousands of RMB ("RMB'000"), unless otherwise stated.

Well Land International Limited ("Well Land") is the Company's immediate holding company which was incorporated in the British Virgin Islands ("BVI") with limited liability; C&D Real Estate Corporation Limited* (建發房地產集團有限公司) ("C&D Real Estate") which was incorporated in the People's Republic of China ("PRC" or "China") with limited liability is the Company's intermediate holding company and Xiamen C&D Corporation Limited* (廈門建發集團有限公司) ("Xiamen C&D") which was incorporated in the PRC with limited liability is the Company's ultimate holding company.

2. BASIS OF PREPARATION

The Interim Financial Information is prepared in accordance with Hong Kong Accounting Standards ("HKASs") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Interim Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2019.

3. ADOPTION OF NEW AND AMENDED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

New and amended HKFRSs that are effective for annual periods beginning on or after 1 January 2020

The accounting policies and methods of computation used in the preparation of the Interim Financial Report are consistent with those used in the annual financial statements for the year ended 31 December 2019, except for the adoption of the following new and amended HKFRSs effective as of 1 January 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendments to HKAS 1 and HKAS 8	Definition of Material

The adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

3. ADOPTION OF NEW AND AMENDED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRSs in issued but not yet effective

At the date of authorisation of this Interim Financial Report, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 17	Insurance Contracts ²
Amendments to HKFRS 3	Reference to the Conceptual Framework ⁵
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKFRS 16	COVID-19-Related Rent Concessions ¹
Amendments to HKAS 16	Property, Plant and Equipment — Proceeds before Intended Use ³
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract ³
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020 cycle ³

¹ Effective for annual periods beginning on or after 1 June 2020

² Effective for annual periods beginning on or after 1 January 2021

³ Effective for annual periods beginning on or after 1 January 2022

⁴ Effective date not yet determined

⁵ Effective for business combinations for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2022

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the Period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group’s consolidated financial statements.

4. REVENUE

Revenue from the Group’s principal activities recognised during the Period is as follows:

	For the six months ended	
	30 June	
	2020	2019
	RMB’000	RMB’000
	(Unaudited)	(Unaudited)
Sales of properties	2,377,133	900,069
Property management income	383,647	266,366
Commercial assets management income (Note)	64,861	77,521
Entrusted construction services income	20,760	28,868
Others	7,112	4,943
	2,853,513	1,277,767

Note: Commercial assets management income mainly comprises rental income from property leasing of RMB54,232,000 (corresponding period of the previous year: approximately RMB56,560,000) and property management income of approximately RMB10,008,000 (corresponding period of the previous year: approximately RMB8,622,000) for the Period.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

5. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group has four reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. All inter-segment transfers, if any, are carried out at arm's length price. The following summary describes the operations in each of the Group's reportable segments:

Property development	—	Construction and sales of residential units, commercial shops and car parking spaces;
Property management services	—	Rendering of property management services;
Commercial assets management	—	Leasing of commercial units, residential units and commercial shops and rendering of building management services; and
Entrusted construction services	—	Rendering of management and construction services.

The measurement policies the Group uses for reporting segment results under HKFRS 8 "Operating segments" are the same as those used in its financial statements prepared under HKFRSs, except for corporate income and expenses (including income tax expense) which are not directly attributable to the business activities of any operating segment and are not included in arriving at the operating results of the operating segment.

Segment assets include all assets except for unallocated associates, unallocated joint venture and certain unallocated deferred tax assets. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarter.

Segment liabilities exclude corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment, unallocated income tax liabilities and withholding tax liabilities, which are not directly attributable to the business activities of any operating segment.

The Group has amended the format of reportable segment information provided to the chief operating decision-maker for assessing the performance of the operating segments due to the insignificance of subsidiary that is engaged in the provision of smart construction services to the Group's long-term financial performance. As a result, "smart construction services" has been excluded from the Group's reportable segments.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

5. SEGMENT INFORMATION (Continued)

Segment revenue and results

	Property development RMB'000 (unaudited)	Property management RMB'000 (unaudited)	Commercial assets management RMB'000 (unaudited)	Entrusted construction services RMB'000 (unaudited)	Total RMB'000 (unaudited)
For the six months ended 30 June 2020					
Disaggregated by timing of revenue recognition:					
— Point in time	2,377,133	-	-	-	2,377,133
— Over time	-	439,729	66,251	20,760	526,740
	2,377,133	439,729	66,251	20,760	2,903,873
Inter-segment revenue	-	(56,082)	(1,390)	-	(57,472)
Revenue from contracts with external customer	2,377,133	383,647	64,861	20,760	2,846,401
Reportable segment profit before income tax	114,746	17,417	7,885	16,674	156,722
Other segment information:					
Interest income	115,446	45	344	3	115,838
Interest expenses	(118,100)	(25,579)	(14,398)	(442)	(158,519)
Share of profit/(loss) of associates	26,739	(598)	-	-	26,141
Depreciation of right-of-use assets	(8,788)	(430)	(7,898)	-	(17,116)
Loss on changes in fair value of investment properties	-	-	(4,608)	-	(4,608)
Depreciation of property, plant and equipment	(2,205)	(1,522)	(8,252)	(14)	(11,993)
Reversal of provision for impairment on loans to associates	1,809	-	-	-	1,809
(Provision)/Reversal of provision for impairment on trade and other receivables	8,661	(3,035)	(228)	(5)	5,393
Reversal of provision for impairment on amounts due from non-controlling interests	1,473	-	-	-	1,473
Reversal of provision for inventories of properties	4,728	-	-	-	4,728
For the six months ended 30 June 2019					
Disaggregated by timing of revenue recognition:					
— Point in time	900,069	-	-	-	900,069
— Over time	-	306,873	78,996	28,868	414,737
	900,069	306,873	78,996	28,868	1,314,806
Inter-segment revenue	-	(40,507)	(1,475)	-	(41,982)
Revenue from contracts with external customer	900,069	266,366	77,521	28,868	1,272,824
Reportable segment profit before income tax	249,265	29,492	29,149	22,405	330,311
Other segment information:					
Interest income	66,082	245	645	4	66,976
Interest expenses	(90,340)	(1,020)	(7,624)	(300)	(99,284)
Amortisation of interests in leasehold land	-	-	(5)	-	(5)
Loss on changes in fair value of investment properties	-	-	(2,097)	-	(2,097)
Depreciation of property, plant and equipment	(1,096)	(1,394)	(7,290)	(9)	(9,789)

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

5. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities

	Property development RMB'000	Property management RMB'000	Commercial assets management RMB'000	Entrusted construction service RMB'000	Total RMB'000
As at 30 June 2020 (Unaudited)					
Reportable segment assets	135,637,200	1,575,320	1,465,332	3,867	138,681,719
Reportable segment liabilities	(118,819,780)	(1,404,488)	(712,703)	(30,580)	(120,967,551)
Other segment information:					
Additions to/(Reduction of) non-current assets (except financial instruments and deferred tax assets)	4,830	(372)	(15,016)	(14)	(10,572)
Interests in associates	5,149,327	-	-	-	5,149,327
2019					
Reportable segment assets	113,713,534	145,475	1,457,399	13,284	115,329,692
Reportable segment liabilities	(93,809,902)	(1,346,744)	(650,401)	(42,748)	(95,849,795)
Other segment information:					
Additions to non-current assets (except financial instruments and deferred tax assets) during the year	58,301	34,267	29,539	67	122,174
Interests in associates	6,344,518	598	-	-	6,345,116

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

5. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities *(Continued)*

The totals presented for the Group's operating segments reconciled to the Group's key financial figures as follows:

	For the six months ended 30 June	
	2020 RMB'000 (Unaudited)	2019 RMB'000 (Unaudited)
Reportable segment revenue	2,903,873	1,314,806
Inter-segment revenue elimination	(57,472)	(41,982)
Unallocated revenue	7,112	4,943
Consolidated revenue	2,853,513	1,277,767
Reportable segment profit before income tax	156,722	330,311
Unallocated interest income	235	1
Unallocated interest expenses	(7)	(251)
Unallocated share of profit of associates	5,710	(487)
Unallocated share of profit of joint venture	567	6,485
Unallocated income and expenses	(9,075)	(2,156)
Unallocated impairment loss on trade and other receivables	(67)	–
Unallocated depreciation	(251)	(252)
Consolidated profit before income tax for the Period	153,834	333,651
	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Reportable segment assets	138,681,719	115,329,692
Unallocated associates	82,133	91,588
Unallocated joint venture	41,449	44,175
Unallocated deferred tax assets	1,830	103
Unallocated corporate assets	339,024	123,264
Total consolidated assets	139,146,155	115,588,822
Reportable segment liabilities	(120,967,551)	(95,849,795)
Unallocated tax liabilities	(2,881)	(1,168)
Unallocated withholding tax liabilities	(14,633)	(14,633)
Unallocated corporate liabilities	(295,627)	(113,284)
Total consolidated liabilities	(121,280,692)	(95,978,880)

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

5. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities *(Continued)*

Segment assets consist primarily of property, plant and equipment, investment properties, right-of-use assets, land use rights, interests in associates, other financial assets, deposits for acquisition of land use rights, inventories of properties and other contract costs, trade and other receivables, amounts due from non-controlling interests, cash at banks and on hand, certain deferred tax assets and prepaid taxes.

Segment liabilities consist primarily of contract liabilities, trade and other payables, loans from intermediate holding company, amounts due to non-controlling interests and related companies, interest-bearing borrowings, receipts under securitisation arrangements, lease liabilities, income tax liabilities and certain deferred tax liabilities.

As chief operating decision-maker of the Group considers most of the Group's revenue and results are attributable to the market in the PRC and the Group's assets are substantially located inside the PRC, no geographical information is presented.

For the six months ended 30 June 2019 and 2020, the Group did not depend on any single customer under each of the segments.

6. OTHER INCOME

	For the six months ended	
	30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income from:		
— banks	57,800	20,537
— loans to associates	31,779	34,647
— financial assets at amortised cost	516	–
— others	25,978	11,793
	116,073	66,977
Compensation income	10,746	5,865
Gain on changes in fair value of financial assets measured at FVTPL	13,570	5,890
Gain on disposal of investment properties	–	7,806
Gain on disposal of associates	–	3,213
Government grants	4,048	2,098
Gain on remeasurement of previously held interest in an associate	3,009	–
Sundry income	6,010	5,996
	153,456	97,845

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

7. FINANCE COSTS

	For the six months ended	
	30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest charges on:		
Bank borrowings	631,219	252,540
Loans from intermediate holding company	666,184	509,192
Amounts due to non-controlling shareholders	38,937	47,360
Receipts under securitisation arrangements	97,018	102,392
Significant financing component of contract liabilities	630,094	260,068
New standards on leases	945	1,529
Total borrowing costs	2,064,397	1,173,081
Less: Interest capitalised	(1,905,871)	(1,073,546)
	158,526	99,535

Borrowing costs have been capitalised at various applicable rates ranging from 3.20% to 11.5% per annum (corresponding period of the previous year: 3.50% to 10% per annum).

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

8. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2020 RMB'000 (Unaudited)	2019 RMB'000 (Unaudited) (Note)
Auditor's remuneration	–	–
Cost of properties sold	1,912,830	475,785
Depreciation:		
— Owned assets	12,244	10,041
— Right-of-use assets	17,116	6,335
Reversal of expected credit provision on loans to associates	1,809	–
Reversal of expected credit provision on trade and other receivables	5,326	–
Reversal of expected credit provision on amounts due from non-controlling interests	1,473	–
Net foreign exchange loss	34	3
Lease charges:		
— Leases with lease term less than twelve months	6,452	1,973
Outgoings in respect of investment properties that generated rental income	1,482	1,434
Reversal of provision for inventories of properties and other contract costs	4,728	–

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

9. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2020 RMB'000 (Unaudited)	2019 RMB'000 (Unaudited)
Current income tax		
PRC corporate income tax ("CIT")		
— The period	772,075	370,251
— Over provision in respect of prior years	—	(368)
	772,075	369,883
PRC land appreciation tax ("LAT")	3,452	98,750
	775,527	468,633
Deferred tax	(737,175)	(324,358)
Total income tax expense	38,352	144,275

Notes:

(a) Hong Kong profits tax

No Hong Kong profits tax has been provided as the Group did not derive any assessable profit arising in Hong Kong during the Period (2019: Nil).

(b) PRC CIT

The income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the Period, based on the existing legislation, interpretations and practices in respect thereof.

PRC CIT has been provided on the estimated assessable profits of subsidiaries operating in the PRC at 25% (2019: 25%).

(c) PRC LAT

Under the Provisional Rules on LAT Implementation Rules of the PRC implemented on 27 January 1995, all gains from the sales or transfer of land use rights, buildings and their attached facilities in the PRC are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sale of properties less deductible expenditures including cost of land use rights, borrowing costs, additional tax and all property development expenditures. There are certain exemptions available for the sale of ordinary residential properties if the appreciation values do not exceed 20% of the total deductible items (as defined in the relevant PRC tax laws). Sales of commercial properties are not eligible for such an exemption.

(d) PRC withholding income tax

Pursuant to the Detailed Implementation Regulations for implementation of the new CIT Law issued on 6 December 2007, a 10% withholding income tax shall be levied on the dividends remitted by the companies established in the PRC to their foreign investors starting from 1 January 2008. Dividends coming from the profits generated by the PRC companies after 1 January 2008 shall be subject to this withholding income tax.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

9. INCOME TAX EXPENSE *(Continued)*

Notes: (Continued)

(e) Cayman Islands corporate tax

Pursuant to the rules and regulations of Cayman Islands, the Group is not subject to any corporate tax in Cayman Islands for the years ended 31 December 2019 and 2018.

(f) BVI profits tax

Pursuant to the rules and regulations of the BVI, the Group is not subject to any income tax in the BVI for the years ended 31 December 2019 and 2018.

(g) Australia profits tax

No Australia profits tax has been provided as the Group did not derive any assessable profit arising in Australia during the years ended 31 December 2019 and 2018.

10. DIVIDEND

The Board proposed not to declare an interim dividend for the Period (corresponding period of the previous year: Nil).

11. EARNINGS PER SHARE

(A) Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the Period attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the Period.

	For the six months ended	
	30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the Period attributable to the equity holders of the Company	151,105	209,591
Distributions to holders of perpetual convertible bond	(84,038)	(15,100)
Profit for the purpose of basic earnings per share	67,067	194,491
Weighted average number of ordinary shares in issue during the Period (thousands)	1,156,185	798,677
Earnings per share (expressed in RMB cents per share)	5.80	24.35

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

11. EARNINGS PER SHARE *(Continued)*

(B) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares to assume conversion of all dilutive potential ordinary shares.

	For the six months ended 30 June	
	2020 RMB'000 (Unaudited)	2019 RMB'000 (Unaudited)
Earnings for the purpose of diluted earnings per share	67,067	209,591
Weighted average number of ordinary shares for the purpose of basic earnings per share (thousands)	1,156,185	798,677
Effect of dilutive potential ordinary share: Perpetual convertible bond (thousands)	20,526	309,184
Weighted average number of ordinary shares in issue (thousands)	1,176,711	1,107,861
Earnings per share (expressed in RMB cents per share)	5.70	18.92

12. INVESTMENT PROPERTIES

Movements of the carrying amounts presented in the consolidated statement of financial position can be summarised as follows:

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Carrying amount at 1 January	1,255,730	1,238,730
Change in fair value of investment properties	(4,608)	(6,309)
Additions		
— Subsequent expenditures	4,508	25,709
Disposal	—	(2,400)
Carrying amount at 30 June 2020/31 December 2019	1,255,630	1,255,730

As at 30 June 2020, the investment properties with a fair value of RMB628,000,000 (as at 31 December 2019: RMB622,000,000) have been pledged to banks to secure the Group's bank borrowings. Details of the secured bank borrowings are set out in Note 19.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

12. INVESTMENT PROPERTIES *(Continued)*

The analysis of the net carrying amounts of investment properties according to lease periods is as follows:

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
In PRC:		
Leases of between 10 to 50 years	1,255,630	1,255,730

Valuation process and methodologies

Investment properties were valued at 30 June 2020 and 31 December 2019 by independent, professional and qualified valuer, DTZ Debenham Tie Leung International Property Advisers (Guangzhou) Co., Ltd. ("DTZ"), who has the relevant experience in the location and category of properties being valued.

There was no change to the valuation techniques during the Period. The fair value measurement is based on the above properties' highest and best use, which does not differ from their actual use.

Discussions of valuation processes and results are held between management and the valuer on a semi-annual basis, in line with the Group's interim and annual reporting dates.

Fair value hierarchy

Fair value adjustment of investment properties is recognised in the line item "Gain on changes in fair value of investment properties" on the face of the consolidated statement of profit or loss and other comprehensive income.

The following table shows the Group's investment properties measured at fair value in the consolidated statement of financial position on a recurring basis, categorised into three levels of a fair value hierarchy. The levels are based on the observability of significant inputs to the measurements, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

12. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy (Continued)

	Fair value measurements categorised into			
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Fair value RMB'000
Recurring fair value measurement As at 30 June 2020				
Investment properties	–	–	1,255,630	1,255,630
As at 31 December 2019				
Investment properties	–	–	1,255,730	1,255,730

There were no transfers into or out of Level 3 during the Period. The Group's policy is to recognise transfers between levels of fair value hierarchy in the reporting period in which they occur.

The fair value of investment properties is determined using the direct capitalisation method by capitalising the rental income derived from the existing tenancies with due provision for the reversionary income potential of the properties. The fair value measurement is positively correlated to the market monthly rental rate and factors adjustment, and negatively correlated to capitalisation rate.

	Valuation techniques	Significant unobservable inputs	Range	
			As at 30 June 2020	As at 31 December 2019
Investment properties (Nanning District)	Direct capitalisation method	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m.)	35–1,400	35–1,400
		Capitalisation rate of reversionary income	3.50%–7.25%	3.50%–7.25%
Investment properties (Shanghai District)	Direct capitalisation method	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m.)	188–418	187–415
		Capitalisation rate of reversionary income	5.50%–6.00%	5.50%–6.00%

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

13. OTHER FINANCIAL ASSETS

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Other current financial assets:		
Financial assets at amortised cost		
Listed senior tranche securities (Note (i))	–	100,000
Financial assets measured at fair value through profit or loss		
Unlisted subordinated tranche securities (Note (ii))	50,000	123,990
Unlisted structured deposits	–	225,000
	50,000	348,990
	50,000	448,990
Other non-current financial assets:		
Financial assets measured at fair value through profit or loss		
Unlisted subordinated tranche securities (Note (ii))	128,850	34,190
Unlisted equity securities (Note (iii))	79,400	81,500
Unlisted structured deposits	–	10,000
	208,250	125,690

Notes:

- (i) As at 31 December 2019, the amount comprised a RMB100,000,000 fixed coupon rate of 6.3% per annum of senior tranche securities. The maturity date is in April 2020.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

13. OTHER FINANCIAL ASSETS (Continued)

Notes: (Continued)

- (ii) As at 30 June 2020, the amount comprises five (31 December 2019: three) non-tradable zero coupon subordinated tranche securities as stipulated in the receipts under securitisation arrangements. The details of these tranche securities are as follows:

Matured on:	As at 30 June 2020 RMB'000	As at 31 December 2019 RMB'000
30 April 2020	–	98,990
23 October 2020	25,000	25,000
28 February 2021	25,000	–
29 April 2022	40,000	–
29 April 2022	40,000	–
26 July 2026	48,850	34,190
	178,850	158,180

- (iii) As at 30 June 2020 and 31 December 2019, unlisted equity securities represented approximately 10.5% equity interest in Hangzhou Zhenlu Investment Company Limited* (杭州臻祿投資有限公司), a company in the PRC.

14. INVENTORIES OF PROPERTIES AND OTHER CONTRACT COSTS

	As at 30 June 2020 RMB'000	As at 31 December 2019 RMB'000
Inventories of properties		
Properties under development (Note (a))	96,997,811	72,758,410
Properties held for sale (Note (a))	2,249,784	3,150,724
	99,247,595	75,909,134
Other contract costs (Note (b))	405,063	258,728
	99,652,658	76,167,862
Inventories of properties	99,269,167	75,935,434
Less: Provision for inventories	(21,572)	(26,300)
	99,247,595	75,909,134

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

14. INVENTORIES OF PROPERTIES AND OTHER CONTRACT COSTS *(Continued)*

Notes:

(a) Inventories of properties

The properties under development and properties held for sale are located in the PRC and Australia. The relevant land use rights are on lease of 40 to 70 years.

As at 30 June 2020, properties under development with carrying amount of RMB25,832,054,000 (31 December 2019: RMB16,918,084,000) have been pledged to banks to secure the Group's bank borrowings. Details of the secured bank borrowings are set out in note 19.

The properties held for sale and properties under development of the Group are located as follows:

	As at 30 June 2020 RMB'000	As at 31 December 2019 RMB'000
Properties under development		
— PRC	96,933,295	72,694,474
— Australia	64,516	63,936
	96,997,811	72,758,410
Properties held for sale		
— PRC	2,249,784	3,150,724
	99,247,595	75,909,134

(b) Other contract costs

Contract costs capitalised relate to the incremental sales commissions paid to property agents whose selling activities resulted in customers entering into sale and purchase agreements for the Group's properties which are still under construction at the reporting date. Contract costs are recognised as part of "Selling expenses" in the consolidated statement of profit or loss and other comprehensive income in the period in which revenue from the related property sales is recognised. The amount of capitalised costs recognised in profit or loss during the Period was RMB23,498,000. There was no impairment in relation to the costs capitalised during the Period.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

15. TRADE AND OTHER RECEIVABLES

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Trade receivables		
From third parties	121,625	229,679
Less: Accumulated impairment loss	(10,918)	(11,609)
	110,707	218,070
Other receivables		
Deposits	164,150	126,448
Prepayment	36,554	22,979
Other receivables	209,165	503,479
Prepayment for proposed development projects (Note)	1,394,325	4,223,005
Value-added-tax and other tax receivables	2,197,413	1,524,771
	4,001,607	6,400,682
Less: Loss allowance	(9,652)	(14,287)
	3,991,955	6,386,395
	4,102,662	6,604,465

Note: The Group has entered into several contractual arrangements with independent third parties in respect of the proposed acquisition of equity interests in certain PRC entities, which own land use rights or property development projects in the PRC.

The directors of the Group considered that the fair values of trade and other receivables are not materially different from their carrying amounts because these amounts have short maturity periods on their inception.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

15. TRADE AND OTHER RECEIVABLES *(Continued)*

Trade receivables generally have credit terms of 30 days and no interest is charged. Trade receivables in respect of sales of properties are settled in accordance with the terms stipulated in the sale and purchase agreements. For the trade receivables derived from rental income, property management fee income, entrusted services income and smart construction services income, the income is paid in accordance with the terms of the respective agreements and the balance is due on presentation.

Based on the invoice dates, the ageing analysis of the trade receivables is as follows:

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
0–30 days	97,049	209,933
31–90 days	6,106	4,129
91–180 days	5,439	747
181–365 days	896	1,700
Over 1 year	1,217	1,561
	110,707	218,070

Movements of the Group's provision for impairment of trade receivables are as follows:

	RMB'000
As at 31 December 2019	11,609
Reversal of provision for impairment	(691)
As at 30 June 2020	10,918

Movements of the Group's loss allowance on other receivables are as follows:

As at 31 December 2019	14,287
Reversal of provision for impairment	(4,635)
As at 30 June 2020	9,652

At each reporting date, the Group reviews receivables for evidence of impairment on both individual and collective basis. The Group applies the simplified approach of 12-month ECL method to trade receivables and other receivables in providing for ECL prescribed by HKFRS 9. During the Period, the Group has reversed the provision of impairment for trade receivables and other receivables of approximately RMB691,000 and RMB4,635,000 respectively.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

16. CASH AT BANKS AND ON HAND

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Cash at banks and on hand	8,171,516	10,385,864
Restricted bank deposits	1,757,599	1,176,406
	9,929,115	11,562,270

Included in cash at banks and on hand of the Group is approximately RMB9,506,153,000 (31 December 2019: approximately RMB11,418,874,000) of bank balances denominated in RMB placed with banks in the PRC. RMB is not a freely convertible currency. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks that are authorised to conduct foreign exchange business.

Restricted bank deposits represented security deposits for construction of pre-sale properties denominated in RMB placed in designated accounts. In accordance with relevant government requirements, certain property development companies of the Group are required to place in designated bank accounts certain amount of pre-sale proceeds as security deposits for the construction of the related properties. The deposits can only be used for payments for construction costs of the relevant properties when approval from related government authority is obtained. Such security deposits will be released upon completion of construction of the related properties.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

17. TRADE AND OTHER PAYABLES

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Trade payables	5,183,039	6,420,444
Other payables		
Receipts in advance and other payables	733,741	611,433
Interest payable	271,901	141,736
Salaries payable	211,664	461,028
Value-added-tax payable	64,656	104,777
Deposits received	223,778	188,367
Accrued expenses	38,250	74,915
Collection and payment on behalf of others	67,872	96,877
	1,611,862	1,679,133
	6,794,901	8,099,577

The carrying values of trade and other payables are considered to be a reasonable approximation of their fair values.

The credit terms of trade payables vary according to the terms agreed with different suppliers. Included in trade payables are trade creditors with the following aging analysis, based on invoice dates, as at the end of the Period:

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
0–30 days	2,659,370	5,896,101
31–60 days	154,278	41,548
61–90 days	148,822	41,286
Over 90 days	2,220,569	441,509
	5,183,039	6,420,444

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

18. AMOUNTS DUE FROM/(TO) RELATED COMPANIES/NON-CONTROLLING INTERESTS/ LOANS FROM INTERMEDIATE HOLDING COMPANY

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Amounts due from non-controlling interests	6,687,939	8,483,024
Less: Loss allowance	(6,905)	(8,378)
	6,681,034	8,474,646

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Amounts due to related companies:		
— Associates	673,501	879,997
— Intermediate holding company	1,544,632	1,673,837
— Immediate holding company	86,629	—
	2,304,762	2,553,834
Amounts due to non-controlling interests	3,833,140	2,915,151

As at 30 June 2020 and 31 December 2019, the amounts due from/(to) non-controlling interests/associates/intermediate holding company/immediate holding company are unsecured, interest-free and repayable on demand, except for amounts due to non-controlling interests of RMB1,021,154,000 (as at 31 December 2019: RMB2,279,255,000) bear interest ranging from 4.35% to 8% (as at 31 December 2019: 4.35% to 8%) per annum.

As at 30 June 2020, the loans from intermediate holding company are unsecured, bearing interest at effective interest rate of 5.5% (31 December 2019: at effective interest rate of 5.7%) per annum and would not be repayable within one year.

The carrying amounts of the balances approximate their fair values.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

18. AMOUNTS DUE FROM/(TO) RELATED COMPANIES/NON-CONTROLLING INTERESTS/ LOANS FROM INTERMEDIATE HOLDING COMPANY *(Continued)*

Movements of the Group's loss allowance on amounts due from non-controlling interests are as follows:

	RMB'000
Balance as at 31 December 2019	8,378
Reversal of provision for impairment	(1,473)
Balance as at 30 June 2020	6,905

At each reporting date, the Group reviews receivables for evidence of impairment on both individual and collective basis. The Group applies the 12-month ECL method to amounts due from non-controlling interests in providing for ECL prescribed by HKFRS 9. During the Period, the Group has made reversal of provision for impairment for amounts due from non-controlling interests of approximately RMB1,473,000.

19. INTEREST-BEARING BORROWINGS

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Bank loans		
— Secured	14,645,386	11,234,537
— Unsecured	7,896,362	6,008,485
	22,541,748	17,243,022

The Group's bank loans were repayable as follows:

	As at 30 June 2020 RMB'000 (Unaudited)	As at 31 December 2019 RMB'000 (Audited)
Carrying amount repayable		
Within one year or on demand	1,664,740	3,263,480
In the second year	7,596,944	3,512,800
In the third to fifth year	12,983,779	10,450,140
After the fifth year	296,285	16,602
	22,541,748	17,243,022
Less: Amounts shown under current liabilities	(1,774,570)	(3,263,480)
	20,767,178	13,979,542

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

19. INTEREST-BEARING BORROWINGS *(Continued)*

As at 30 June 2020 and 31 December 2019, the Group's bank loans were secured by the legal charges over the Group's property, plant and equipment with carrying value of approximately RMB10,083,000 (as at 31 December 2019: approximately RMB10,075,000), properties under development with carrying value of approximately RMB25,832,054,000 (as at 31 December 2019: approximately RMB16,918,084,000) and investment properties with fair value of approximately RMB628,000,000 (as at 31 December 2019: RMB622,000,000).

As at 30 June 2020 and 31 December 2019, the unsecured borrowings were guaranteed by C&D Real Estate, the intermediate holding company of the Group, except for the unsecured borrowings of RMB661,331,000 (31 December 2019: RMB2,099,700,000) were guaranteed by the subsidiaries of the Company.

As at 30 June 2020 and 31 December 2019, the bank loans bear interest of effective interest rates ranging from 3.5% to 7.0% (31 December 2019: from 3.4% to 7.0%) per annum, except for bank loans of RMB661,331,000 which bear interest of a fixed interest rate of 5.1% (31 December 2019: 5.1%) per annum.

As at 30 June 2020 and 31 December 2019, the bank loans of approximately RMB661,412,000 (as at 31 December 2019: RMB2,100,255,000) and RMB16,286,000 (as at 31 December 2019: RMB16,602,000) were denominated in HK\$ and Australian dollar ("AUD") respectively.

20. RECEIPTS UNDER SECURITISATION ARRANGEMENTS

These represented proceeds received from issuance of receipts under securitisation arrangements collateralised by certain future trade receivables for the remaining receipts from sales of properties and property management service, less amounts prepaid. These securities bear interest of an effective interest rate ranging from 3.20% to 6.37% per annum and are repayable in April 2022 and July 2026 respectively. The Company holds all subordinated tranche securities.

21. SHARE CAPITAL

	Number of shares	Amount RMB'000
Authorised:		
Ordinary shares of HK\$0.1 each		
As at 31 December 2019 (audited) and 30 June 2020 (unaudited)	3,000,000,000	254,870
Issued and fully paid:		
As at 31 December 2019 (audited)	909,864,745	76,921
As at 30 June 2020 (unaudited)	1,176,711,106	100,636

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

22. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these consolidated financial statements, the Group entered into following transactions with related parties:

Name of related parties	Nature of transactions	For the six months ended 30 June	
		2020 RMB'000 (Unaudited)	2019 RMB'000 (Unaudited) (restated)
Intermediate holding companies:			
C&D Real Estate (Note (a))	Interest expenses on loan from intermediate holding company	666,184	509,192
C&D Real Estate (Note (d))	Property management income	30,841	46,967
Associates:			
Longyan Lirong	Construction management fee received	–	15,000
Wuxi Jiahe Real Estate Co. Ltd. (Note (b))	Interest income on loans to associate	10,857	–
Wuhan Zhaoyuecheng (Note (b))	Interest income on loans to associate	–	15,202
Xiamen Zhaoyulong Real Estate Development Company Limited (Note (b))	Interest income on loans to associate	–	7,371
Fellow subsidiaries:			
Xiamen Heshan Construction and Development Limited ("Heshan Construction") (Note (c))	Construction management fee received	13,585	7,264

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2020

22. RELATED PARTY TRANSACTIONS (Continued)

Notes:

- (a) During the six months ended 30 June 2020, the Group incurred loan interest expenses of RMB666,184,000 (corresponding period of the previous year: loan interest expenses of RMB509,192,000) to C&D Real Estate, the intermediate holding company pursuant to framework loan agreement with C&D Real Estate whereby C&D Real Estate agreed to grant RMB40,000 million (2019: RMB30,000 million) loan facilities to certain subsidiaries of the Company for their project development at interest rate of 5.5% (corresponding period of the previous year: 5.7%) per annum.
- (b) During the six months ended 30 June 2020, the Group earned interest income from associates by granting loans for their operations at interest rate of 3.43% to 10% (corresponding period of the previous year: 4.35% to 7%) per annum.
- (c) During the six months ended 30 June 2020, the Group earned construction management fee income by providing services ranging from design, construction and completion to delivery throughout the project construction process with Heshan Construction.
- (d) During the six months ended 30 June 2020, the Group earned property management income from the subsidiaries of C&D Real Estate.

Key management personnel remuneration

Key management of the Group are members of the Board of Directors and senior management. Included in employee benefit expenses are key management personnel remuneration which includes the following expenses:

	For the six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Basic salaries and allowances (Note)	2,383	2,126
Retirement benefit scheme contributions	64	22
	2,447	2,148

Note: Included the director's fees of three executive Directors for the six months ended 30 June 2020. During the Period, three executive Directors have agreed to waive their director's fee for the three months ended 31 March 2020.

23. EVENTS AFTER THE REPORTING DATE

Save as disclosed elsewhere in this report, there were no significant events subsequent to 30 June 2020.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

The COVID-19 pandemic wreaking havoc across the globe and the intensifying disputes among major economies in the first half of 2020 have brought greater uncertainties to the economic outlook. Notwithstanding the strict prevention and control measures implemented by the PRC government to contain the domestic outbreak, Gross Domestic Product of the PRC still showed negative growth for the first time in the first quarter of 2020 before work and production began to resume in an orderly fashion in the second quarter of 2020. In order to address the impact of the pandemic, the PRC government has adopted the loose monetary policy and more proactive fiscal policy. Local governments have also relaxed their policies on purchase restrictions and price limitations. Demand in the real estate industry in the PRC suppressed by the pandemic in the first quarter of 2020 is gradually released, which showed signs of a turnaround in the second quarter of 2020.

It is expected that demand in the real estate market in the PRC will surge in the second half of 2020 under the overall direction of “houses are for living in, not for speculation (房住不炒)”. Following the further resumption of residential functions, the competitiveness of real estate developers will be centered on product upgrades and quality control of their properties under development.

BUSINESS REVIEW

The Group is principally engaged in the business of property development, real estate industrial chain investment services and emerging industry investment. During the Period, the main source of revenue for the Company derived from sales of properties.

During the Period, revenue of the Group was approximately RMB2,853.51 million (corresponding period of the previous year: revenue of approximately RMB1,277.77 million). During the Period, revenue increased by approximately 123.32% as compared with that for the corresponding period of the previous year. The increase was mainly attributable to the revenue realized from the delivery of several real estate development projects of the Group as compared with the corresponding period of the previous year.

Property Development Business

Sales of Properties for the Period

During the Period, the Group's revenue from sales of properties was approximately RMB2,377.13 million, representing an increase of approximately RMB1,477.06 million as compared with the corresponding period of the previous year and accounting for approximately 83.31% of the Group's total revenue. During the Period, the gross floor area (“GFA”) of the properties delivered was approximately 151,500 sq.m., representing an increase of approximately 61,800 sq.m. as compared with the corresponding period of the previous year. During the Period, revenue from sales of properties recognized in Fujian and East China Districts contributed approximately 9.17% and 86.47% of the total revenue from sales of properties respectively. The average selling price for the properties delivered and recognized during the Period was approximately RMB15,695 per sq.m., representing an increase of approximately RMB5,658 per sq.m. as compared with the corresponding period of the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

The sales amount and GFA of each project recognized during the Period are set out in the following table:

Name of Projects	Cities	Amount (RMB ten thousand)	GFA (sq.m.)	Average selling price (RMB/sq.m.)
Jianfa•Yangyu* (建發•泱譽)	Suzhou	41,346	24,070	17,177
Jianfa•Dushuwan* (建發•獨墅灣)	Suzhou	1,889	1,716	11,008
Jianfa & Yangguangcheng•Puyue* (建發&陽光城•璞悅)	Suzhou	18,835	11,081	16,998
Jianfa•Yangzhu* (建發•泱著)	Taicang	19,020	10,034	18,956
Jianfa•Yulongwan* (建發•御龍灣)	Zhangjiagang	4,872	3,142	15,506
Jianfa•Yangyu* (建發•泱譽)	Zhangjiagang	105,878	58,022	18,248
Jianfa•Jiuliwan* (建發•玖里灣)	Wuxi	13,701	7,354	18,631
Jianfa•Bihushuangxi* (建發•碧湖雙壘)	Zhangzhou	2,304	1,875	12,288
Jianfa•Shanwaishan* (建發•山外山)	Changtai	870	487	17,864
Jianfa•Shouyuan* (建發•首院)	Longyan	6,609	6,667	9,913
Shangyue House* (尚悅居)	Longyan	490	1,740	2,816
Jianfa•Zhongyang Tiancheng* (建發•中泱天成)	Quanzhou	1,574	1,757	8,958
Jianfa•Lingjun* (建發•領郡)	Lianjiang	646	2,867	2,253
Guandi* (觀邸)	Shaxian	5,071	6,685	7,586
Jianfa•Yangzhu* (建發•央著)	Jiayang	2,680	2,189	12,243
Jianfa•Yuecheng* (建發•悅城)	Jian'ou	1,546	3,733	4,141
Jianfa•Yangzhu* (建發•央著)	Changsha	9,159	6,346	14,433
Jianfa•Yangxi* (建發•央壘)	Changsha	840	1,514	5,548
Jianfa•Xiyuan* (建發•壘院)	Nanning	383	183	20,929
Total		237,713	151,462	15,695

MANAGEMENT DISCUSSION AND ANALYSIS

The sales amount and GFA of each project recognized in the corresponding period of previous year are set out in the following table:

Name of Projects	Cities	Amount (RMB ten thousand)	GFA (sq.m.)	Average selling price (RMB/sq.m.)
Jianfa•Yangyu* (建發•泱譽)	Suzhou	39,545	30,530	12,953
Jianfa•Dushuwan* (建發•獨墅灣)	Suzhou	28,122	29,059	9,678
Jianfa•Zhongyang Tiancheng* (建發•中泱天成)	Suzhou	123	37	33,243
Jianfa•Lingjun* (建發•領郡)	Lianjiang	6,166	15,048	4,098
Jianfa•Shanwaishan* (建發•山外山)	Changtai	4,088	2,451	16,679
Jianfa•Zhongyang Tiancheng* (建發•中泱天成)	Quanzhou	5,676	4,261	13,321
Jianfa•Bihushuangxi* (建發•碧湖雙壘)	Zhangzhou	1,830	1,024	17,871
Jianfa•Yuecheng* (建發•悅城)	Jian'ou	3,581	4,297	8,334
Jianfa•Zhongyang Yuefu* (建發•中央悅府)	Changsha	453	1,090	4,156
Fond England* (裕豐英倫)	Nanning	423	1,875	2,256
Total		90,007	89,672	10,037

Contracted Sales for the Period

During the Period, the Group achieved contracted sales of approximately RMB25.75753 billion, representing an increase of approximately RMB8.90856 billion as compared with the corresponding period of the previous year (corresponding period of the previous year: RMB16.84897 billion). During the Period, the contracted GFA of properties was approximately 1,558,500 sq.m., representing an increase of approximately 589,700 sq.m. as compared with the corresponding period of the previous year (corresponding period of the previous year: approximately 968,800 sq.m.). The average selling price for contracted sales of properties was approximately RMB16,527 per sq.m., representing a decrease of approximately RMB864 per sq.m. as compared with the corresponding period of the previous year (corresponding period of the previous year: approximately RMB17,391 per sq.m.).

MANAGEMENT DISCUSSION AND ANALYSIS

The sales amount and GFA of each project contracted during the Period are set out in the following table:

Name of Projects	Cities	Amount (RMB ten thousand)	GFA (sq.m.)	Average selling price (RMB/sq.m.)
Jianfa•Yangzhu* (建發•央著)	Xiamen	85,442	24,509	34,861
Jianfa•Yangzhu Phase II* (建發•央著二期)	Xiamen	127,868	37,009	34,551
Jianfa•Xiyue* (建發•璽樾)	Xiamen	363,647	66,605	54,598
Jianfa•Shanwaishan* (建發•山外山)	Changtai	26,193	16,828	15,565
Jianfa•Bihushuangxi* (建發•碧湖雙璽)	Zhangzhou	2,301	1,935	11,894
Jianfa•Xiyuan* (建發•璽院)	Zhangzhou	34,818	15,364	22,662
Jianfa•Yangzhu* (建發•央著)	Zhangzhou	47,853	28,944	16,533
Jianfa•Yangyu* (建發•央譽)	Zhangzhou	25,395	16,006	15,865
Jianfa•Xiyuan* (建發•璽院)	Zhangpu	47,871	77,724	6,159
Jianfa•Xiyuan* (建發•璽院)	Longyan	3,168	3,048	10,392
Shangyue House* (尚悅居)	Longyan	371	1,585	2,340
Jianfa•Shouyuan* (建發•首院)	Longyan	35,265	30,135	11,702
Jianfa•Jinhuyin (formerly as Land Parcel No. 2019 Lot-17 in Longyan)* (建發•津湖印 (原龍岩2019拍-17地塊))	Longyan	32,366	39,784	8,135
Jianfa•Zhongyang Tiancheng* (建發•中泱天成)	Quanzhou	2,489	2,446	10,178
Jianfa•Yangyu* (建發•央譽)	Putian	269	191	14,084
Jianfa•Panlongfu* (建發•磐龍府)	Putian	141,753	114,028	12,431
Jianfa•Yongjingwan* (建發•雍景灣)	Putian	56,690	34,477	16,443
Jianfa•Xiyuan* (建發•璽院)	Xianyou	95,144	85,896	11,077
Jianfa•Yangzhu* (建發•央著)	Fuzhou	37,604	13,621	27,607
City of Sky* (天空之城)	Fuzhou	85,441	41,254	20,711
Jianfa•Yuefu (formerly as Jianfa•Lingfu Xinyuan)* (建發•悅府(原建發•領賦新苑))	Fuzhou	897	862	10,409
Jianfa•Lingjun* (建發•領郡)	Lianjiang	232	1,171	1,981
Jianfa & Rongqiao•Shanghai Daguan 01, 03, 04* (建發&融僑•山海大觀01、03、04)	Lianjiang	4,149	4,029	10,297
Jianfa•Xiyuan* (建發•璽院)	Lianjiang	5,288	7,321	7,223
Jianfa•Shuxiangli* (建發•書香里)	Lianjiang	40,961	32,243	12,704
Guandi* (觀邸)	Shaxian	10	50	1,996
Jianfa•Yangzhu* (建發•央著)	Jianyang	35,321	30,743	11,489
Wuyi & Jianfa•Shanwaishan* (武夷&建發•山外山)	Wuyishan	14,096	10,434	13,509
Jianfa•Yuecheng* (建發•悅城)	Jian'ou	5,301	10,931	4,849
Jianfa•Xiyuan* (建發•璽院)	Jian'ou	25,071	31,738	7,899
Jianfa•Xiyue* (建發•璽悅)	Jian'ou	37,353	44,483	8,397
Jianfa•Tianxing Yangzhu (formerly as Jianfa•Tianxing Yangzhu)* (建發•天行泱著(原建發•天行央著))	Ningde	2,906	2,088	13,917
Jianfa•Tianxing Xiyuan* (建發•天行璽院)	Ningde	120,970	110,217	10,976
Jianfa•Yangzhu* (建發•央著)	Changsha	79,840	47,536	16,796
Jianfa•Yangxi* (建發•央璽)	Changsha	66	119	5,564
Jinmao & Jianfa•Guanyue* (金茂&建發•觀悅)	Changsha	71,995	52,754	13,647

MANAGEMENT DISCUSSION AND ANALYSIS

Name of Projects	Cities	Amount (RMB ten thousand)	GFA (sq.m.)	Average selling price (RMB/sq.m.)
Jinmao & Jianfa•Boyue (formerly as Jinmao & Jianfa•Boyue)* (金茂&建發•泊悦(原金茂&建發•鉞悦))	Changsha	27,533	22,214	12,394
Jianfa•Jiangshanyue (formerly as Land Parcel No. 079 in Changsha)* (建發•江山悦(原長沙縣079號地塊))	Changsha	3,056	2,735	11,174
Jianfa•Songyayuan (formerly as Land Parcel No. 011 in Changsha)* (建發•松雅院(原長沙縣011號地塊))	Changsha	23,426	22,625	10,354
Wudi & Jianfa•Xiyuan (formerly as Jianfa•Xiyuan)* (武地&建發•璽院(原建發•璽院))	Wuhan	2,433	1,303	18,676
Jianfa & Jinmao•Xiyue* (建發&金茂•璽悦)	Wuhan	18,052	14,706	12,275
Jianfa•Dushuwan* (建發•獨墅灣)	Suzhou	2,049	2,868	7,146
Jianfa•Yangyu* (建發•央譽)	Suzhou	31,854	17,164	18,559
Jianfa & Yangguangcheng•Puyue* (建發&陽光城•璞悦)	Suzhou	16,646	8,994	18,507
Jianfa•Yangyu (formerly as Jianfa•Yangyu)* (建發•央譽(原建發•央譽))	Taicang	19,655	10,513	18,696
Jianfa•Yangzhu (formerly as Jianfa•Yangzhu)* (建發•央著(原建發•央著))	Taicang	31,489	16,442	19,151
Duhuizhiguang* (都會之光)	Taicang	27,361	15,066	18,160
Jianfa•Tianjingwan* (建發•天境灣)	Taicang	24,006	10,401	23,080
Jianfa•Yulongwan* (建發•御龍灣)	Zhangjiagang	7,388	5,331	13,859
Jianfa•Yangyu* (建發•央譽)	Zhangjiagang	52,730	28,286	18,642
Jianfa•Yujingwan* (建發•御璟灣)	Zhangjiagang	57,500	50,414	11,405
Jianfa•Jiuliwan* (建發•玖里灣)	Wuxi	117,780	62,339	18,894
Jianfa•Jiuli Yingyue (formerly as Jiuli Yingyue)* (建發•玖里映月(原玖里映月))	Wuxi	136,231	62,641	21,748
Jianfa•Hexi (formerly as Hexi)* (建發•和璽(原和璽))	Wuxi	7,605	2,319	32,791
Jianfa•Runjinyuan* (建發•潤錦園)	Nanjing	1,095	702	15,603
Jianfa•Yangyu* (建發•央譽)	Nanjing	58,160	36,556	15,910
Jianfa•Jingyuexuan* (建發•璟悦軒)	Shenzhen	39,429	9,486	41,565
Jianfa•Xiyuan* (建發•璽院)	Nanning	32,622	36,107	9,035
Jianfa•Yuexi* (建發•悦璽)	Nanning	34,415	37,766	9,113
Jianfa•Yangxi (formerly as Jianfa•Xiyuan)* (建發•央璽 (原建發•璽院))	Nanning	61,267	27,848	22,001
Jianfa•Xiyuan* (建發•璽園)	Zhuhai	18,214	9,343	19,495
Jianfa•Yangjing (formerly as Jianfa•Yangjingyuan)* (建發•央璟(原建發•央璟園))	Zhuhai	4,131	1,080	38,255
Jianfa & Jiulongcang•Yangxi* (建發&九龍倉•央璽)	Guangzhou	23,222	5,130	45,263
Total		2,575,753	1,558,487	16,527

MANAGEMENT DISCUSSION AND ANALYSIS

The sales amount and GFA of each project contracted in the corresponding period of previous year are set out in the following table:

Name of Projects	Cities	Amount (RMB ten thousand)	GFA (sq.m.)	Average selling price (RMB/sq.m.)
Jianfa•Yangzhu* (建發•央著)	Xiamen	77,118	21,979	35,087
Jianfa•Yangzhu Phase II* (建發•央著二期)	Xiamen	115,026	32,749	35,124
Jianfa•Shanwaishan* (建發•山外山)	Changtai	13,515	10,171	13,288
Jianfa•Bihushuangxi* (建發•碧湖雙壘)	Zhangzhou	1,484	770	19,273
Jianfa•Xiyuan* (建發•壘院)	Zhangzhou	94,178	42,131	22,354
Jianfa•Xiyuan* (建發•壘院)	Longyan	24,135	20,877	11,561
Shangyue House* (尚悅居)	Longyan	3,469	4,323	8,025
Jianfa•Shouyuan* (建發•首院)	Longyan	46,973	40,553	11,583
Jianfa•Zhongyang Tiancheng* (建發•中決天成)	Quanzhou	833	705	11,816
Jianfa•Yangzhu* (建發•央著)	Putian	123,995	102,153	12,138
Jianfa•Yangzhu* (建發•央著)	Fuzhou	32,511	11,969	27,163
City of Sky* (天空之城)	Fuzhou	273,971	108,855	25,168
Jianfa•Lingjun* (建發•領郡)	Lianjiang	3,093	2,815	10,988
Jianfa & Rongqiao•Shanghai Daguan 01, 03, 04* (建發&融僑•山海大觀01、03、04)	Lianjiang	15,020	17,694	8,489
Jianfa•Xiyuan* (建發•壘院)	Lianjiang	7,158	10,459	6,844
Guandi* (觀邸)	Shaxian	12,893	20,249	6,367
Jianfa•Yangzhu* (建發•央著)	Jianyang	35,992	31,009	11,607
Wuyi & Jianfa•Shanwaishan* (武夷&建發•山外山)	Wuyishan	20,362	10,340	19,692
Jianfa•Yuecheng* (建發•悅城)	Jian'ou	22,686	28,540	7,949
Jianfa•Xiyuan* (建發•壘院)	Jian'ou	23,022	27,826	8,274
Jianfa•Zhongyang Yuefu* (建發•中央悅府)	Changsha	582	1,189	4,895
Jianfa•Yangzhu* (建發•央著)	Changsha	47,892	26,776	17,886
Jianfa•Yangxi* (建發•央壘)	Changsha	582	285	20,421
Jianfa•Yangzhu* (建發•央著)	Taicang	29,519	14,252	20,712
Duhuizhiguang* (都會之光)	Taicang	6,071	2,665	22,780
Jianfa•Dushuwan* (建發•獨墅灣)	Suzhou	67,604	45,730	14,783
Jianfa•Yangyu* (建發•央譽)	Suzhou	183,521	78,683	23,324
Jianfa & Yangguangcheng•Puyue* (建發&陽光城•璞悅)	Suzhou	17,155	9,140	18,769
Jianfa•Yulongwan* (建發•御龍灣)	Zhangjiagang	163,336	99,945	16,343
Tianxi* (天壘)	Zhangjiagang	1,410	1,117	12,623
Jianfa•Yangyu* (建發•央譽)	Zhangjiagang	29,110	15,531	18,743
Jianfa•Jiuliwan* (建發•玖里灣)	Wuxi	136,473	76,508	17,838
Jianfa & Jiulongcang Yangxi* (建發&九龍倉•央壘)	Guangzhou	8,650	1,861	46,480
Jianfa•Xiyuan* (建發•壘院)	Nanning	40,410	46,508	8,689
Xixi Yunlu* (西溪雲廬)	Hangzhou	4,704	592	79,459
Fond England* (裕豐英倫)	Nanning	444	1,875	2,368
Total		1,684,897	968,824	17,391

MANAGEMENT DISCUSSION AND ANALYSIS

Land Reserves

As at 30 June 2020, the Group had a total of 99 projects in the PRC and Australia, and the aggregate saleable GFA of land reserves were approximately 10,396,300 sq.m..

The amount of saleable GFA of land reserves as at 30 June 2020 is set out in the following table:

Name of Projects	Cities	Saleable GFA (sq.m.)	Interests held by the Group	Attributable GFA (sq.m.)
Jianfa•Yangzhu* (建發•央著)	Xiamen	18,741	49%	9,183
Jianfa•Yangzhu Phase II* (建發•央著二期)	Xiamen	7,109	51%	3,626
Jianfa•Xiyue* (建發•璽樾)	Xiamen	14,066	95%	13,363
Jianfa•Heming (formerly as Land Parcel No. H2019P03 in Haicang)* (建發•和鳴(原海滄H2019P03地塊))	Xiamen	104,251	49.5%	51,604
Jianfa•Hexi (formerly as Land Parcel No. 2019HP01 in Haicang)* (建發•和璽(原海滄2019HP01地塊))	Xiamen	117,186	51%	59,765
Jianfa•Hezhu (formerly as Land Parcel No. 2019HP02 and 2019HP03 in Haicang)* (建發•和著*(原海滄2019HP02及2019HP03地塊))	Xiamen	138,726	70%	97,108
Jianfa•Yangyun* (建發•養雲)	Xiamen	232,851	80%	186,281
Land Parcel No. H2020P01 in Haicang* (海滄H2020P01地塊)	Xiamen	106,426	100%	106,426
Land Parcel No. 2020XP04 in Xiangan* (翔安2020XP04地塊)	Xiamen	27,291	100%	27,291
Land Parcel No. 2020XP03 in Xiangan* (翔安2020XP03地塊)	Xiamen	54,437	100%	54,437
Jianfa•Shanwaishan* (建發•山外山)	Changtai	74,692	94%	70,210
Land Parcel No. D-02 in Changtai* (長泰D-02地塊)	Changtai	75,557	60%	45,334
Jianfa•Bihushuangxi* (建發•碧湖雙璽)	Zhangzhou	5,814	100%	5,814
Jianfa•Xiyuan* (建發•璽院)	Zhangzhou	21,928	100%	21,928
Jianfa•Yangzhu* (建發•央著)	Zhangzhou	13,607	70%	9,525
Jianfa•Yangyu* (建發•央譽)	Zhangzhou	107,729	100%	107,729
Jianfa•Wenchangfu (formerly as Land Parcel No. 2019P12 in Zhangzhou)* (建發•文昌府(原漳州2019P12地塊))	Zhangzhou	93,421	70%	65,395
Jianfa•Nanhuyin* (建發•南湖印)	Zhangzhou	269,417	80%	215,534
Jianfa•Xiyuan* (建發•璽院)	Zhangpu	283,503	70%	198,452
Jianfa•Longxitai* (建發•龍璽台)	Longhai	31,818	100%	31,818
Jianfa•Xiyuan* (建發•璽院)	Longyan	9,572	30%	2,872
Shangyue House* (尚悅居)	Longyan	8,908	40%	3,563
Jianfa•Shouyuan* (建發•首院)	Longyan	33,891	100%	33,891
Jianfa•Jinhuyin (formerly as Land Parcel No. 2019 Lot-17 in Longyan)* (建發•津湖印(原龍岩2019拍-17地塊))	Longyan	20,074	55%	11,041

MANAGEMENT DISCUSSION AND ANALYSIS

Name of Projects	Cities	Saleable GFA (sq.m.)	Interests held by the Group	Attributable GFA (sq.m.)
Jianfa•Yangzhu (formerly as Land Parcel No. 2019 Lot-19 in Longyan) (建發•泱著(原龍岩2019拍-19地塊))	Longyan	108,260	70%	75,782
Jianfa•Zhongyang Tiancheng* (建發•中泱天成)	Quanzhou	5,723	40%	2,289
Jianfa•Yangzhu* (建發•央著)	Putian	3,748	100%	3,748
Jianfa•Yangyu* (建發•央譽)	Putian	2,788	100%	2,788
Jianfa•Panlongfu* (建發•磐龍府)	Putian	209,010	100%	209,010
Jianfa•Yongjingwan* (建發•雍景灣)	Putian	57,422	100%	57,422
Jianfa•Xiyuan* (建發•璽院)	Xianyou	50,000	55%	27,500
Jianfa•Yangzhu* (建發•央著)	Fuzhou	51,598	51.6%	26,625
City of Sky* (天空之城)	Fuzhou	280,195	16.5%	46,232
Jianfa•Yuefu (formerly as Jianfa•Lingfu Xinyuan)* (建發•悅府(原建發•領賦新苑))	Fuzhou	12,651	100%	12,651
Jianfa•Lingjun (建發•領郡)*	Lianjiang	465	78%	363
Jianfa & Rongqiao•Shanghai Daguan 01, 03, 04* (建發&融僑•山海大觀 01、03、04)	Lianjiang	175,046	65%	113,780
Jianfa & Rongqiao•Shanghai Daguan 02* (建發&融僑•山海大觀02)	Lianjiang	148,683	65%	96,644
Jianfa•Xiyuan* (建發•璽院)	Lianjiang	18,682	70%	13,077
Jianfa•Shuxiangli* (建發•書香里)	Lianjiang	59,073	100%	59,073
Jianfa•Shuxiang Mansion* (建發•書香府)	Lianjiang	158,490	40%	63,396
Guandi* (觀邸)	Shaxian	11,551	51%	5,891
Jianfa•Yangzhu* (建發•央著)	Jianyang	19,834	70%	13,884
Land Parcel No. C-10 in Wuyi New District* (武夷新區C-10地塊)	Jianyang	100,185	100%	100,185
Wuyi & Jianfa•Shanwaishan* (武夷&建發•山外山)	Wuyishan	33,060	50%	16,530
Jianfa•Yuecheng* (建發•悅城)	Jian'ou	63,338	75%	47,504
Jianfa•Xiyuan* (建發•璽院)	Jian'ou	29,832	70%	20,882
Jianfa•Xiyue* (建發•璽悅)	Jian'ou	229,462	75%	172,097
Jianfa•Tianxing Yangzhu (formerly as Jianfa•Tianxing Yangzhu)* (建發•天行泱著(原建發•天行央著))	Ningde	21,124	50%	10,562
Jianfa•Tianxing Xiyuan* (建發•天行璽院)	Ningde	105,235	55%	57,879
Jianfa•Yangzhu* (建發•央著)	Changsha	189,106	100%	189,106
Jianfa•Yangxi* (建發•央璽)	Changsha	17,505	100%	17,505
Jinmao & Jianfa•Guanyue* (金茂&建發•觀悅)	Changsha	178,854	49%	87,638
Jianfa•Songyayuan (formerly as Land Parcel No. 011 in Changsha)* (建發•松雅院(原長沙縣011號地塊))	Changsha	273,161	49%	133,849
Jianfa•Jiangshanyue (formerly as Land Parcel No. 079 in Changsha)* (建發•江山悅(原長沙縣079號地塊))	Changsha	491,744	49%	240,955
Jinmao & Jianfa•Boyue (formerly as Jinmao & Jianfa•Boyue)* (金茂&建發•泊悅(原金茂&建發•鉅悅))	Changsha	134,915	49%	66,108

MANAGEMENT DISCUSSION AND ANALYSIS

Name of Projects	Cities	Saleable GFA (sq.m.)	Interests held by the Group	Attributable GFA (sq.m.)
Wudi & Jianfa•Xiyuan (formerly as Jianfa•Xiyuan)* (武地&建發•璽院(原建發•璽院))	Wuhan	120,537	49%	59,063
Jianfa & Jinmao•Xiyue* (建發&金茂•璽悅)	Wuhan	163,283	51%	83,274
Jianfa•Yangyu (formerly as Jianfa•Yangyu)* (建發•決譽(原建發•央譽))	Taicang	76,347	100%	76,347
Jianfa•Yangzhu (formerly as Jianfa•Yangzhu)* (建發•決著(原建發•央著))	Taicang	64,429	100%	64,429
Duhuizhiguang* (都會之光)	Taicang	85,988	30%	25,796
Jianfa•Tianjingwan* (建發•天鏡灣)	Taicang	190,516	100%	190,516
Jianfa•Dushuwan* (建發•獨墅灣)	Suzhou	31,852	97.5%	31,056
Jianfa•Yangyu* (建發•決譽)	Suzhou	3,193	100%	3,193
Jianfa & Yangguangcheng•Puyue* (建發&陽光城•璞悅)	Suzhou	16,207	55%	8,914
Jianfa•Shangyuyuan (formerly as Land Parcel No. 2019A-017 in Changshu)* (建發•尚虞院(原常熟2019A-017地塊))	Changshu	101,786	100%	101,786
Jianfa•Yuejiangnan (formerly as Land Parcel No. WJ-J-2019-017 in Wujiang and Land Parcel No. WJ-J-2019-018 in Wujiang)* (建發•悅江南(原吳江WJ-J-2019-017 地塊及吳江WJ-J-2019-018地塊))	Suzhou	185,085	100%	185,085
Jianfa•Chunjiang Boyue (formerly as Land Parcel No. 2019-WG-28 in Sudi)* (建發•春江泊月(原蘇地2019-WG-28號地塊))	Suzhou	82,060	100%	82,060
Jianfa•Yuanxi* (建發•園璽)	Suzhou	188,542	60%	113,125
Jianfa•Yulongwan* (建發•御龍灣)	Zhangjiagang	482	70%	337
Jianfa•Yangyu* (建發•決譽)	Zhangjiagang	52,979	100%	52,979
Jianfa•Yujingwan* (建發•御璟灣)	Zhangjiagang	374,785	100%	374,785
Land Parcel No.2020-A01 in Zhangdi* (張地2020-A01號地塊)	Zhangjiagang	219,109	60%	131,465
Jianfa•Jiuliwan* (建發•玖里灣)	Wuxi	68,805	100%	68,805
Jianfa•Hexi (formerly as Hexi)* (建發•和璽(原和璽))	Wuxi	247,134	49%	121,096
Jianfa•Jiuli Yingyue (formerly as Jiuli Yingyue)* (建發•玖里映月(原玖里映月))	Wuxi	109,512	42%	45,995
Jianfa•Boyuewan* (建發•泊月灣)	Wuxi	194,563	100%	194,563
Jianfa•Runjinyuan* (建發•潤錦園)	Nanjing	69,186	50%	34,593
Jianfa•Yangyu* (建發•央譽)	Nanjing	56,010	40%	22,404
Jianfa•Jiuxi Mansion (formerly as Land Parcel No. G15 in Lishui, Nanjing)* (建發•玖熙府(原南京溧水G15地塊))	Nanjing	205,819	49%	100,851
Jianfa•Junhefu* (建發•珺和府)	Nanjing	102,569	100%	102,569
Yangyun Jingshe* (養雲靜舍)	Hangzhou	43,599	40.18%	17,518
Xixi Yunlu* (西溪雲廬)	Hangzhou	14,530	10.5%	1,526

MANAGEMENT DISCUSSION AND ANALYSIS

Name of Projects	Cities	Saleable GFA (sq.m.)	Interests held by the Group	Attributable GFA (sq.m.)
Jianfa•Shuxiangyincui* (建發•書香印翠)	Hangzhou	51,331	100%	51,331
Jianfa•Tianyue* (建發•天樾)	Hangzhou	190,043	48%	91,221
Jianfa•Jingyuexuan* (建發•璟悅軒)	Shenzhen	24,004	51%	12,242
Jianfa•Changan Hexi* (建發•長安和壘)	Beijing	98,566	51%	50,269
Jianfa•Sishui Heming* (建發•泗水和鳴)	Shanghai	135,028	49%	66,164
Jianfa•Xiyuan* (建發•壘院)	Nanning	21,468	51%	10,949
Jianfa•Beida Longting (formerly as Jianfa•Yuexi)* (建發•北大龍庭(原建發•悅壘))	Nanning	247,423	60%	148,454
Jianfa•Yangxi (formerly as Jianfa•Xiyuan)* (建發•央壘(原建發•壘院))	Nanning	240,746	100%	240,746
Jianfa•Xiyuan Phase II* (建發•壘院二期)	Nanning	8,732	51%	4,453
Jianfa•Shuangxi* (建發•雙壘)	Nanning	236,900	100%	236,900
Jianfa•Yangzhu* (建發•央著)	Nanning	56,400	100%	56,400
Jianfa & Jiulongcang•Yangxi* (建發&九龍倉•央壘)	Guangzhou	170,397	64%	109,054
Jianfa•Yuexi (formerly as Jianfa•Xiyuan)* (建發•悅壘(原建發•壘院))	Zhuhai	102,832	100%	102,832
Jianfa•Xiyuan* (建發•壘園)	Zhuhai	29,025	51%	14,803
Jianfa•Yangjing (formerly as Jianfa•Yangjingyuan)* (建發•央璟(原建發•央璟園))	Zhuhai	67,185	100%	67,185
Land Parcel Guilv in Guiyang* (貴陽貴鋁地塊)	Guiyang	527,859	90%	475,073
Australia Project	Sydney	7,663	60%	4,598
Total		10,396,264		7,459,949

MANAGEMENT DISCUSSION AND ANALYSIS

The amount of saleable GFA of land reserves as at 31 December 2019 is set out in the following table:

Name of Projects	Cities	Saleable GFA (sq.m.)	Interests held by the Group	Attributable GFA (sq.m.)
Jianfa•Yangzhu* (建發•央著)	Xiamen	43,251	49%	21,193
Jianfa•Yangzhu Phase II* (建發•央著二期)	Xiamen	43,953	51%	22,416
Jianfa•Xiyue* (建發•璽樾)	Xiamen	80,671	95%	76,637
Jianfa•Heming (formerly as Land Parcel No. H2019P03 in Haicang)* (建發•和鳴(原海滄H2019P03地塊))	Xiamen	107,561	49.5%	53,243
Jianfa•Hexi (formerly as Land Parcel No. 2019HP01 in Haicang)* (建發•和璽(原海滄2019HP01地塊))	Xiamen	116,448	51%	59,388
Jianfa•Hezhu (formerly as Land Parcel No. 2019HP02 in Haicang)* (建發•和著*(原海滄2019HP02地塊))	Xiamen	73,398	100%	73,398
Jianfa•Hezhu (formerly as Land Parcel No. 2019HP03 in Haicang)* (建發•和著(原海滄2019HP03地塊))	Xiamen	80,270	100%	80,270
Jianfa•Shanwaishan* (建發•山外山)	Changtai	81,167	94%	76,297
Land Parcel No. D-02 in Changtai* (長泰D-02地塊)	Changtai	75,557	60%	45,334
Jianfa•Bihushuangxi* (建發•碧湖雙璽)	Zhangzhou	7,748	100%	7,748
Jianfa•Xiyuan* (建發•璽院)	Zhangzhou	37,315	100%	37,315
Jianfa•Yangzhu (formerly as Land Parcel No. 08 in Bihu, Zhangzhou)* (建發•央著(原漳州碧湖08地塊))	Zhangzhou	42,551	70%	29,786
Jianfa•Yangyu* (建發•央譽)	Zhangzhou	120,160	100%	120,160
Jianfa•Xiyuan* (建發•璽院)	Zhangpu	361,458	70%	253,021
Jianfa•Wenchangfu (formerly as Land Parcel No. 2019P12 in Zhangzhou)* (建發•文昌府(原漳州2019P12地塊))	Zhangzhou	94,201	70%	65,941
Jianfa•Xiyuan* (建發•璽院)	Longyan	12,620	30%	3,786
Shangyue House* (尚悅居)	Longyan	12,159	40%	4,864
Jianfa•Shouyuan* (建發•首院)	Longyan	64,037	100%	64,037
Jianfa•Jinhuyin (formerly as Land Parcel No. 2019 Lot-17 in Longyan)* (建發•津湖印(原龍岩2019拍-17地塊))	Longyan	102,423	55%	56,333
Jianfa•Yangzhu (formerly as Land Parcel No. 2019 Lot-19 in Longyan)* (建發•央著(原龍岩2019拍-19地塊))	Longyan	117,684	70%	82,379
Jianfa•Zhongyang Tiancheng* (建發•中泱天成)	Quanzhou	8,168	40%	3,267
Jianfa•Yangzhu (formerly as Land Parcel No. 2018–2019 in Putian)* (建發•央著(原莆田2018–2019地塊))	Putian	3,760	100%	3,760
Jianfa•Yangyu* (建發•央譽)	Putian	2,966	100%	2,966

MANAGEMENT DISCUSSION AND ANALYSIS

Name of Projects	Cities	Saleable GFA (sq.m.)	Interests held by the Group	Attributable GFA (sq.m.)
Jianfa•Panlongfu (formerly as Land Parcel No. 2019-16 in Panlong Shanzhuang Area, Licheng District)* (建發•磐龍府(原荔城區磐龍山莊片區2019-16地塊))	Putian	323,066	100%	323,066
Jianfa•Yongjingwan* (建發•雍景灣)	Putian	91,979	100%	91,979
Jianfa•Xiyuan* (建發•璽院)	Xianyou	135,896	55%	74,743
Jianfa•Yangzhu* (建發•央著)	Fuzhou	65,293	51.6%	33,691
City of Sky* (天空之城)	Fuzhou	301,067	16.5%	49,676
Jianfa•Yuefu (formerly as Jianfa•Lingfu Xinyuan)* (建發•悅府(原建發•領賦新苑))	Fuzhou	13,513	100%	13,513
Jianfa•Lingjun* (建發•領郡)	Lianjiang	1,492	78%	1,164
Jianfa & Rongqiao•Shanghai Dagan 01, 03, 04* (建發&融僑•山海大觀 01、03、04)	Lianjiang	165,047	46.15%	76,169
Jianfa & Rongqiao•Shanghai Dagan 02* (建發&融僑•山海大觀02)	Lianjiang	148,683	55.58%	82,638
Jianfa•Xiyuan* (建發•璽院)	Lianjiang	26,003	70%	18,202
Jianfa•Yangjun* (建發•泐郡)	Lianjiang	91,376	100%	91,376
Guandi* (觀邸)	Shaxian	11,601	51%	5,917
Jianfa•Yangzhu* (建發•央著)	Jianyang	50,495	70%	35,347
Wuyi & Jianfa•Shanwaishan* (武夷&建發•山外山)	Wuyishan	43,495	50%	21,748
Jianfa•Yuecheng* (建發•悅城)	Jian'ou	74,120	75%	55,590
Jianfa•Xiyuan* (建發•璽院)	Jian'ou	61,807	70%	43,265
Jianfa•Xiyue* (建發•璽悅)	Jian'ou	287,834	75%	215,876
Jianfa•Tianxing Yangzhu (formerly as Jianfa•Tianxing Yangzhu)* (建發•天行泐著(原建發•天行央著))	Ningde	23,213	50%	11,607
Jianfa•Tianxing Xiyuan* (建發•天行璽院)	Ningde	215,580	55%	118,569
Jianfa•Yangzhu* (建發•央著)	Changsha	237,008	100%	237,008
Jianfa•Yangxi* (建發•央璽)	Changsha	17,809	100%	17,809
Jinmao & Jianfa•Guanyue* (金茂&建發•觀悅)	Changsha	230,713	49%	113,049
Jianfa•Songyayuan (formerly as Land Parcel No. 011 in Changsha)* (建發•松雅院(原長沙縣011號地塊))	Changsha	307,299	49%	150,577
Jianfa•Jiangshanyue (formerly as Land Parcel No. 079 in Changsha)* (建發•江山悅(原長沙縣079號地塊))	Changsha	505,488	49%	247,689
Jinmao & Jianfa•Boyue (formerly as Jinmao & Jianfa•Boyue)* (金茂&建發•泊悅(原金茂&建發•鉑悅))	Changsha	156,827	49%	76,845
Wudi & Jianfa•Xiyuan (formerly as Jianfa•Xiyuan)* (武地&建發•璽院(原建發•璽院))	Wuhan	121,639	49%	59,603
Jianfa & Jinmao•Xiyue* (建發&金茂•璽悅)	Wuhan	178,422	51%	90,995
Jianfa•Yangyu (formerly as Jianfa•Yangyu)* (建發•泐譽(原建發•央譽))	Taicang	86,860	100%	86,860

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Name of Projects	Cities	Saleable GFA (sq.m.)	Interests held by the Group	Attributable GFA (sq.m.)
Jianfa•Yangzhu (formerly as Jianfa•Yangzhu)* (建發•泱著(原建發•央著))	Taicang	81,589	100%	81,589
Duhuizhiguang* (都會之光)	Taicang	97,899	30%	29,370
Jianfa•Tianjingwan* (建發•天境灣)	Taicang	141,941	100%	141,941
Jianfa•Dushuwan* (建發•獨墅灣)	Suzhou	33,668	97.5%	32,826
Jianfa•Yangyu* (建發•泱譽)	Suzhou	20,285	100%	20,285
Jianfa & Yangguangcheng•Puyue* (建發&陽光城•璞悅)	Suzhou	24,126	55%	13,269
Jianfa•Shangyu Yuan (formerly as Land Parcel No. 2019A-017 in Changshu)* (建發•尚虞院(原常熟2019A-017地塊))	Changshu	101,751	100%	101,751
Jianfa•Yuejiangnan (formerly as Land Parcel No. WJ-J-2019-017 in Wujiang)* (建發•悅江南(原吳江WJ-J-2019-017地塊))	Suzhou	100,399	100%	100,399
Jianfa•Yuejiangnan (formerly as Land Parcel No. WJ-J-2019-018 in Wujiang)* (建發•悅江南(原吳江WJ-J-2019-018地塊))	Suzhou	77,228	100%	77,228
Jianfa•Chunjiang Boyue (formerly as Land Parcel No. 2019-WG-28 in Sudi)* (建發•春江泊月(原蘇地2019-WG-28號地塊))	Suzhou	83,615	100%	83,615
Jianfa•Yulongwan* (建發•御瓏灣)	Zhangjiagang	5,801	70%	4,061
Jianfa•Yangyu* (建發•泱譽)	Zhangjiagang	81,279	100%	81,279
Jianfa•Yujingwan* (建發•御璟灣)	Zhangjiagang	459,156	100%	459,156
Jianfa•Jiuliwan* (建發•玖里灣)	Wuxi	162,196	100%	162,196
Jianfa•Hexi (formerly as Hexi)* (建發•和璽(原和璽))	Wuxi	243,382	49%	119,257
Jianfa•Jiuli Yingyue (formerly as Jiuli Yingyue)* (建發•玖里映月(原玖里映月))	Wuxi	170,596	42%	71,650
Jianfa•Runjinyuan (formerly as Jianfa•Guobinfu)* (建發潤錦園(原建發•國賓府))	Nanjing	69,894	50%	34,947
Jianfa•Yangyu* (建發•央譽)	Nanjing	92,438	40%	36,975
Jianfa•Jiuxi Mansion (formerly as Land Parcel No. G15 in Lishui, Nanjing)* (建發•玖熙府(原南京溧水G15地塊))	Nanjing	242,077	49%	118,618
Yangyun Jingshe* (養雲靜舍)	Hangzhou	44,520	40.18%	17,888
Xixi Yunlu* (西溪雲廬)	Hangzhou	13,998	10.5%	1,470
Jianfa•Jingyuexuan* (建發•璟悅軒)	Shenzhen	33,490	51%	17,080
Jianfa•Xiyuan* (建發•璽院)	Nanning	21,682	51%	11,058
Jianfa•Beida Longting (formerly as Jianfa•Yuexi)* (建發•北大瓏庭(原建發•悅璽))	Nanning	302,617	60%	181,570
Jianfa•Yangxi (formerly as Jianfa•Xiyuan)* (建發•央璽(原建發•璽院))	Nanning	280,814	100%	280,814
Jianfa•Xiyuan Phase II* (建發•璽院二期)	Nanning	59,660	51%	30,427
Jianfa•Shuangxi* (建發•雙璽)	Nanning	253,124	100%	253,124
Jianfa & Jiulongcang•Yangxi* (建發&九龍倉•央璽)	Guangzhou	175,618	64%	112,396

MANAGEMENT DISCUSSION AND ANALYSIS

Name of Projects	Cities	Saleable GFA (sq.m.)	Interests held by the Group	Attributable GFA (sq.m.)
Jianfa•Yuexi (formerly as Jianfa•Xiyuan)* (建發•悅璽(原建發•璽院))	Zhuhai	100,933	100%	100,933
Jianfa•Xiyuan* (建發•璽園)	Zhuhai	36,474	51%	18,602
Jianfa•Yangjing (formerly as Jianfa•Yangjingyuan)* (建發•央璟(原建發•央璟園))	Zhuhai	63,807	100%	63,807
Australia Project	Sydney	7,663	60%	4,598
Total		9,346,871		6,552,289

Real Estate Industrial Chain Investment Services

1. Property management

During the Period, the revenue from property management services amounted to approximately RMB383.65 million (corresponding period of previous year: approximately RMB266.37 million).

As at 30 June 2020, the property management segment of the Group has provided quality services for more than 137,000 property owners, spanning across 10 provinces, one municipality and 35 cities in the PRC, with contracted management area amounting to nearly 40,000,000 sq.m..

2. Commercial assets management

During the Period, the revenue from the Group's commercial assets management business amounted to approximately RMB64.86 million (corresponding period of the previous year: approximately RMB77.52 million).

The Group's own leasing properties and the third party leasing properties leased out through Shanghai C&D Zhaoyu Asset Management Company Limited* (上海建發兆昱資產管理有限公司) are mainly located in Xingning District* (興寧區) and Xixiangtang District* (西鄉塘區) of Nanning and Putuo District* (普陀區), Yangpu District* (楊浦區) and Jiading District* (嘉定區) of Shanghai. As at 30 June 2020, the Group had an aggregate lettable GFA of approximately 118,391 sq.m. (as at 31 December 2019: approximately 118,387 sq.m.) in the PRC (including an underground parking area of approximately 3,954 sq.m. used as a temporary parking area (as at 31 December 2019: approximately 3,954 sq.m.)), of which an aggregate GFA of approximately 93,644 sq.m. in the PRC had been leased out (as at 31 December 2019: approximately 95,514 sq.m.).

MANAGEMENT DISCUSSION AND ANALYSIS

3. Projects operation and management (entrusted construction services)

During the Period, revenue from the Group's entrusted construction services was derived from entrusted construction agreements and management and entrusted construction services by Xiamen C&D Zhaocheng Construction Operation and Management Limited* (廈門建發兆誠建設運營管理有限公司), an indirect wholly-owned subsidiary of the Group, amounting to approximately RMB20.76 million (corresponding period of the previous year: approximately RMB28.87 million).

FINANCIAL REVIEW

Revenue

During the Period, the Group's revenue was derived from (i) sales of properties; (ii) property management; (iii) commercial assets management; (iv) projects operation and management (entrusted construction services); and (v) others.

The following table sets forth the Group's revenue from each of these segments and as a percentage of the total revenue for the relevant period:

	For the six months ended 30 June 2020		For the six months ended 30 June 2019	
	RMB'000	%	RMB'000	%
Sales of properties	2,377,133	83.31	900,069	70.44
Property management income	383,647	13.44	266,366	20.85
Commercial assets management income	64,861	2.27	77,521	6.07
Entrusted construction services income	20,760	0.73	28,868	2.26
Others (Note)	7,112	0.25	4,943	0.38
Total	2,853,513	100	1,277,767	100

Note: Smart construction services income.

Revenue from sales of properties increased by approximately RMB1,477.06 million from approximately RMB900.07 million in the corresponding period of the previous year to approximately RMB2,377.13 million in the Period. Saleable GFA delivered for the six months ended 30 June 2019 and 30 June 2020 were approximately 89,700 sq.m. and 151,500 sq.m., respectively. The revenue from the sales of properties during the Period increased due to the increase in saleable GFA sold and delivered and number of projects sold in the Period as compared with the corresponding period of the previous year.

Cost of Sales

Cost of sales increased by approximately RMB1,470.03 million from approximately RMB758.79 million for the corresponding period of the previous year to approximately RMB2,228.82 million for the Period. It was primarily attributable to the increase in saleable GFA sold and delivered in the Period.

Gross Profit and Gross Profit Margin

The gross profit amounted to approximately RMB518.98 million and RMB624.69 million for the six months ended 30 June 2019 and 2020 respectively, representing a gross profit margin of approximately 40.62% and 21.89% respectively. The decrease in gross profit margin was mainly due to the lower gross profit margin level of individual projects delivered with income carried forward during the Period than those for the corresponding period of the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

Other Income

Other income amounted to approximately RMB97.85 million and RMB153.46 million for the six months ended 30 June 2019 and 2020 respectively. The increase was mainly due to an increase in the interest income during the Period.

Borrowing Costs

Borrowing costs incurred for the construction projects under development were capitalised during the Period. Other borrowing costs were expensed when incurred.

Total borrowing costs increased from approximately RMB1,173.08 million for the corresponding period of the previous year to approximately RMB2,064.40 million for the Period. The increase was mainly due to an increase in capital requirements raised by an increase in property projects.

Loss on Changes in Fair Value of Investment Properties

The loss on changes in fair value of investment properties was approximately RMB4.61 million during the Period (corresponding period of the previous year: loss of approximately RMB2.10 million), which was mainly due to a slight downward trend in the market environment in Xingning District, Nanning as compared with that in 2019. The loss reflected the adjustments in value of investment properties during the Period.

Administrative Expenses

Administrative expenses increased by approximately RMB17.04 million to approximately RMB42.89 million for the Period from approximately RMB25.85 million for the corresponding period of the previous year. It was primarily due to the increase in bank handling fees in relation to borrowings during the Period.

Selling Expenses

Selling expenses increased by approximately RMB234.97 million to approximately RMB450.71 million for the Period from approximately RMB215.74 million for the corresponding period of the previous year. It was primarily due to a significant increase in the number of sales projects during the Period as compared with those for the corresponding period of the previous year, which resulted in (i) an increase in labour cost raised by an increase in the number of staff; and (ii) an increase in marketing expenses such as advertising and promotion expenses.

Profit before Income Tax

As a cumulative effect of the foregoing factors, the Group recorded a profit before income tax of approximately RMB153.83 million for the Period, representing a decrease of approximately RMB179.82 million from a profit of approximately RMB333.65 million in the corresponding period of the previous year.

Income Tax Expense

Income tax expense decreased from approximately RMB144.28 million in the corresponding period of previous year to approximately RMB38.35 million for the Period. The decrease in income tax was mainly due to the decrease in land appreciation tax during the Period.

Profit for the Period Attributable to the Equity Holders of the Company

The profit for the period attributable to the equity holders of the Company decreased by approximately RMB58.48 million (a decrease of approximately 27.90%) from approximately RMB209.59 million in the corresponding period of the previous year to approximately RMB151.11 million for the Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and Financial Resources

The long-term funding and working capital required by the Group were primarily derived from income generated from core business operations, bank borrowings, loans from intermediate holding company and cash proceeds derived from receipt in advance from the pre-sale of properties, which were used to finance its business operations and investment in construction projects. The Group's liquidity position was well-managed during the Period.

The Group continued to adopt a prudent financing policy and sustain a sound capital structure with healthy cash flow. As at 30 June 2020, the Group's cash at banks and on hand amounted to approximately RMB9,929.12 million (as at 31 December 2019: approximately RMB11,562.27 million) while total assets and net assets (after deducting non-controlling interests) were approximately RMB139,146.16 million (as at 31 December 2019: approximately RMB115,588.82 million) and RMB6,429.12 million (as at 31 December 2019: approximately RMB7,298.15 million) respectively. As at 30 June 2020, the Group's working capital amounted to approximately RMB60,316.31 million (as at 31 December 2019: approximately RMB48,276.89 million). As at 30 June 2020, the Group recorded net debt of approximately RMB44,248.66 million (as at 31 December 2019: approximately RMB34,462.31 million) with net debt to equity ratio of approximately 247.68% (as at 31 December 2019: approximately 175.74%).

As at 30 June 2020, the Group had (i) interest-bearing borrowings of approximately RMB661.41 million and approximately RMB16.29 million denominated in HK\$ and AUD respectively which bore an interest rate ranging from 3.40% to 5.1% and at 4.78% (as at 31 December 2019: approximately RMB2,100.26 million and approximately RMB16.60 million which bore an interest rate ranging from 3.4% to 5.1% and at 4.78%) per annum; and (ii) interest-bearing borrowings (including receipts under securitisation arrangements) of approximately RMB24,784.05 million denominated in RMB which bore an interest rate ranging from 3.20% to 7% (as at 31 December 2019: approximately RMB18,546.16 million which bore an interest rate ranging from 4.35% to 7.0%) per annum; and (iii) loans from intermediate holding company of approximately RMB27,694.88 million denominated in RMB which bore an interest rate at 5.5% (as at 31 December 2019: approximately RMB23,082.30 million which bore an interest rate at 5.7%) per annum, and (iv) the amounts due to non-controlling shareholders of approximately RMB11.90 million and approximately RMB1,009.25 million denominated in AUD and RMB respectively which bore an interest rate at 6% and ranging from 4.35% to 8.0% (as at 31 December 2019: approximately RMB11.95 million and approximately RMB2,267.31 million which bore an interest rate at 6% and ranging from 4.35% to 8%) per annum, no particular trend of seasonality was observed for the Group's borrowing requirements for the Period.

The Group's debt to equity ratio (total borrowings divided by total equity) increased to approximately 303.25% as at 30 June 2020 (as at 31 December 2019: approximately 234.70%) as the shareholder's loan and bank borrowings increased during the Period.

Of the total borrowings, approximately RMB2,685.89 million was repayable within one year while approximately RMB50,275.60 million was repayable after one year but within five years.

To manage liquidity risk, the Group monitored and maintained a level of cash and cash equivalents which the management considered to be adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flow. The Group's management also monitored its net current assets/liabilities and the utilisation of borrowings to ensure efficient use of the available banking facilities and compliance with loan covenants.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Guarantee Contracts

During the Period, the Group had arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. The balance was approximately RMB28,206.79 million as at 30 June 2020 (as at 31 December 2019: approximately RMB19,840.87 million). The increase was mainly attributable to the increase of real estate mortgage loan due to the increase of the sales of property commenced to be sold in the Period.

Capital Commitments

Capital commitments were those contracts contracted but not provided for leasehold improvements, prepayments for intended cooperative projects contracted but not provided for and construction of properties under development but not provided for. The balance of capital commitment was approximately RMB17,321.52 million as at 30 June 2020 (as at 31 December 2019: approximately RMB14,950.95 million). The increase was attributable to the increase in intended projects and properties under development that concluded but not provided for allowance during the Period as compared to the corresponding period of the previous year.

Pledge of Assets

As at 30 June 2020, the Group's bank loan was secured by the legal charges over its property, plant and equipment with carrying value of approximately RMB10.08 million (as at 31 December 2019: approximately RMB10.08 million), investment properties with fair value of approximately RMB628.00 million (as at 31 December 2019: approximately RMB622.00 million) and properties under development with carrying value of approximately RMB25,832.05 million (as at 31 December 2019: approximately RMB16,918.08 million).

Capital Structure

As at 30 June 2020, the Company's issued share capital was HK\$117,671,110.6, divided into 1,176,711,106 ordinary shares (the "Shares") of HK\$0.1 each (as at 31 December 2019: HK\$90,986,474.5 divided into 909,864,745 Shares).

Foreign Currency Exposure

The Group's businesses are principally conducted in RMB. The majority of assets is denominated in RMB. The majority of non-RMB assets and liabilities are other receivables, cash at bank and in hand, trade and other payables, amounts due to non-controlling interests, loans from intermediate holding company and interest-bearing borrowings in HK\$ and AUD.

Currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. As at 30 June 2020 and 31 December 2019, the Group did not have significant foreign currency risk from its operations.

As the Directors considered the Group's foreign exchange risk to be insignificant, the Group did not use any financial instruments for hedging purposes during the Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Contingent Liabilities

As at 30 June 2020, the Group did not have any material contingent liabilities (as at 31 December 2019: Nil).

Significant Investments

During the Period, the Group did not hold any significant investment or significant securities investment as part of its asset portfolio.

Employees and Emolument Policy

As at 30 June 2020, the Group employed a total of 7,759 full-time employees (as at 31 December 2019: 7,285 full-time employees). During the Period, total staff costs, including Directors' emoluments, of the Group were approximately RMB396.26 million (corresponding period of the previous year: approximately RMB353.34 million). The Group reviewed the remuneration policies and packages on a regular basis and made necessary adjustment that to commensurate with the remuneration level in the industry. In addition to a basic monthly salary, year-end bonuses were offered to those staff with outstanding performance. A share option scheme has been adopted to attract and retain eligible employees to contribute to the Group. The Group has established an online learning platform and provided various training courses to help employees enhance their work skills and competence and to accelerate their growth and development.

The same remuneration philosophy is applicable to the Directors. Apart from benchmarking against the market, the Company reviewed individual competence and contributions and the affordability of the Company in determining the exact level of remuneration for each Director.

KEY RISK FACTORS AND UNCERTAINTIES

The Group is principally engaged in the business of property development, real estate industrial chain investment services and emerging industry investment in the PRC. The property market in the PRC is affected by a number of factors, such as changes in social, political, economic and legal environment and the government's undertakings of fiscal, economic, monetary, industrial and environmental policies. Changes in macro-economic conditions, consumer confidence, consumption spending and consumption preferences may also affect the Group's business. As such, the Group, taking into account the market situations, implements locally differentiated investment and marketing strategies and nurtures a number of projects across different regional markets so as to reduce reliance on individual markets. The Group's operation is exposed to a variety of idiosyncratic risks in property development, property investment and property related businesses. Default by buyers and partners, manual and systematic negligence or mistake in internal processes and other external factors may have impact on operation. The outbreak and epidemic of the COVID-19 may also have negative influence on the property development industry's operations and consumers' preferences to properties. In addition to the aforesaid factors, other risk factors and uncertainties may also exist.

ADDITIONAL DISCLOSURES

Registration of lease agreements in the PRC

As disclosed in the prospectus of the Company dated 30 November 2012 (the "Prospectus"), some lease agreements in respect of certain investment properties in the PRC held or leased by the Group, which are required to be registered under the PRC laws, were not registered or registrable.

MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2020, there were still 67 lease agreements pending to be registered due to the fact that the merchants shall bring their ID cards and go to the competent Real Estate Bureau together with relevant staff of the Group to complete the registration. However, the merchants did not actively assist the Company in completing such registration.

The Company will keep monitoring the registration status of these lease agreements with the aim of completing their registration as early as practicable.

Property ownership certificate of Wan Guo Plaza* (萬國廣場) (formerly named as Yu Feng High Street* (裕豐高街))

As disclosed in the Prospectus, following the refurbishment and renovation of Wan Guo Plaza* (萬國廣場), the property ownership certificate issued on 11 May 2012 in respect of the refurbished Wan Guo Plaza covered a GFA of 7,484 sq.m. It was later transpired that there was a shortfall in GFA of approximately 770 sq.m., which was yet to be covered under the property ownership certificate. The Group has delegated a senior management staff to keep liaising with the relevant PRC authorities and following up on the application procedure for a new property ownership certificate of Wan Guo Plaza.

As at 30 June 2020, the application process for the new property ownership certificate was still ongoing. Given that the application for a new property ownership certificate under the above special circumstance is not one which is usually taken out before the relevant PRC authorities, the Group expects that the processing time would be longer than normally required. There was no indication from the PRC authorities as to how long such process would take. The Group will maintain its communication with the relevant PRC authorities closely so as to obtain the up-to-date status of the application progress until the new property ownership certificate covering the abovementioned shortfall in GFA is issued.

PROSPECT AND OUTLOOK

During the Period, there was no significant impact on the Company's overall operations and financial performance by the COVID-19 pandemic, save and except the construction and sales progress of individual projects were delayed for a short period of time. With the gradual control of the epidemic, the Company's operations resumed normal in every aspect; and the Company actively acquired lands and carried out sales projects throughout the PRC.

In the second half of 2020, with the focus on the idea of "continuously expanding business scale, orderly improving operational efficiency, balancing the quality of growth, and improving and optimizing service quality", the Company will continue to strengthen the planning and coordination of real estate development and real estate industrial chain investment services.

MANAGEMENT DISCUSSION AND ANALYSIS

(I) Enhancing the Company's core competitiveness of the real estate development business

The Company keeps abreast of the policy directions and market information to each of the key regional cities. By leveraging on the advantage of product development, project operation and brand promotion, the Group will keep acquiring quality projects and will continuously expand the land bank so as to drive the growth of coordinated model of "product + service".

(II) Improving the efficiency and quality of real estate industry chain services

1. **Property management business:** focusing on the concept of "Smart community living", the Group will improve basic property services, integrate community and value-added collaborative services so as to continuously improve service quality, increase efforts to expand the market, and expand management area and business scale.
2. **Commercial assets management business:** the Group will actively carry out a number of activities to increase the popularity of commercial assets, so as to maintain the ability to create cash flow and improve the effectiveness of commercial assets management business.
3. **Project operation and management (entrusted construction services):** the Group will optimise service processes of entrusted construction projects with adherence of high-efficiency and high-quality services, and will actively expand projects to boost revenue scale and level of profit.

(III) Promoting the integration of emerging industries with principal businesses to create synergy

The Company will continue to actively develop business in emerging industries such as elderly and healthcare service and promotes the integration of emerging industries with other principal businesses, so as to facilitate the synergic development and grow together with creation of new growing points.

(IV) Strengthen interaction with the capital market and actively promoting corporate value

In the second half of 2020, the Company will continue to actively communicate and interact with investors, and maintain investors' confidence in the Company's growth in business development and core competitiveness so as to improve the capital market image with the corporate brand of "C&D".

OTHER INFORMATION

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

As at 30 June 2020, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO; or (iii) required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transaction by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, were as follows:

Long position in the Shares of the Company

Name of Directors	Capacity/Nature of interests	Number of issued Shares/ underlying Shares held	Approximate percentage of shareholding in issued share capital (Note 1)
Mr. Zhuang Yuekai	Founder of a discretionary trust	60,412,000 (Note 2)	5.13%
Ms. Zhao Chengmin	Founder of a discretionary trust	60,412,000 (Note 2)	5.13%
Mr. Lin Weiguo	Interest of controlled corporation	60,412,000 (Note 2)	5.13%

Notes:

- 1 The percentage of shareholding was calculated based on the Company's total number of 1,176,711,106 Shares in issue as at 30 June 2020.
- 2 These Shares were registered in the name of Diamond Firetail Limited ("Diamond Firetail"), a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of Equity Trustee Limited ("Equity Trustee"). Equity Trustee is a trustee of a discretionary trust and each of Mr. Zhuang Yuekai and Ms. Zhao Chengmin is one of the founders of the said discretionary trust, while Mr. Lin Weiguo is one of the protectors of the said discretionary trust. Therefore, Mr. Zhuang Yuekai, Ms. Zhao Chengmin and Mr. Lin Weiguo are deemed to be interested in the Shares held by Diamond Firetail by virtue of the SFO.

Save as disclosed above, as at 30 June 2020, none of the Directors and chief executive of the Company had any interest or short position in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provision of the SFO); or (ii) required to be entered in the register maintained by the Company pursuant to section 352 of the SFO; or (iii) required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2020, so far as it was known to any Directors or the chief executive of the Company, the following parties (other than a Director or the chief executive of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified to the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued Shares and underlying Shares:

Name of Substantial Shareholders	Capacity/Nature of interests	Number of issued Shares/ underlying Shares held	Approximate percentage of shareholding in issued share capital (Note 1)
Well Land	Beneficial owner	807,044,106	68.58%
Well Honour International Limited ("Well Honour")	Interest of controlled corporation	807,044,106 (Note 2)	68.58%
C&D Real Estate	Interest of controlled corporations	807,044,106 (Note 2)	68.58%
Xiamen C&D Inc. (廈門建發股份有限公司)	Interest of controlled corporations	807,044,106 (Note 2)	68.58%
Xiamen C&D	Interest of controlled corporations	807,044,106 (Note 2)	68.58%
Diamond Firetail	Beneficial owner	60,412,000	5.13%
Equity Trustee	Interest of controlled corporation	60,412,000 (Note 3)	5.13%
Ms. Cao Xinyu	Interest of controlled corporation	60,412,000 (Note 3)	5.13%
Ms. Liu Jing	Interest of controlled corporation	60,412,000 (Note 3)	5.13%

Notes:

- The percentage of shareholding was calculated based on the Company's total number of 1,176,711,106 Shares in issue as at 30 June 2020.
- Well Land is a wholly-owned subsidiary of Well Honour. Well Honour is a wholly-owned subsidiary of C&D Real Estate. C&D Real Estate is owned as to 54.65% by Xiamen C&D Inc., the shares of which are listed on the Shanghai Stock Exchange (stock code: 600153). Xiamen C&D, a state-owned group of companies under the supervision of Xiamen Municipality, is interested in Xiamen C&D Inc. as to 47.66%. Therefore, Well Honour, C&D Real Estate, Xiamen C&D Inc. and Xiamen C&D are deemed to be interested in the Shares held by Well Land by virtue of the SFO.
- These Shares were registered in the name of Diamond Firetail, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of Equity Trustee. Equity Trustee is a trustee of a discretionary trust and each of Mr. Zhuang Yuekai and Ms. Zhao Chengmin is one of the founders of the said discretionary trust. Ms. Cao Xinyu, Ms. Liu Jing and Mr. Lin Weiguo are protectors of the said discretionary trust. Therefore, Equity Trustee, Ms. Cao Xinyu and Ms. Liu Jing are deemed to be interested in the Shares held by Diamond Firetail by virtue of the SFO. The interests of Mr. Zhuang Yuekai, Ms. Zhao Chengmin and Mr. Lin Weiguo are shown in the section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and Associated Corporations" above.

OTHER INFORMATION

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) in 2012 for the purpose of providing incentives and rewards to eligible participants who have contributed or may contribute to the success of the Group’s operations. The Share Option Scheme totally complies with the requirements of Chapter 17 of the Listing Rules after the listing of the Company’s Shares has been transferred from the GEM to the Main Board to the Main Board in 2014, and is therefore still effective after the transfer.

No share options were granted, exercised or cancelled by the Company or lapsed under the Share Option Scheme during the Period and there were no outstanding share options under the Share Option Scheme as at 1 January 2020 and 30 June 2020.

CHANGE IN DIRECTORS’ INFORMATION

From 1 January 2020 to the date of this report, the change in Directors’ information of the Company are as follows:

Ms. WU Xiaomin has resigned as a non-executive Director with effect from 30 March 2020.

Mr. WANG Wenhui has been appointed as a non-executive Director with effect from 20 April 2020.

Save as disclosed above, there was no other change to information which is required to be disclosed by Directors pursuant to Rule 13.51B(1) of the Listing Rules.

RETIREMENT BENEFIT SCHEMES/PENSION SCHEME

Retirement benefits to employees are provided through defined contribution plans.

The retirement benefits costs charged in the income statement represent the contributions payable in respect of the Period to the retirement benefit schemes managed by respective local social security bureau in accordance with government regulations in different jurisdictions.

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

There were no purchases, sales or redemption of the Company’s listed securities by the Company or any of its subsidiaries during the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules for dealings in securities of the Company by its Directors. The Company has made specific enquiries to all Directors and each of them confirmed that they have complied with the Model Code during the Period.

OTHER INFORMATION

INTERIM DIVIDEND

The Board proposed not to declare an interim dividend for the Period (corresponding period of the previous year: Nil).

CORPORATE GOVERNANCE

The Company is committed to maintaining high corporate governance standards. It believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders of the Company, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability. The Company had complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix 14 to the Listing Rules during the Period.

REVIEW OF RESULTS BY AUDIT COMMITTEE

The Board has established an audit committee with written terms of reference in compliance with the CG Code. The primary duties of the audit committee is in assistance of the Board to review financial information and reporting process, risk management and internal control system, effectiveness of internal audit function, scope of audit and appointment of external auditors, and arrangements for complaints from employees of the Company on potential misconducts in financial reporting, internal control or any other issues of the Company. The audit committee consists of all the independent non-executive Directors, namely, Mr. Wong Chi Wai, Mr. Wong Tat Yan, Paul and Mr. Chan Chun Yee.

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and the unaudited consolidated financial statements of the Group for the six months ended 30 June 2020 and is of the opinion that such statements comply with the applicable accounting standards and requirements, and that adequate disclosure has been made.

APPRECIATION

We would like to take this opportunity to express our sincere gratitude to the shareholders of the Company for their continuing support, and our appreciation to all staff members for the dedication and loyalty to the Group.

By order of the Board
C&D International Investment Group Limited
Zhuang Yuekai
Chairman

Hong Kong, 24 August 2020

This report is prepared in both English and Chinese. In the event of inconsistency, the English text of the report shall prevail over the Chinese text.

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