億達中國控股有限公司
YIDA CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

股份代號 Stock Code : 3639.HK

2022
INTERIM REPORT
中期報告

CONTENTS

CORPORATE OVERVIEW

Founded in 1988, headquartered in Shanghai, the Group is China's largest business park developer and leading business park operator. Its main business involves business park operation, residential properties within and outside business parks, office properties and standalone residential properties sales, business park entrusted operation and management, construction, decoration and landscaping services. On 27 June 2014, the Shares were successfully listed on the Main Board of the Stock Exchange.

During the early stage of corporate development, the Group established its foothold in Dalian and relied on its local knowledge advantages. Meanwhile, it catered to the international development trends and enjoyed the advantages of its unique business model. Since 1998, the Group has been firmly seizing the international industrial relocation opportunities of service outsourcing industry and IT outsourcing industry, implementing "Private Investment + Government Support", Internationalization and "Industry Universities" integration strategies, creating the business model of City-Industry Integration, and constructing and operating Dalian Software Park at a high standard. The Group has become a pioneer in the field of China's service outsourcing business park development and operation and has determined its future development direction.

During the business expansion stage, the Group improved its capacities in all fields, raised abruptly based on its accumulated strength and established its own core competitiveness. The Group, by relying on its successful experiences in the operation of Dalian Software Park and the government's economic development and industrial upgrading strategies, fully integrated internal and external resources, further developed and operated Dalian Ascendas IT Park, Tianjin Seafront Service Outsourcing Industrial Park, Suzhou Hightech Software Park, Wuhan Optics Valley Software Park, Dalian Tiandi, Dalian BEST City, Wuhan First City, Yida Information Software Park and many other software parks and technology parks. It helped the Group to achieve its preliminary strategic goals of "National Expansion, Business Model Exploration and Diversified Cooperation". For over 20 years, the Group has provided its services to nearly 70 Fortune Global 500 Companies. The Group has accumulated rich client base and operation experiences, forming a blue ocean for business development featuring high entry threshold, high customer loyalty, whole production chain coverage and immunity to cyclicality risk.

After the Listing, the Group clearly strived towards the goal to be "China's leading business park operator". It pursued its national expansion goal through the strategy of "leading the development of asset-light business to actuate asset-heavy business, and developing asset-light and asset-heavy businesses simultaneously". Thus, the Group, by virtue of using the development mode of "City Industry Integration", has been consolidating its business in Dalian, greatly expanding its business in Wuhan, and fully exploring its business in major first-tier and second-tier cities and economically vital regions. The Group seized the development opportunity during the new era by obtaining the strategic investment from CMIG Jiaye, the current controlling shareholder of the Company.

In the "second half" of the real estate industry, the Group will cater to the trends and, by virtue of its strong internal and external resources, enhance its core competitiveness as to its business park development and operation to finally achieve scale development and performance improvement.

CORPORATE INFORMATION

BOARD OF DIRECTORS
Executive Director
Mr. Jiang Xiuwen *(Chairman and Chief Executive Officer)*

Non-executive Directors
Mr. Lu Jianhua *(Vice chairman)*
Mr. Wang Gang
Mr. Ni Jie
Ms. Jiang Qian *(appointed on 11 February 2022)*

Independent Non-executive Directors
Mr. Yip Wai Ming
Mr. Guo Shaomu
Mr. Wang Yinping
Mr. Han Gensheng

JOINT COMPANY SECRETARY
Mr. Sun Mingze
Ms. Kwong Yin Ping, Yvonne

AUTHORISED REPRESENTATIVES
Mr. Jiang Xiuwen
Mr. Sun Mingze

BOARD COMMITTEES
Audit Committee
Mr. Yip Wai Ming *(Chairman)*
Mr. Guo Shaomu
Mr. Wang Yinping
Mr. Han Gensheng

Remuneration Committee
Mr. Wang Yinping *(Chairman)*
Mr. Jiang Xiuwen
Mr. Guo Shaomu
Mr. Han Gensheng

Nomination Committee
Mr. Jiang Xiuwen *(Chairman)*
Mr. Yip Wai Ming
Mr. Wang Yinping
Mr. Han Gensheng

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Cayman Islands

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Shanghai
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
Room 2008, 20/F
Dah Sing Financial Centre
248 Queen's Road East
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE
Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE
Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

AUDITOR
PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

LEGAL ADVISORS
As to Hong Kong Law
Sidley Austin

As to PRC Law
Commerce & Finance Law Offices

As to Cayman Islands Law
Conyers Dill & Pearman (Cayman) Limited

PRINCIPAL BANKERS
Bank of Dalian
Harbin Bank
Industrial and Commercial Bank of China
Bank of Communications
Shanghai Pudong Development Bank

STOCK CODE
3639

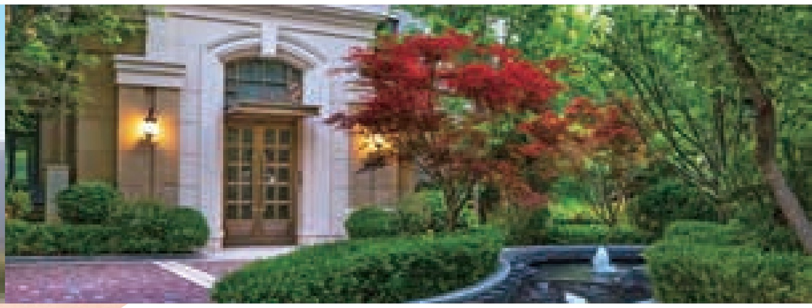
COMPANY'S WEBSITE
www.yidachina.com

CHAIRMAN'S STATEMENT

Dear shareholders,

I am pleased to present you the Group's interim results for the Period.


Changsha Yida Intelligent Manufacturing Industrial Village


Dalian Glory of the City

During the Period, the Group recorded revenue of RMB3,260 million, of which sales income from residential properties within and outside business parks, office properties and standalone residential properties was RMB2,663 million; rental income from business parks was RMB253 million; business park operation and management income was RMB127 million; and construction, decoration and landscaping income was RMB217 million, with a gross profit of RMB747 million and a gross profit margin of 22.9%. Net profit attributable to shareholders of the Company was RMB18 million.

REVIEW OF THE FIRST HALF OF 2022

In the first half of 2022, downward pressure on the macro economy has increased significantly and the income of residents was weakened. Factors such as resurgence of the pandemic and expectations of unstable market conditions posed a more pronounced impact on the home buying community, causing home buyers to further adopt a wait and see approach. Investment in property development projects recorded a negative year-on-year growth for the first time, with a significant decrease in the scale of commodity housing sales. At the same time, the policy on the financing end has not been significantly liberalized and the capital end of real estate enterprises is generally under pressure. In the face of unprecedented pressure on the real estate market, a number of cities and areas have introduced policies such as lowering down payment ratios, lowering loan interest rates, lowering provident funds and increasing the introduction of talents to encourage residents to purchase homes for self-occupation and housing improvement. On the basis of insisting on the positioning of "houses are for living in, not for speculation", the policies in second-tier, third-tier and fourth-tier cities are expected to continue to relax, gradually releasing the reasonable demand of residents and paving the way for the gradual return to benign development of real estate enterprises with a deeper presence in these cities.

In addition, with the trend of declining land sale revenue, cities and areas need to find new sources of economic growth to maintain their financial sustainability. Cultivating local pillar industries, empowering the upgrading of advantaged industries and improving industrial facilities will become important engines to drive the quality development of the regional economy. The Group will leverage on its unique advantages and resources in operating city-industry integration projects accumulated in more than 20 years to create "new City-Industry Integration" projects by matching the supply and demand of talents in parks, forming industrial clusters and integrating facilities, in line with the policy direction and focus on the national strategies and market demand.

I. Vigorously promoting the operation and development of business parks and strengthening the core competencies of the industry

The Group will continue to strengthen its investment promotion system and enhance its service capability. During the Period, in order to assure that the business parks continue to maintain good operational development, the Group focused on building up its property management and operation and service teams to provide various safeguards for property owners and tenants. At the same time, by formulation of a medium and long-term asset management plan for the key parks and exploring the construction of a pilot intelligent park, the Group continuously improved the overall occupancy rate and net rental returns of the projects with the aim of ensuring a stable annual income. The business park projects in Wuhan, Zhengzhou and Changsha have been delivered one after another, with areas of completed industrial buildings of approximately 310,000 square meters ("**sq.m.**"), and the operation and development of the parks for each project was being vigorously promoted and the core capacity of industrial operation was strengthened.

II. Integrating business lines in a scientific manner and significantly improving the integrated management capability

The Group has been actively combining its advantageous business resources by consolidating its construction, renovation and landscaping business lines. During the Period, the integration of business teams was completed, and the platform operation and project integration capabilities were upgraded and supplemented in a scientific manner while efficiency was enhanced. After the integration, the construction design and decoration business will be able to achieve seamless convergence in terms of work processes and better protection of finished products during construction and maintenance after delivery, which will effectively enhance the efficiency and service quality of after-sales handling of finishing projects and significantly reduce the overall after-sales costs and investment. The Group will further strengthen its internal training mechanism to further realise the standardisation of construction, operation and delivery of projects.

III. Addressing the debt issue proactively and effectively as well as significantly enhancing the sustainability of capital structure

During the Period, the Company maintained a proactive and responsible attitude, rejuvenated and launched saleable resources to repay existing debts in the face of the ongoing challenges at the sales and financing end. At the same time, the Company has been working closely with financial institutions to roll over its outstanding debts at lower interest rates.

OUTLOOK FOR THE SECOND HALF OF 2022

With the gradual recovery from the pandemic and the steady resumption of operation and production, economic activities will see a full recovery in the second half of 2022. With the gradual relaxation of real estate policies, the financing environment will improve and the demand for reasonable financing will be supported, allowing the market to return to a stable and orderly state.

The Group will adhere to the development model of "City-Industry Integration" and build up its core competitiveness through diligent operation and scientific management. The Group will explore market needs, create quality living and working spaces for property owners and tenants, and provide quality products and services; follow the strategic planning of urban development, focus on urban industrial restructuring and economic transformation, and promote the upgrading of regional functions and industrial structure.

I. Deepening the commitment to intelligent parks and improving the quality of on-site services and park management

As a leading expert in the operation of business parks in China, the Group has been forward-looking in the planning and execution of intelligent parks to enhance efficiency, reduce operating costs, improve user experience and innovate the operation mode through transformation and upgrades. In recent years, the Group has been actively integrating the management and operation capabilities of the entire platform, constructing intelligent industrial spaces through new technologies, applications and platforms, and realizing the establishment of a standardized operation system and the efficient synergy of nationwide resources.

Since the establishment of the intelligent park system, the Group has been deeply involved in the process of intelligent upgrades of the business parks and fully empowering the development of the parks. By building intelligent parks, the Group have continuously improved the operational efficiency and service quality of the business parks, optimized the management mode, created an intelligent industry ecology, provided a quality growth environment for innovation and development of enterprises, and comprehensively helped enterprises and the regional economy to develop in high speed and quality.

II. Developing differentiated operation strategies and assuring smooth operation

The Group will actively adjust its management mindset to accelerate the destocking of existing residential properties and emphasize on the speed of sales and repayment. For the business park projects held by the Group, at the project equity level, the Group will introduce partners and optimize the equity structure to achieve credit enhancement to obtain incremental loans. At the same time, the Group will seek partial or full exit of equity interests in specific projects to gain greater cash flow flexibility. In addition, the Group will strive to ensure the proper delivery of each project to protect the interests of home buyers.

III. Bringing in strategic partners and achieving advantageous resource grafting

The Group will continue to promote the introduction of strategic investors and strengthen cooperation with substantial shareholders to achieve expansion and breakthroughs in its existing development prospects by sharing the resources and capital advantages of existing and potential shareholders.

On behalf of the Board, I would like to express our heartfelt thanks to all shareholders, investors, business partners and customers for their support to the Group, and to the management and employees for their unremitting efforts and contributions.

Jiang Xiuwen
Yida China Holdings Limited
Chairman and Chief Executive Officer

25 August 2022

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

I. Operation of Business Parks Owned by the Group

During the Period, the Group's four wholly-owned business parks included Dalian Software Park, Dalian BEST City, Dalian Tiandi and Yida Information Software Park and it owned a 50% stake in Wuhan First City. The total completed gross floor area in the aforementioned parks was approximately 1.844 million sq.m., and the area available for leasing was approximately 1.442 million sq.m.. During the Period, the Group recorded a rental income of approximately RMB253 million, representing a 5.1% increase over the same period of 2021, mainly due to an increase in leased area during the Period.

Business parks owned by the Group (unit: '000 sq.m.)

Business Parks	Interest Held by the Group	Total Completed Floor Area	Leasable Area: Office Buildings	Leasable Area: Apartments	Leasable Area: Shops	Leasable Area: Parking Spaces	Occupancy Rate at the End of the Period
Dalian Software Park	100%	635	381	180	33	42	93%
Dalian BEST City	100%	147	99	–	7	41	62%
Yida Information Software Park	100%	156	131	–	4	20	64%
Dalian Tiandi	100%	355	263	–	47	44	53%
Wuhan First City	50%	551	65	39	22	24	89%
Total		1,844		1,442			

Note:

1. As the financial information of Wuhan First City is not consolidated, the rental income of the Group excludes the rental income from such park.

Dalian Software Park at the 2022 China International Fair for Trade in Services

2022 The 17th Dalian Software Park Golf Opening Round

In recent years, the Group has capitalised on the wave of the global industry shift to take advantage of the opportunities and has taken the lead in forming a high concentration of software and technology industries in the Dalian area, accumulating a wealth of professional talents and possessing a high level of business delivery quality, and promoting the investment and operation concept in key cities across China. With the rapid rise of the digital economy, the Group has been proactive in seeking changes to take advantage of the fast-changing market environment and to develop high-tech industries to become a global centre for software services and innovation. The Group has attracted a large number of innovative enterprises engaged in the research, development and application of the new generation of emerging technologies to the Group's business parks, and new technological forms such as big data, cloud computing, Internet of Things, artificial intelligence, industrial design, intelligent manufacturing, smart medical care and cultural creativity are flourishing.

In January 2022, the Group's Dalian Software Park was awarded the "Leading Industrial Park in China's Software and Information Service Industry of 2021" for its philosophy of rooting innovation in park development, its complete industry chain, service chain and innovation chain comprised of software and information services, its outstanding achievements and contributions in shaping the transformation and development of the regional digital economy, and its award of "Integrated Solutions for the Whole Industry Chain and Intelligent Park Operation Service Platform". In March 2022, the Dalian branch of Panasonic Information Systems (Shanghai) Co., Ltd. (PISSH) was relocated to the Dalian Information Software Park of the Group, which will focus on intelligent manufacturing and artificial intelligence to help companies achieve digital transformation and sustainable development in the manufacturing industry, and serve as a regional IT research and development headquarters with an estimated workforce of over 3,000 by 2024.

The Group will be proactive in exploring new horizons, seizing new opportunities in the post-pandemic era and leveraging on digital transformation to help tenants identify key breakthroughs and innovations in the industry, opening up bigger and newer development opportunities and promoting steady development of the regional economy.

Dalian branch of PISSH moved to the Information Software Park of the Group

II. Sale of Properties

During the Period, the Group achieved contracted sales of RMB1,018 million, contracted sales area of 85,301 sq.m. and average contracted sales price of RMB11,940 per sq.m., representing a year-on-year decrease of 13.9%, mainly due to the weaker-than-expected sales out of factors including the macro market, the pandemic and regional real estate policy restrictions. The majority of projects sold were located in Dalian (56.9% of total contracted sales), Changsha (16.9% of total contracted sales), Wuhan (16.8% of total contracted sales) and Zhengzhou (6.8% of total contracted sales), of which residential property sales accounted for approximately 69.2% of total contracted sales.

During the Period, the segment recorded revenue of RMB2,663 million, representing a year-on-year increase of 125.8%. The average sales price was RMB14,682 per sq.m., representing a year-on-year increase of 27.3% mainly due to the increase of unit rate as compared with the corresponding period of last year. The projects carried forward during the Period were mainly ordinary residential properties. Revenue-recognized projects were mainly located in Dalian (81.7% of revenue), Zhengzhou (14.6% of revenue), Changsha (3.7% of revenue) and other cities.

While consolidating its business in Dalian and focusing on the strategic target of “developing asset-light and asset-heavy businesses simultaneously”, the Group implemented city-industry integration projects in Changsha and Zhengzhou and developed projects including Changsha Yida Intelligent Manufacturing Industrial Village, Changsha Yida & CSCEC Intelligent Technology Centre and Zhengzhou Yida Creation City.

Dalian

In the first half of 2022, the property market in Dalian was generally cold due to the impact of the resurgence of the pandemic. During the Period, the sales area of commercial properties was approximately 1.87 million sq.m., representing a year-on-year decrease of 42.1%. The average sales price was approximately RMB14,800 per sq.m., representing a year-on-year decrease of 9.1%. There were only 9 sale transactions of residential and commercial sites with GFA of approximately 450,000 sq.m., representing a year-on-year decrease of 74%. In May 2022, with the promulgation of the “Notice on Promoting Healthy Development and Virtuous Cycle of Real Estate Industry in the City” and various preferential policies on household settlement by Dalian, the rigid demand for housing as well as the demand for improved housing will be further released.

The Group has been cultivating in Dalian for more than 20 years and has made efforts to develop a number of residential projects to satisfy rigid demand buyers or improvement buyers with its in-depth understanding of the needs of property owners. Leveraging its convenient transportation, pleasant living environment and comprehensive community facilities, the Dalian Glory of the City project of the Group in Zhongshan District, Dalian, has become a regional landmark project catering to the needs of owners who seek for upgrades and first-time home buyers. The Dalian Glory of the City project includes a children’s playground, an outdoor parlour, a circular jogging track of approximately one kilometre and other activities suitable for all age groups. Introducing the concept of resort-style “Forest Living”, the project places greater emphasis on the living experience of owners and meets the quality of life requirements of owners of the generation.

Changsha

In the first half of 2022, against the backdrop of the national real estate market under pressure, Changsha recorded a year-on-year decline of 43.0% in residential sales of approximately 3.15 million sq.m.. Changsha has successively introduced prudent regulatory policies to support reasonable demand for housing purchases and maintain the confidence of the market and property owners. At the same time, the city has increased subsidies for home purchases and efforts in the introduction of talents, and strived to attract competent talents by publishing the "Policies on Striving to Create a National Platform for Attracting and Gathering Talents (for Trial Implementation) of Changsha". It proactively guided the development of emerging industries and establish national or regional headquarters for key enterprises. In accordance with the "Digital Transformation Plan for the Manufacturing Industry of the Hunan Province (2022-2024)", Changsha will be transformed by digitalization to build a platform for advanced intelligent manufacturing.

Located in the Meixihu area of Changsha, the Group's Yida & CSCEC Intelligent Technology Centre is oriented towards the development of medical and health care, technology and information, artificial intelligence and culture and creativity industries. As the home to dozens of leading high-tech enterprises, it has been awarded the "Model of Industrial Park in China" and the "Changsha Commercial Property with Investment Value Award". The park is equipped with a new "5O" ecological business office system, and it is planned to build products such as courtyard-style single-tower corporate headquarters, low-density multi-storey offices, mid- and high-rise intelligent business office buildings, commercial blocks as well as elite business apartments, while establishing a leading domestic smart industrial cluster covering three major functional areas: intelligent health zone, research and development headquarters zone, and financial business zone.

Located in Xiangjiang New District, the Group's Changsha Yida Intelligent Manufacturing Industrial Village is the core area in Wangcheng National Economic and Technological Development District. With intelligent manufacturing as the development direction of the industry, it will be the first "livable, business-friendly and tourist-welcoming" intelligent village in the central region with the concept of "manufacturing, life and ecology in one". Six functional areas will be built, namely, Creativity and Intelligence Island (創智島), Smart World (智慧天地), Village Guest Hall (小鎮客廳), Industrial and Technology Tourism (工業與科技旅遊), Talent Community (人才社區) and All Age Education (全齡教育), to create the first 4A industrial and technology tourism scenic spot in China.

Changsha Yida & CSCEC Intelligent Technology Centre

Changsha Yida Intelligent Manufacturing Industrial Village

Zhengzhou

In the first half of 2022, the macro-control policies of Zhengzhou were further lifted, covering land acquisition, redevelopment and resettlement, new home sales, tax subsidies and second-hand home transactions, etc. Mortgage rates continued to fall, and housing policies have generally entered a new easing cycle. The existing industrial base of Zhengzhou is relatively weak and its investment is expected to continue to increase to promote the introduction and development of high technology industries, so as to fully utilize the demographic dividend and build a core industrial zone in the central region.

Zhengzhou Yida Creation City of the Group is one of the 10 reconstruction projects of the science and technology service industry in the Henan Province, and has been listed as a key construction project in Henan Province for six years in a row. The core industries are intelligent manufacturing and the new generation of information technology industries, which will be extended upstream and downstream in the industry chain, focusing on new industrial clusters such as intelligent manufacturing, smart sensors, electronic components and artificial intelligence.

Based on its distinctive advantages, Zhengzhou Yida Creation City will further enhance the level of premiumization, digitalization, greening and intensification level of the industry. It will continue to promote the service system for small and micro enterprises in the park, and create an integrated operating service platform for fostering and promoting the growth of small and micro enterprises in terms of project attraction, industrial clustering, project incubation, innovation and entrepreneurship. In April 2022, Zhengzhou Yida Innovation Incubator of the Group was successfully accredited as a national science and technology small and micro enterprise in accordance with the relevant regulations of the Science and Technology Department of the Henan Province. The incubator will build a comprehensive life-cycle innovation and entrepreneurship incubation service system for the cultivation of innovative and entrepreneurial talents, research and development of scientific and technological products, transformation of achievements, project incubation, entrepreneurial guidance, investment and financing matching, strategic consultation and listing guidance, so as to continuously improve its service capacity and incubation effectiveness.

Zhengzhou Yida Creation City

The following table outlines the Group's contracted sales breakdown as at 30 June 2022:

	Sales Floor Area (sq.m.)	Sales Amount (RMB ten thousand)	Average Sales Price (RMB/sq.m.)	Percentage of Total Sales
Dalian	30,015	57,971	19,314	56.9%
Wuhan	21,768	17,057	7,836	16.8%
Changsha	17,894	17,228	9,628	16.9%
Zhengzhou	8,696	6,907	7,943	6.8%
Shenyang	6,535	2,462	3,767	2.4%
Chongqing	196	135	6,908	0.1%
Chengdu	197	89	4,489	0.1%
Total	85,301	101,849	11,940	100.0%
Dalian Software Park	677	630	9,301	0.6%
Dalian BEST City	1,279	1,705	13,330	1.7%
Yida Information Software Park	6,656	7,100	10,668	7.0%
Dalian Tiandi	7,641	14,429	18,883	14.2%
Wuhan First City	21,768	17,057	7,836	16.7%
Changsha Yida & CSCEC Intelligent Technology Centre	2,674	3,621	13,538	3.5%
Changsha Yida Intelligent Manufacturing Industrial Village	15,219	13,607	8,941	13.4%
Zhengzhou Yida Creation City	8,696	6,907	7,943	6.8%
Chongqing Yida Innovation Plaza	196	135	6,908	0.1%
Shenyang Sino-German Yida Intelligent Technology City Creative Industrial Park	6,535	2,462	3,767	2.4%
Residential Properties Outside Business Parks	13,960	34,196	24,496	33.6%
Total	85,301	101,849	11,940	100.0%

III. Business Park Operation and Management

As of the end of the Period, the Group's business parks had a total of 23 operation and management projects, and accumulated contracted operational management area of approximately 2.48 million sq.m.. During the Period, revenue amounted to RMB127 million, representing a year-on-year decrease of 15.8%, which was mainly due to the gradual withdrawal of some existing projects that met the completion conditions during the Period and the revenue from newly added projects has not yet been recognized. Leveraging on the industrial operation capability accumulated in more than 20 years, the Group provides integrated solutions for clients across the entire industrial chain based on the application of modern technologies such as the Internet, big data and intelligence. The Group has successfully operated a number of business park projects, including Beijing Zhongguancun No.1, Shanghai North Hongqiao Venture City and Changsha Meixihu Innovation Centre.

During the first half of 2022, due to the impact of the pandemic in various places, the pressure faced by small and micro enterprises in the operation increased, and the willingness of enterprises to enter business parks and extend leases decreased. The Group has been cultivating its existing regional clients and tenants of business parks to maintain its existing tenants and control surrendered space. During the Period, the Group formally signed contracts for the construction of the Tianjin Dongli International Medical Equipment Industrial Park and the Emergency Supply Reserve Centre in Yuwangtai District, Kaifeng for the provision of operation and construction services. Among them, the Tianjin Dongli International Medical Equipment Industrial Park is led by the production of medical equipment, in vivo implant materials, wearable health devices and in vitro diagnostic reagents, supplemented by industrial design and marketing support services, which will form a leading innovative development area which integrates high-level research and development, production, technology exchange and talent gathering.

The Group will follow the development trend of the times and continuously improve its innovative services through the three major specialized service capabilities of "intelligent industrial clustering", "intelligent service business" and "intelligent park management". It will also actively respond to the 14th Five-Year Plan and help realize the goal of digitalization, networked synergy and intelligent transformation of the intelligent manufacturing industry.

Shanghai North Hongqiao Venture City

"Yida's Journey, Together with You", Yida China 2021 Client Conference

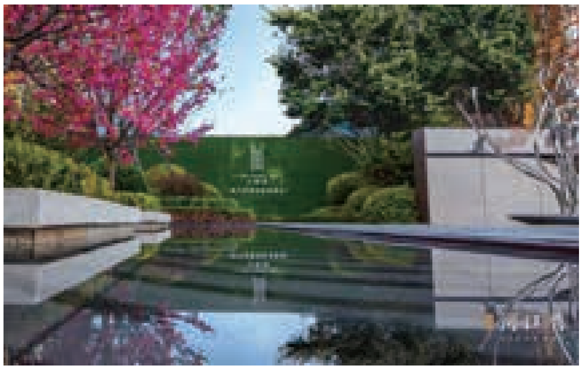
IV. Construction, Decoration and Landscaping

During the Period, the revenue of construction, decoration and landscaping businesses amounted to RMB217 million, representing an increase of 20.7% as compared with the corresponding period of last year, which was mainly due to an increase in the number of external contracted projects during the Period.

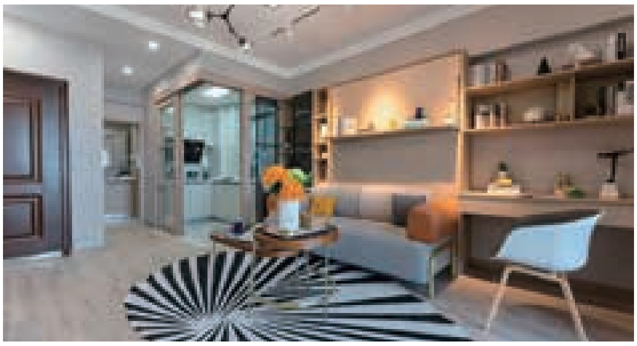
The business team of the Group is committed to becoming a regional first-class and domestic leading provider of construction, decoration and landscaping services with a nationwide presence. It has built and operated more than 100 high-quality projects in over 20 cities across China, serving high-end residences and villas, high-tech industrial parks, high-end ecological resorts, business complexes, corporate headquarters, government public buildings and higher education institutions. This will provide the Group with sustainable and stable performance support and recurrent cash flow.

During the Period, the Group undertook a number of construction, renovation and landscaping projects in Shenyang, Qingdao, Dalian and Zhengzhou, and received numerous awards in project evaluation and acceptance. The third phase of the Dalian Glory of the City project undertaken by the Group was awarded the "Demonstration Site of Construction Safety and Quality Standardization in Dalian".

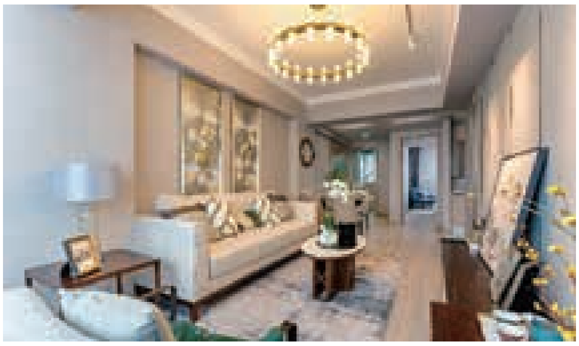
The construction site of the Dalian Glory of the City project



A landscaping project in Dalian



Decorated showrooms



Decorated showrooms

V. Land Reserves

As at 30 June 2022, the total GFA of the Group's land reserves was approximately 7.35 million sq.m., while the GFA of land reserves attributable to the Group was approximately 6.59 million sq.m.. The land reserves in Dalian accounted for 67.6%. By pursuing the Group's development strategies, including consolidating its market position in Dalian, striving for development in Hubei and Hunan and strengthening its presence in Central China, the Group has gradually launched city-industry integration projects in key cities and regions across the country.

The following table sets forth a breakdown of the Group's land reserves as at 30 June 2022:

By City	**Total GFA of Land Reserves (sq.m.)**	**Proportion of Total Land Reserves**	**Attributable GFA of Land Reserves (sq.m.)**	**Proportion of Attributable Land Reserves**
Dalian	4,965,871	67.6%	4,965,871	75.3%
Shenyang	89,507	1.2%	45,648	0.7%
Wuhan	592,030	8.1%	296,015	4.5%
Zhengzhou	424,880	5.8%	424,880	6.4%
Changsha	921,021	12.5%	599,922	9.1%
Chengdu	67,664	0.9%	46,827	0.7%
Chongqing	79,236	1.1%	79,236	1.2%
Hefei	208,966	2.8%	135,828	2.1%
Total	7,349,175	100.0%	6,594,227	100.0%

By Location	**Total GFA of Land Reserves (sq.m.)**	**Proportion of Total Land Reserves**	**Attributable GFA of Land Reserves (sq.m.)**	**Proportion of Attributable Land Reserves**
Business Parks	5,835,814	79.4%	5,154,004	78.2%
Multi-functional, integrated residential projects	1,513,361	20.6%	1,440,223	21.8%
Total	7,349,175	100.0%	6,594,227	100.0%

Chongqing Yida Innovation Plaza

Project	Equity Interests of the Group	Remaining Completed Leasable Saleable/ GFA (sq.m.)	GFA under Development (sq.m.)	GFA Held for Future Development (sq.m.)
Business Parks				
Dalian Software Park				
Office	100%	594,938	–	–
Residential	100%	74,345	–	–
Subtotal	100%	669,283	–	–
Dalian BEST City				
Office	100%	147,274	148,317	515,172
Residential	100%	138,932	5,573	–
Subtotal	100%	286,206	153,890	515,172
Wuhan First City				
Office	50%	185,026	59,498	329,558
Residential	50%	17,948	–	–
Subtotal	50%	202,974	59,498	329,558
Yida Information Software Park				
Office	100%	152,139	–	118,798
Residential	100%	74,782	84,215	–
Subtotal	100%	226,921	84,215	118,798
Dalian Tiandi				
Office	100%	335,677	209,189	942,164
Residential	100%	66,100	69,432	–
Subtotal	100%	401,777	278,621	942,164

Project	Equity Interests of the Group	Remaining Completed Leasable Saleable/ GFA (sq.m.)	GFA under Development (sq.m.)	GFA Held for Future Development (sq.m.)
Chengdu Tianfu Intelligent Transportation Science and Technology City				
Office	60%	–	52,093	–
Subtotal	60%	–	52,093	–
Changsha Yida & CSCEC Intelligent Technology Centre				
Office	51%	31,162	116,688	87,900
Subtotal	51%	31,162	116,688	87,900
Changsha Yida Intelligent Manufacturing Industrial Village				
Office	70%	90,791	–	304,924
Residential	70%	2,708	205,176	81,672
Subtotal	70%	93,499	205,176	386,596
Zhengzhou Yida Creation City				
Office	100%	1,189	349,591	74,100
Subtotal	100%	1,189	349,591	74,100

Zhengzhou Yida Creation City

Project	Equity Interests of the Group	Remaining Completed Leasable/ Saleable/ GFA (sq.m.)	GFA under Development (sq.m.)	GFA Held for Future Development (sq.m.)
Sino-German Yida Intelligent Technology City Creative Industrial Park				
Office	51%	–	38,023	51,484
Subtotal	51%	–	38,023	51,484
Chongqing Yida Innovation Plaza				
Office	100%	–	79,236	–
Subtotal	100%	–	79,236	–
Projects Within Business Parks Subtotal		**1,913,011**	**1,417,031**	**2,505,772**
Projects Outside Business Parks				
Dalian	100%	444,489	317,099	527,236
Chengdu	100%	15,571	–	–
Hefei	65%	–	–	208,966
Projects Outside Business Parks Subtotal		**460,060**	**317,099**	**736,202**
Total		**2,373,071**	**1,734,130**	**3,241,974**

Dalian Glory of the City

FINANCIAL REVIEW

Revenue

The sources of revenue of the Group primarily include (1) revenue from sales of properties; (2) rental income; (3) income from providing business park operation and management services; and (4) income from providing construction, decoration and landscaping services.

During the Period, the revenue of the Group was RMB3,260.05 million, representing an increase of 79.2% from the corresponding period of last year. The following table sets forth a breakdown of the revenue for the periods indicated:

	For the six months ended 30 June			
	2022		2021	
	Amount RMB'000	% of total amount	Amount RMB'000	% of total amount
Revenue from sales of properties	**2,663,280**	**81.7%**	1,179,418	64.8%
Rental income	**252,570**	**7.7%**	240,291	13.2%
Business park operation and management services income	**126,750**	**3.9%**	150,509	8.3%
Construction, decoration and landscaping income	**217,450**	**6.7%**	180,161	9.9%
Property management income	**–**	**–**	68,932	3.8%
Total	**3,260,050**	**100.0%**	1,819,311	100.0%

(1) Revenue from sales of properties

The Group's revenue arising from sales of residential properties within and outside business parks, office properties and standalone residential properties for the Period was RMB2,663.28 million, representing an increase of 125.8% from the corresponding period of last year, which was mainly attributable to the increase in projects delivered during the Period.

(2) Rental income

The Group's rental income derived from operation of business parks owned by the Group for the Period amounted to RMB252.57 million, representing an increase of 5.1% from the corresponding period of last year, which was mainly attributable to the increase in leased area during the Period.

(3) Business park operation and management services income

During the Period, the income arising from business park operation and management services provided by the Group amounted to RMB126.75 million, representing a decrease of 15.8% from the corresponding period of last year, which was mainly attributable to the gradual withdrawal of some existing projects that met the completion conditions during the Period, and the income from newly added projects has not yet been recognised.

(4) Construction, decoration and landscaping income

During the Period, the income derived from construction, decoration and landscaping services provided by the Group amounted to RMB217.45 million, representing an increase of 20.7% from the corresponding period of last year, which was mainly attributable to the increase in number of external contracted projects during the Period.

Cost of Sales

The cost of sales of the Group during the Period amounted to RMB2,513.2 million, representing an increase of 86.3% from the corresponding period of last year, which was mainly attributable to the increase in projects delivered during the Period.

Gross Profit and Gross Profit Margin

The gross profit of the Group during the Period amounted to RMB746.85 million, representing an increase of 58.8% from the corresponding period of last year, which was attributable to the increase of income during the Period; the gross profit margin decreased from 25.8% for the corresponding period of 2021 to 22.9% during the Period, which was mainly attributable to the decrease in gross profit of different product structures over the corresponding period last year.

Selling and Marketing Expenses

The selling and marketing expenses of the Group decreased by 29.5% to RMB48.61 million from RMB68.95 million in the corresponding period of last year, which was mainly attributable to the decrease in advertising expenses from property sales and sales commissions during the Period.

Administrative Expenses

The administrative expenses of the Group for the Period amounted to RMB92.42 million, representing a decrease of 36.7% from the corresponding period of 2021, which was mainly due to reduction of office expenditures during the Period.

Other loss – net

The net other loss of the Group recorded for the Period amounted to RMB95.94 million, which was mainly due to the exchange losses resulting from exchange rate movements during the Period.

Fair Value (Losses)/Gains on Investment Properties

The fair value gains on investment properties of the Group amounted to RMB22.25 million during the Period. As at 30 June 2022, the fair value of investment properties remained substantially the same as at 31 December 2021.

Finance Costs

The finance costs of the Group decreased by 52.7% to RMB202.35 million during the Period from RMB427.83 million in the corresponding period of 2021, which was mainly due to the decrease in interest expenses during the Period.

Share of Profits and Losses of Joint Ventures and Associates

During the Period, the Group's share of profits and losses of joint ventures and associates was a net loss of RMB1.27 million, representing a decrease of approximately RMB34.36 million as compared with the corresponding period of last year, which was mainly attributable to the decrease in investment income due to disposal of the 50% equity of Dalian Software Park Ascendas Development Company Limited last year.

Income Tax Expenses

The income tax expenses of the Group include corporate income tax, land appreciation tax and deferred income tax. The income tax expenses of the Group decreased by 6.3% to RMB304.37 million during the Period from RMB324.75 million in the corresponding period of 2021, which was mainly attributable to the increase in income tax as a result of the disposals of 100% equity interest in Yida Property Service Company Limited and 50% equity interest in Dalian Software Park Ascendas Development Company Limited during the corresponding period of last year while there was no such transaction during the Period.

Profit for the Period

As a result of the foregoing, the profit before tax of the Group decreased to RMB315.56 million during the Period from RMB609.9 million for the corresponding period of 2021.

The net profit of the Group decreased to RMB11.19 million during the Period from RMB285.15 million for the corresponding period of 2021.

The net profit attributable to equity owners decreased to RMB18.37 million during the Period from RMB271.44 million for the corresponding period of 2021.

The core net profit attributable to equity owners (excluding effects of fair value gains on investment properties, net of tax) decreased to RMB1.68 million during the Period from RMB281.14 million for the corresponding period of 2021.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash Position

As at 30 June 2022, the Group had cash and bank balances of approximately RMB459.36 million (including restricted cash of approximately RMB237.88 million) (31 December 2021: cash and bank balances of approximately RMB773.89 million, including restricted cash of approximately RMB330.69 million).

Debts

As at 30 June 2022, the Group had bank and other borrowings of approximately RMB12,707.26 million (31 December 2021: approximately RMB12,910.46 million), of which:

(1) By Loan Type

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Secured bank loans	**4,680,107**	4,917,730
Unsecured bank loans	**–**	1,600
Secured other borrowings	**6,186,326**	6,136,498
Unsecured other borrowings	**1,840,824**	1,854,632
	12,707,257	12,910,460

(2) By Maturity Date

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Within one year or on demand	**12,707,257**	10,870,260
In the second year	**–**	2,040,200
	12,707,257	12,910,460

As at 30 June 2022, the Group's bank and other borrowings amounted to RMB12,333,257,000 were charged with fixed interest rate of 1.2% – 14.30% per annum with the remaining balances of RMB374,000,000 were charged with variable rates.

Debt Ratio

The net gearing ratio (net debt, including interest-bearing bank and other borrowings, less cash and cash equivalents and restricted cash, divided by the total equity) of the Group was approximately 100.3% as at 30 June 2022, which remaining substantially at the same level as that of 99.5% as at 31 December 2021.

Pledge of Assets

Details of the Group's assets pledged for the Group's bank and other borrowings are included in note 24 to the financial statements.

Foreign Exchange Risks

The functional currency of the Group is RMB and most transactions were denominated in RMB. As at 30 June 2022, the Group had cash and bank balances (including restricted cash) of approximately RMB1.27 million and approximately RMB1.34 million denominated in Hong Kong dollars and USD, respectively. The Group had borrowings of approximately RMB1,416.68 million and approximately RMB531.51 million denominated in United States dollars and Hong Kong dollars, respectively, with the remaining borrowings all denominated in RMB. All such amounts were exposed to foreign currency risks. The Group currently has no foreign currency hedging policies, but the management monitors foreign exchange risks and will consider hedging significant foreign exchange risks when necessary.

Contingent Liabilities

The Group enters into arrangements with PRC commercial banks to provide mortgage facilities to its customers to purchase the Group's properties. In accordance with industry practice, the Group is required to provide guarantees to these banks in respect of mortgages provided to such customers. Guarantees for such mortgages are generally discharged at the earlier of: (i) registration of mortgage interest to the bank, or (ii) the settlement of mortgage loans between the mortgagee banks and the purchasers. As at 30 June 2022, the Group provided guarantees of approximately RMB953.92 million to commercial banks in the PRC in respect of mortgage loans granted to the customers of the Group (31 December 2021: approximately RMB1,028.78 million). Besides, the Group provided guarantees to the extent of RMB183.21 million (2021: RMB319.80 million) as at 30 June 2022 in respect of bank loans granted to a joint venture.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2022, the Group had 716 full-time employees (31 December 2021: 955). The Group remunerates its staff based on the performances, work experiences of the employees and the current market salary level.

The Group regularly reviews the remuneration policy and plan and will make necessary adjustments to make it in line with the industry salary standards.

INTERIM DIVIDEND

The Board has resolved not to declare any payment of interim dividend for the six months ended 30 June 2022.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no significant investments, material acquisition or disposal of subsidiaries, associates or joint ventures during the Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this interim report, the Group had not authorised any plans for other material investments or additions of capital assets as at 30 June 2022.

EVENTS AFTER REPORTING PERIOD

The Group did not have any material subsequent events after the Period and up to the date of this interim report.

DIRECTORS AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 30 June 2022, the interests and short positions of each of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(I) Interest in the shares and underlying shares of the Company

Name of Director	Capacity/Nature of interest	Number of shares held [1]	Approximate percentage in the Company's issued share capital as at 30 June 2022
Mr. Jiang Xiuwen	Interest of a controlled corporation	68,600,000(L) [2]	2.65%
Mr. Wang Gang	Interest of a controlled corporation	69,200,000(L) [3]	2.68%

Notes:

(1) The letter "L" denotes the person's long position in such securities.

(2) Mr. Jiang Xiuwen beneficially owns the entire issued share capital of Grace Excellence Limited, Wonderful High Limited and Everest Everlasting Limited, which, in total own 74.21% of the issued share capital of Keen High Keen Source Limited. Keen High Keen Source Limited owns 2.65% of the issued share capital of the Company. By virtue of the SFO, Mr. Jiang Xiuwen is deemed to be interested in the shares of the Company held by Keen High Keen Source Limited.

(3) Mr. Wang Gang beneficially owns the entire issued share capital of Mighty Equity Limited, which in turn owns the entire issued share capital of Grace Sky Harmony Limited. Grace Sky Harmony Limited owns 2.68% of the issued share capital of the Company. By virtue of the SFO, Mr. Wang Gang is deemed to be interested in the shares of the Company held by Grace Sky Harmony Limited.

(II) Interest in associated corporations of the Company

Name of Director	Name of associated corporation	Capacity	Number of shares held [1]	Percentage of the issued share capital of that associated corporation held as at 30 June 2022
Mr. Jiang Xiuwen	Keen High Keen Source Limited	Interest of a controlled corporation	5,180(L) [2]	74.21%

Notes:

(1) The letter "L" denotes the person's long position in such securities.

(2) These shares are held by Grace Excellence Limited with 3,000 shares, Everest Everlasting Limited with 180 shares and Wonderful High Limited with 2,000 shares, which are wholly owned by Mr. Jiang Xiuwen.

Save as disclosed above, as at 30 June 2022, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 30 June 2022, so far as the Directors are aware, the following persons (other than the Directors and the chief executives of the Company) or institutions have interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of shareholder	Capacity/Nature of interest	Number of shares held [1]	Approximate percentage in the Company's issued share capital as of 30 June 2022
Jiayou (International) Investment Limited [2][3]	Beneficial owner	1,581,485,750 (L)	61.20%
Jiahuang (Holdings) Investment Limited [2]	Interest of corporation controlled by the substantial shareholder	1,581,485,750 (L)	61.20%
Shanghai Pinzui Enterprise Management Ltd. [2]	Interest of corporation controlled by the substantial shareholder	1,581,485,750 (L)	61.20%
China Minsheng Jiaye Investment Co., Ltd. [2]	Interest of corporation controlled by the substantial shareholder	1,581,485,750 (L)	61.20%
China Minsheng Investment Corp., Ltd. [2]	Interest of corporation controlled by the substantial shareholder	1,581,485,750 (L)	61.20%
Yeung Mei Lee	Joint and several receivers	516,764,000	19.99%
Chen Mingxiao	Joint and several receivers	516,764,000	19.99%
Mr. Sun Yinhuan [4]	Founder of a discretionary trust	241,400,000(L)	9.34%
TMF (Cayman) Ltd. [4]	Trustee	241,400,000(L)	9.34%
Right Ying Holdings Limited [4]	Interest of controlled corporation	241,400,000(L)	9.34%
Right Won Management Limited [4]	Beneficial owner	241,400,000(L)	9.34%

Notes:

(1) The letter "L" denotes the person's long position in such securities.

(2) China Minsheng owns 67.26% share equity of CMIG Jiaye. Pinzui is beneficially wholly-owned by CMIG Jiaye. Jiahuang is beneficially wholly-owned by Pinzui. Jiayou is beneficially wholly-owned by Jiahuang. By virtue of the SFO, China Minsheng, CMIG Jiaye, Pinzui and Jiahuang are deemed to hold equity in 1,581,485,750 shares of the Company held by Jiayou.

(3) 516,764,000 Charged Shares were charged by Jiayou in favour of the Aetoes Parties. On 11 May 2022, Mr. Chen Mingxiao (Jason Chen) and Ms. Yeung Mei Lee (Kitty Yeung) were appointed as the joint and several receivers of the Charged Shares.

(4) The entire issued share capital of Right Won Management Limited is held by TMF (Cayman) Ltd. (as the trustee of The Right Ying Trust) through Right Ying Holdings Limited. The entire issued share capital of Right Ying Holdings Limited is held by TMF Cayman Ltd.. The Right Ying Trust is a discretionary trust established by Mr. Sun Yinhuan on 14 November 2018. The beneficiaries of The Right Ying Trust include Mr. Sun Yinhuan and certain of his family members.

Save as disclosed above, as at 30 June 2022, there was no other person, other than a Director or chief executives of the Company, who had interests or short positions in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Directors recognise the importance of good corporate governance in the management of the Group. The Company has adopted the code provisions as set out in the CG Code. During the Period, except for the deviation for reason set out below, the Company has complied with all the code provisions set out in the CG Code.

Code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Jiang Xiuwen serves as the chairman and chief executive officer of the Company and is responsible for overseeing the operations of the Group. The Board has considered the merits of separating the roles of the chairman and chief executive officer but is of the view that it is in the best interests of the Company to vest the two roles in Mr. Jiang Xiuwen as it will ensure the Company is under a consistent leadership and facilitates the implementation and execution of the Group's business strategies currently and in the foreseeable future. The Board will nevertheless review the relevant structure from time to time in light of the prevailing circumstances.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code for securities transactions by the Directors. The Company has made specific enquiry with each of the Directors and all Directors have confirmed that they complied with the Model Code throughout the Period.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 1 June 2014. As at 30 June 2022, no share options had been granted under the share option scheme.

AUDIT COMMITTEE

The Company has established the Audit Committee on 1 June 2014. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group, oversee the audit process and perform other duties and responsibilities as assigned by the Board. The Audit Committee consists of four independent non-executive Directors, namely Mr. Yip Wai Ming, Mr. Guo Shaomu, Mr. Wang Yinping and Mr. Han Gensheng, with Mr. Yip Wai Ming acting as the chairman of the Audit Committee. In compliance with Rule 3.21 of the Listing Rules, the chairman of the Audit Committee has appropriate professional qualifications.

REVIEW OF THE INTERIM RESULTS

The unaudited interim results of the Group and the interim report of the Company for the six months ended 30 June 2022 have been reviewed and approved by the Audit Committee.

LITIGATION AND ARBITRATION

On 23 October 2017, certain subsidiaries of the Company received an arbitration notice from the Hong Kong International Arbitration Centre in respect of the submission of arbitration applications by the joint venture partners of the Group relating to the put price of the put options pursuant to certain agreements entered into between such parties.

On 20 October 2020, the Hong Kong International Arbitration Centre issued the Final Award.

On 4 March 2021, the Settlement Agreement was entered into. Pursuant to the Settlement Agreement, the Obligors acknowledged that the Total Payment Obligation amounted to approximately USD209 million, and it was agreed that such amount would be reduced to USD175 million.

For details, please refer to the announcements of the Company dated 25 February 2021 and 5 March 2021.

CONSENT SOLICITATION

Reference is made to the announcements of the Company dated 7 February 2022, 17 February 2022 and 30 June 2022, respectively.

Completion of the Consent Solicitation took place on 16 February 2022, which mainly included, among other things, (i) the waiver of events of default relating to the failure to pay the outstanding principal amount and interest (including default interest) under the Indenture, and other payment defaults under other indebtedness and the waiver of other consequential breaches and defaults arising from such events of default; (ii) the extension of the maturity date of the 2022 Notes to 30 April 2025 and the amendment to the repayment schedule for the outstanding principal amount of the 2022 Notes; and (iii) the change in the interest rate of the 2022 Notes to 6.0% per annum and the default rate was changed to 2.0% per annum over the new interest rate and the interest payment dates were changed to 30 April and 30 October each year.

Due to unfavorable factors in the macro economy, real estate market and financial environment, and multiple rounds of pandemic, the Company was not in a position to pay the second instalment of the consent fee which shall be paid to the Eligible Holders in the amount of US$3.45 million on 30 June 2022 pursuant to the terms of the Consent Solicitation ("**Non-payment**"). Such Non-payment may lead to holders demanding for acceleration of repayment under the 2022 Notes. As at the date of this interim report, the Company has not received any notice regarding acceleration action by holders of the 2022 Notes.

DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

Breach of significant loan agreements

Reference is made to the announcements of the Company dated 10 April 2019, 22 April 2019, 10 June 2019, 23 February 2020, 23 April 2020, 5 March 2021, 4 May 2021 and 30 June 2022, the interim reports of the Company for the six months ended 30 June 2019, 30 June 2020 and 30 June 2021, and the annual reports of the Company for the years ended 31 December 2019, 31 December 2020 and 31 December 2021.

1. In April 2019, China Minsheng, the controlling shareholder of the Company, had faced liquidity difficulties and which technically resulted in the occurrence of certain triggering events under certain loan agreements entered into by the Group.

2. In February 2020, Mr. Chen Donghui, a previous executive Director, was detained by the authorities of the PRC. It has further resulted in the occurrence of certain triggering events under certain loan agreements.

3. On 17 April 2017, the Company issued the 2020 Notes. The remaining outstanding principal amount of USD52,854,000 was due on 20 April 2020, and the Company had repaid in full on 24 April 2020 and the delay in payment has constituted an event of default. The Company was required to repay the principal amount of USD22,500,000 (together with the accrued interest) of the 2022 Notes on 16 April 2021, and the Company had repaid in full on 4 May 2021 and the delay in payment has constituted an event of default. The Company was required to repay the principal amount of USD22,500,000 (together with the accrued interest), semi-annual interest and the principal amount of USD45,000,000 (together with the accrued interest) of the 2022 Notes on 27 August 2021, 27 September 2021 and 27 December 2021, respectively, and the Company's failure to make such payments constituted an event of default. Pursuant to the Consent Solicitation completed on 16 February 2022, among other things, the aforesaid events of defaults were waived. The Company was required to pay the second instalment of the consent fee of USD3,450,000 on 30 June 2022 and the Company's failure to make such payments constituted an event of default.

4. According to the Final Award issued by the Hong Kong International Arbitration Centre dated 20 October 2020, the Obligors were required to pay the put option price and interest to Aetos Parties. The failure to comply with the Final Award within 90 days resulted in a technical default on the 2022 Notes. In March 2021, the Settlement Agreement was entered into and the investors of the 2022 Notes have agreed to exempt the breach of contract. According to the payment schedule and the entitled grace period of ten days in the Settlement Agreement, USD50,000,000 (together with the accrued interests) shall be paid before 10 May 2021, which was repaid in full on 24 May 2021. On 26 May 2021, Aetos Parties provided a written confirmation that the delay in payment will not give rise to an event of default. According to the payment schedule and the entitled grace period of ten day in the Settlement Agreement, USD50,000,000 shall be paid before 10 June 2021 and USD40,000,000 (together with the accrued interests) shall be paid before 10 October 2021. As at the date of this interim report, such amounts have not been paid and constituted an event of default.

5. On 30 October 2020, certain bank loans of a subsidiary from one commercial bank matured and the relevant subsidiary repaid in several tranches until 4 March 2021. The delay in repayment of the remaining outstanding amount constituted an event of default.

6. The Group has failed to repay certain borrowings together with accrued interests and consent fees under the corresponding agreements with lenders according to the respective scheduled repayment dates set out therein (the "**Borrowings Overdue**"). As at 30 June 2022, borrowings with a total principal amount of RMB4,425,767,000 remained unsettled, out of which RMB590,000,000 have been subsequently extended up to the date of this interim report. The delay in payment of such aggregate sum has constituted an event of default.

The aforementioned events of default resulted in certain other borrowings of the Group (other than the Borrowings Overdue) amounted to RMB5,562,550,000 in total as at 30 June 2022 becoming immediately repayable if requested by the lenders. As at the date of this interim report, no relevant lender had demanded for immediate repayment of the loans. In addition, the operation of the Group, including its pre-sale and receivables collection, remains normal. The Company and relevant banks and financial institutions continue to negotiate on the future financing arrangements with the Company, and at the same time is also exploring alternative sources of financing.

Specific performance of the controlling shareholder

References are made to the announcement of the Company dated 5 March 2021, the interim report of the Company for the six months ended 30 June 2021 and the annual report of the Company for the year ended 31 December 2021. Pursuant to the Settlement Agreement as disclosed under the section headed "Litigation and Arbitration" in this interim report, China Minsheng or its subsidiaries are required to be the beneficial owner of 35% or more of the total outstanding shares of the Company (the "**Change of Control**"), failing which the outstanding balance of the Total Payment Obligation, together with accrued interest and all other amounts accrued or outstanding will be due and payable on the thirtieth day following the Change of Control. For details, please refer to the announcement of the Company dated 5 March 2021.

Pledging of shares by the controlling shareholder

On 11 March 2021, Jiayou executed the Company Share Charge, as security for the obligation of the Company and certain of its subsidiaries and joint ventures under the Settlement Agreement. For details, please refer to the Company's announcements dated 5 March 2021 and 11 March 2021.

On 12 May 2022, the Company received a letter regarding the appointment of the joint and several receivers over 516,764,000 Shares (representing approximately 19.99% of the total issued shares of the Company as at the date of this interim report pursuant to the terms of the Company Share Charge on 11 March 2021, which stated that Jiayou shall no longer have any power or authority to deal with the Charged Shares nor exercise any rights attached to or in relation to the Charged Shares unless prior consent or authorization is given by the receivers.

The Group has proposed settlement plans to and has been actively negotiating with Aetos Parties.

Where the circumstances giving rise to the obligations under Rules 13.17, 13.18 and 13.19 of the Listing Rules continue to exist, the Company will include relevant disclosures in subsequent interim and annual reports in accordance with Rule 13.21 of the Listing Rules, and will disclose further developments on this matter by way of further announcement(s) in a timely manner in accordance with requirements under the Listing Rules.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2022

	Note	Six months ended 30 June 2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Revenue	7	**3,260,050**	1,819,311
Cost of sales	9	**(2,513,202)**	(1,349,028)
Gross profit		**746,848**	470,283
Other income	8	**6,244**	16,632
Fair value gains/(losses) on investment properties	16	**22,249**	(12,930)
Provision for impairment losses on financial and contract assets		**(19,200)**	(2,472)
Other (losses)/gains – net	10	**(95,939)**	748,062
Selling and marketing expenses	9	**(48,606)**	(68,953)
Administrative expenses	9	**(92,415)**	(145,978)
Finance costs – net	11	**(202,354)**	(427,833)
Share of profits and losses of joint ventures and associates		**(1,270)**	33,087
Profit before income tax		**315,557**	609,898
Income tax expenses	12	**(304,365)**	(324,752)
Profit for the period		**11,192**	285,146
Attributable to:			
Owners of the Company		**18,365**	271,442
Non-controlling interests		**(7,173)**	13,704
		11,192	285,146
Earnings per share attributable to ordinary equity holders of the Company			
Basic and diluted (RMB per share)	14	**0.7 cents**	10.50 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2022

	Note	Six months ended 30 June 2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Profit for the period		**11,192**	285,146
Other comprehensive income which may be reclassified to profit or loss in subsequent periods		**–**	–
Total comprehensive income for the period		**11,192**	285,146
Attributable to:			
Owners of the Company		**18,365**	271,442
Non-controlling interests		**(7,173)**	13,704
		11,192	285,146

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Note	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	15	**86,789**	86,421
Investment properties	16	**18,058,575**	18,662,149
Investments in joint ventures		**782,647**	798,438
Investments in associates		**4,785**	4,785
Prepayments for acquisition of land		**3,227,327**	3,153,481
Prepayments and other receivables	18	**558,358**	518,886
Intangible assets		**18,320**	21,770
Deferred tax assets		**422,029**	380,535
Total non-current assets		**23,158,830**	23,626,465
Current assets			
Inventories		**195,849**	85,380
Land held for development for sale	17	**934,921**	938,059
Properties under development		**8,528,329**	8,901,556
Completed properties held for sale		**5,498,855**	6,154,363
Prepayments for acquisition of land		**24,867**	24,867
Contract assets		**155,010**	121,020
Trade receivables	19	**448,167**	545,628
Prepayments, deposits and other receivables	18	**1,625,805**	1,677,286
Prepaid corporate income tax		**101,148**	127,177
Prepaid land appreciation tax		**247,605**	247,429
Restricted cash	20	**237,877**	330,685
Cash and cash equivalents	20	**221,482**	443,200
Total current assets		**18,219,915**	19,596,650
Total assets		**41,378,745**	43,223,115

	Note	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Liabilities			
Non-current liabilities			
Interest-bearing bank and other borrowings	24	–	2,040,200
Deferred tax liabilities		2,790,317	2,851,617
Other non-current liabilities		26,548	26,945
Lease liabilities		29,176	37,975
Total non-current liabilities		2,846,041	4,956,737
Current liabilities			
Contract liabilities	21	4,017,962	5,802,521
Trade payables	22	3,746,873	4,067,022
Other payables and accruals	23	3,367,779	3,113,910
Interest-bearing bank and other borrowings	24	12,707,257	10,870,260
Corporate income tax payable		1,044,707	945,035
Provision for land appreciation tax		1,409,870	1,252,425
Lease liabilities		26,323	14,464
Total current liabilities		26,320,771	26,065,637
Total liabilities		29,166,812	31,022,374
Equity			
Equity attributable to owners of the Company			
Issued capital	25	159,418	159,418
Reserves		11,891,455	11,873,090
		12,050,873	12,032,508
Non-controlling interests		161,060	168,233
Total equity		12,211,933	12,200,741
NET CURRENT LIABILITIES		(8,100,856)	(6,468,987)
TOTAL ASSETS LESS CURRENT LIABILITIES		15,057,974	17,157,478

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2022

	Attributable to owners of the Company						
	Issued capital RMB'000	Share premium RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
(Unaudited)							
Balance at 1 January 2022	**159,418**	**1,288,734**	**1,186,584**	**9,397,772**	**12,032,508**	**168,233**	**12,200,741**
Profit for the period	**–**	**–**	**–**	**18,365**	**18,365**	**(7,173)**	**11,192**
Total comprehensive income for the period	**–**	**–**	**–**	**18,365**	**18,365**	**(7,173)**	**11,192**
Transactions with owners in their capacity as owners:							
Appropriation to surplus reserve	**–**	**–**	**23,972**	**(23,972)**	**–**	**–**	**–**
Balance at 30 June 2022	**159,418**	**1,288,734**	**1,210,556**	**9,392,165**	**12,050,873**	**161,060**	**12,211,933**

	Attributable to owners of the Company						
	Issued capital RMB'000	Share premium RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
(Unaudited)							
Balance at 1 January 2021	159,418	1,288,734	1,105,924	9,475,498	12,029,574	282,208	12,311,782
Profit for the period	–	–	–	271,442	271,442	13,704	285,146
Total comprehensive income for the period	–	–	–	271,442	271,442	13,704	285,146
Transactions with owners in their capacity as owners:							
Decrease of non-controlling interests in connection with disposal of a subsidiary	–	–	–	–	–	(2,031)	(2,031)
Appropriation to surplus reserve	–	–	46,984	(46,984)	–	–	–
Balance at 30 June 2021	159,418	1,288,734	1,152,908	9,699,956	12,301,016	293,881	12,594,897

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2022

	Note	Six months ended 30 June 2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Cash flows from operating activities			
Profit before income tax		**315,557**	609,898
Adjustments for:			
Depreciation	9	**16,579**	18,789
Amortisation of intangible assets	9	**2,689**	6,229
Net gains on disposal of items of property, plant and equipment		**(160)**	(981)
Fair value (gains)/losses on investment properties	16	**(22,249)**	12,930
Share of profits and losses of joint ventures and associates		**1,270**	(33,087)
Gains arising from disposal of subsidiaries, joint ventures and an associate	10	**–**	(739,076)
Fair value gains on financial assets at fair value through profit or loss		**–**	(3)
Finance costs	11	**202,354**	427,833
Interest income	8	**(2,192)**	(9,611)
Provision for impairment losses on financial and contact assets		**19,200**	2,472
Others		**171,301**	(25,634)
		704,349	269,759
Increase in inventories		**(110,469)**	(13,307)
(Increase)/decrease in properties under development		**(2,820,813)**	371,054
Decrease/(increase) in completed properties held for sale		**4,670,747**	(32,607)
Increase in land held for development for sale		**(3)**	(87,279)
(Increase)/decrease in prepayments for acquisition of land		**(9)**	268,518
Increase in contract assets		**(34,025)**	(26,233)
Decrease in trade receivables		**78,061**	163,722
Decrease/(increase) in prepayments, deposits and other receivables		**38,687**	(250,490)
Decrease in trade payables		**(320,149)**	(461,549)
Increase in other payables and accruals		**20,409**	341,414
(Decrease)/increase in contract liabilities		**(1,784,559)**	884,266
(Decrease)/increase in other non-current liabilities		**(397)**	1,875
Cash generated from operations		**441,829**	1,429,143
Interest received		**2,192**	9,611
PRC corporate income tax paid		**(90,645)**	(110,871)
PRC land appreciation tax paid		**(33,544)**	(54,531)
Net cash from operating activities		**319,832**	1,273,352

	Note	Six months ended 30 June 2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Cash flows from investing activities			
(Increase)/decrease in amounts due from joint ventures and associates		**(1,509)**	2,792
Purchases of property, plant and equipment		**(8,575)**	(25,456)
Purchases of intangible assets		**(140)**	(2,054)
(Investment in)/proceeds from disposal of joint ventures		**(5,535)**	498,969
Net payment for acquisition of subsidiaries		**(5,012)**	(579,723)
Additions to investment properties	16	**–**	(1,853)
Proceeds from disposal of subsidiaries		**12,737**	773,968
Proceeds from disposal of items of property, plant and equipment		**155**	1,747
Proceeds from disposal of intangible assets		**901**	–
Decrease in restricted cash	20	**92,808**	232,299
Dividends received		**20,056**	3,014
Interest income from financial assets at fair value through profit or loss		**–**	5,003
Net cash generated from investing activities		**105,886**	908,706
Cash flows from financing activities			
Decrease in amounts due to non-controlling interests		**–**	(23,227)
Interest paid		**(357,469)**	(794,169)
Principal elements of lease payments		**(7,274)**	(17,551)
Proceeds of bank and other borrowings		**756,350**	293,597
Repayment of bank and other borrowings		**(1,039,043)**	(1,837,674)
Net cash used in financing activities		**(647,436)**	(2,379,024)
Net decrease in cash and cash equivalents		**(221,718)**	(196,966)
Cash and cash equivalents at beginning of period		**443,200**	572,237
Cash and cash equivalents at end of period		**221,482**	375,271

1. CORPORATE AND GROUP INFORMATION

Yida China Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 26 November 2007 as an exempted company with limited liability under the Companies Law, Cap 22 of the Cayman Islands. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. During the six months ended 30 June 2022, the Company and its subsidiaries (collectively referred to as the "**Group**") were principally involved in property development, property investment, business park operation and management, property construction, decoration and landscaping in Dalian, Wuhan, Shenyang, Beijing, Shanghai, Chongqing, Zhengzhou, Hefei, Suzhou, Ningbo, Qingdao, Nanchang, Xuchang, Shenzhen, Changsha and Chengdu, the People's Republic of China (the "**PRC**" or "**Mainland China**").

In the opinion of the directors of the Company (the "**Directors**"), the holding company of the Company is Jiayou (International) Investment Limited ("**Jiayou**"), which is incorporated in the British Virgin Islands (the "**BVI**"), and the ultimate holding company of the Company is China Minsheng Investment Corp., Ltd. ("**China Minsheng**").

The unaudited condensed consolidated financial statements are presented in thousands of Renminbi ("**RMB'000**"), unless otherwise stated and were approved and authorized for issue by the board of Directors on 25 August 2022.

2. BASIS OF PREPARATION

These unaudited condensed consolidated financial statements of the Company for the six months ended 30 June 2022 have been prepared under the historical cost convention, as modified by the revaluation of certain financial instruments and investment properties which are measured at fair value, and in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

These unaudited condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the HKICPA.

Going concern basis

As at 30 June 2022, the Group's current liabilities exceeded its current assets by RMB8,100,856,000. At the same date, its current borrowings amounted to RMB12,707,257,000 while its cash and cash equivalents amounted to RMB221,482,000 only.

Up to 30 June 2022, the Group failed to pay principals, interests and consent fees of certain borrowings according to their scheduled payment dates (the "**Borrowings Overdue**"). Although the Group managed to settle some of these borrowings till 30 June 2022 after the due dates, borrowings with a total principal amount of RMB4,425,767,000 remained unsettled as at 30 June 2022, out of which RMB590,000,000 have been subsequently extended up to the date of the approval of these unaudited condensed consolidated financial statements.

2. BASIS OF PREPARATION (continued)

Going concern Basis (continued)

On 18 January 2021, the Group failed to settle a payable with interest accrued thereon to certain parties ("**Aetos Parties**") according to a final award issued by Hong Kong International Arbitration Centre. On 4 March 2021, the Group and Aetos Parties entered into a settlement agreement which stipulates that the Group should settle the payables to Aetos Parties by instalments before 30 September 2021 in accordance with an agreed repayment schedule. However, the Group failed to fulfill the settlement agreement, and therefore Aetos Parties formally demanded the Group to settle the unpaid balance, among other actions, to Aetos Parties' satisfaction, or otherwise a winding-up petition may be presented to the court (the "**Aetos Parties Matter**"). On 12 May 2022, the Company received a letter regarding the appointment of the joint and several receivers (the "**Receivers**") by Aetos Parties over 516,764,000 shares (the "**Charged Shares**") of the Company on 11 May 2022, which stated that Jiayou shall no longer have any power or authority to deal with the Charged Shares nor exercise any rights attached to or in relation to the Charged Shares unless prior consent or authorization is given by the Receivers, pursuant to the terms of the share charge executed by Jiayou on 11 March 2021. As at 30 June 2022, the unpaid balance due to Aetos Parties amounted to RMB947,169,000. The Group has proposed settlement plans to and has been actively negotiating with Aetos Parties.

Since 2018, the financial conditions of the Group's controlling shareholder, China Minsheng, changed in such a way that triggered certain terms specified in the Group's borrowing agreements. In addition, the Company publicly announced on 20 February 2020 that Mr. Chen Donghui, a then executive Director who was subsequently removed since 15 June 2020, was detained by the relevant authorities in the PRC. These matters, together with the Borrowings Overdue and the Aetos Parties Matter, constituted events of default and resulted in certain other borrowings of the Group (other than the Borrowings Overdue) amounted to RMB5,562,550,000 in total as at 30 June 2022 becoming immediately repayable if requested by the lenders, of which RMB4,785,850,000 represented borrowings with scheduled repayment dates within one year, while RMB776,700,000 represented non-current borrowings with original contractual repayment dates beyond 30 June 2023 that were reclassified as current liabilities.

The above conditions indicate that material multiple uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern.

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial sources to continue as a going concern. The following plans and measures are formulated to mitigate the liquidity pressure, to improve the financial position of the Group, and to remediate the overdue repayments to the lenders:

i) The Group has proposed settlement plans and has been actively negotiating with Aetos Parties. Up to the date of the approval of these unaudited condensed consolidated financial statements, Aetos Parties have not presented a winding-up petition to the court. The Directors are confident that the Group will reach a final settlement agreement with Aetos Parties in due course and Aetos Parties will not exercise their rights to present a winding-up petition to the court.

2. BASIS OF PREPARATION (continued)

Going concern Basis (continued)

ii) In respect of Borrowings Overdue, the Group has been actively negotiating with all the lenders for renewal and extension for repayments of the overdue borrowings. While certain lenders preliminarily intended to renew or extend the certain overdue borrowings, no formal agreement has been reached yet. The Directors are confident that such lenders will not exercise their rights to demand the Group's immediate repayment of the borrowings and the Group will reach final agreements with such lenders in due course.

iii) The Group has maintained active communication with other relevant lenders in respect of the Borrowings Overdue, the Aetos Parties Matter and other matters which triggered default or cross-default terms of their respective borrowing agreements. The Directors are confident to convince the relevant lenders not to exercise their rights to demand the Group's immediate repayment of the borrowings prior to their scheduled contractual repayment dates.

iv) Subsequent to 30 June 2022, the Group has also been negotiating with various banks and financial institutions to secure new sources of financing. The Directors believe that, given the Group's long-term relationship with the banks and financial institutions and the availability of the Group's properties as collateral for the borrowings, the Group will be able to renew or extend existing borrowings and obtain new borrowings when needed. In this connection, the Group was able to extend new borrowings of RMB590,000,000, although the agreements of all of such new borrowings contain terms that would cause such borrowings to be immediately repayable if so requested by the lenders.

v) The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of sales proceeds.

vi) The Group will strive to maintain a continuing and normal business relationship with major constructors and suppliers to agree the payment arrangements with them and to complete the construction progress as scheduled. The Group will also continue to take active measures to control administrative costs and capital expenditures.

vii) The Group will seek opportunities to dispose of certain assets and investments at reasonable prices to generate cash inflows and mitigate its liquidity pressure.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 30 June 2022. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 30 June 2022. Accordingly, the Directors are satisfied that it is appropriate to prepare the unaudited condensed consolidated financial statements on a going concern basis.

2. BASIS OF PREPARATION (continued)

Going concern Basis (continued)

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

i) the successful and timely negotiation with Aetos Parties to reach a final settlement agreement so that they will not present a winding-up petition to the court, and the successful compliance with the terms and obligations under the final settlement agreement by the Group;

ii) the successful negotiations with the Group's existing lenders in respect of the borrowings that were either overdue or otherwise in default, so that the relevant lenders will not exercise their contractual rights to demand immediate repayment of the relevant overdue or defaulted borrowings;

iii) the successful obtaining of additional new sources of financing as and when needed;

iv) the successful and timely implementation of the plans to accelerate the pre-sales and sales of properties under development and completed properties, speed up the collection of sales proceeds, maintenance of a continuing and normal business relationship with major constructors and suppliers to agree the payment arrangements with them and to complete the construction progress as scheduled, and control costs and contain capital expenditure so as to generate adequate net cash inflows; and

v) the successful disposal of relevant assets and investments at reasonable prices, and timely collection of the proceeds.

Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and noncurrent liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the unaudited condensed consolidated financial statements.

3. ACCOUNTING POLICIES

The accounting policies applied in the preparation of the unaudited condensed consolidated financial statements are consistent with those of the annual consolidated financial statements of the Company for the year ended 31 December 2021, as described in those annual financial statements, except for estimation of income tax for the interim periods using the tax rate that would be applicable to expected total annual earnings, and the adoption of the new and amended standards of HKFRSs effective for the financial year ending 31 December 2022, which did not have any significant impact on the Group's financial statements and did not require retrospective adjustments.

There are no standards, amendments and interpretations to existing standards that are not effective and would be expected to result in any significant impact on the Group's financial positions and results of operations.

4. ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenue, expenses, assets and liabilities, and their accompany disclosure, and the disclosure of contingent liabilities. Actual results may differ from these estimations.

In preparing these condensed consolidated financial statements, the significant judgements and estimates made by management in applying to the Group's accounting policies and the key resources of estimation uncertainty were the same as those that applied to the Group's financial statements for the year ended 31 December 2021.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise bank and other borrowings and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial assets and liabilities are market risk, interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

(a) Market risk

The Group's assets are predominantly in the form of land held for development for sale, investment properties, properties under development and completed properties held for sale. In the event of a severe downturn in the property market, these assets may not be readily realised.

The sensitivity analyses of fair value measurement of investment properties is disclosed in note 16 to the unaudited condensed consolidated financial statements, respectively.

(b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Other than deposits held at banks, the Group does not have significant interest-bearing assets. Restricted deposits were held at banks in Mainland China at the same savings rate of unrestricted deposits throughout the year. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations. Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. Since the Group has mainly entered into floating interest rate loans, there is no significant fair value interest rate risk. The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Interest rate risk (Continued)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax. There is no material impact on other components of the Group's equity.

	Increase/ (decrease) in basis points	Effect on profit before income tax RMB'000
30 June 2022 (unaudited)		
RMB	**50**	**(4,286)**
RMB	**(50)**	**4,286**
31 December 2021 (audited)		
RMB	50	(4,735)
RMB	(50)	4,735

(c) Foreign currency risk

All of the Group's revenue and substantially all of the Group's operating expenses are denominated in RMB, which is currently not a freely convertible currency. The PRC Government imposes controls on the convertibility of RMB into foreign currencies and, in certain cases, the remittance of currency out of Mainland China. Shortages in the availability of foreign currencies may restrict the ability of the Group's PRC subsidiaries to remit sufficient foreign currencies to pay dividends or other amounts to the Group.

Under the existing PRC foreign exchange regulations, payments of current account items, including dividends, trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from the State Administration of Foreign Exchange by complying with certain procedural requirements. However, approval from appropriate PRC governmental authorities is required where RMB is to be converted into a foreign currency and remitted out of Mainland China to pay capital account items, such as the repayment of bank and other borrowings denominated in foreign currencies.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Foreign currency risk (Continued)

Currently, the Group's PRC subsidiaries may purchase foreign currencies for settlement of current account transactions, including payment of dividends to the Company, without prior approval of the State Administration of Foreign Exchange. The Group's PRC subsidiaries may also retain foreign currencies in their current accounts to satisfy foreign currency liabilities or to pay dividends. Since foreign currency transactions on the capital account are still subject to limitations and require approval from the State Administration of Foreign Exchange, this could affect the Group's subsidiaries' ability to obtain required foreign exchange through debt or equity financing, including by means of loans or capital contributions from the Company.

The Group's financial assets and liabilities including certain short term and long term borrowings denominated in United States dollars and Hong Kong dollars are subject to foreign currency risk. Therefore, the fluctuations in the exchange rates of RMB against foreign currencies could affect the Group's results of operations.

There are limited hedging instruments available in Mainland China to reduce the Group's exposure to exchange rate fluctuations between RMB and other currencies. To date, the Group has not entered into any hedging transactions in an effort to reduce the Group's exposure to foreign currency exchange risk. While the Group may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited and the Group may not be able to hedge the Group's exposure successfully, or at all.

As at 30 June 2022, if RMB had weakened/strengthened by 9% (31 December 2021: 9%) against the United States dollar ("USD"), which was considered reasonably possible by management, the Group's profit before income tax for the period would have been decreased/increased by RMB137,141,000 (31 December 2021: RMB122,098,000).

(d) Credit risk

It is the Group's policy that all customers are required to pay deposits in advance of the purchase of properties. In addition, receivable balances are monitored on an ongoing basis. Therefore, the credit risk from sales of properties is limited. There is no significant concentration of credit risk within the Group.

Trade receivables are mainly arisen from sales of properties, lease of investment properties and other service businesses. Other receivables mainly comprise amounts due from related parties and advances to local government authorities in connection with primary land development. The Group closely monitors these trade receivables and other receivables to ensure actions are taken to recover these balances in case of any risk of default.

On top of the credit risk arising from the financial guarantees provided by the Group as detailed in note 26, the credit risk of the Group's other financial assets, which mainly comprise cash and short term deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these assets.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Credit risk (Continued)

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of individual property owner or the borrower
- significant increases in credit risk on other financial instruments of the individual property owner or the same borrower
- significant changes in the expected performance and behavior of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

(i) Trade receivables and contract assets

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowances for trade receivables and contract assets.

As at 30 June 2022, the loss allowance for trade receivables was determined as follows. The expected credit losses below also incorporated forward looking information.

30 June 2022 (Unaudited)	Current RMB'000	Within 180 days RMB'000	More than 1 year past due RMB'000	More than 2 year past due RMB'000	Total RMB'000
Expected loss rate	0.95%	5.40%	22.21%	100.00%	
Gross carrying amount	185,969	183,283	116,440	35,269	520,961
Loss allowance	(1,767)	(9,894)	(25,864)	(35,269)	(72,794)

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Credit risk (Continued)

(i) Trade receivables and contract assets (Continued)

As at 31 December 2021, the loss allowance for trade receivables was determined as follows. The expected credit losses below also incorporated forward looking information.

31 December 2021 (Audited)	Current RMB'000	Within 180 days RMB'000	More than 2 year past due RMB'000	Total RMB'000
Expected loss rate	0.95%	4.77%	100.00%	
Gross carrying amount	229,916	333,836	35,269	599,021
Loss allowance	(2,184)	(15,940)	(35,269)	(53,393)

For contract assets, the expected credit losses of RMB161,000 as at 30 June 2022 and RMB126,000 as at 31 December 2021, were determined based on carrying amounts of RMB155,171,000 and RMB121,146,000 respectively at expected loss rate of 0.1%.

(ii) Other receivables (excluding prepayments)

The Group uses three categories for other receivables which reflect their credit risk and how the loss provision is determined for each of those categories. A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Group definition of category	Basis for recognition of expected credit loss provision	Basis for calculation of interest revenue
Stage one	Customers have a low risk of default and a strong capacity to meet contractual cash flow	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount
Stage two	Receivables for which there is a significant increase in credit risk since initial recognition	Lifetime expected losses	Gross carrying amount
Stage three	Receivables for which there is credit loss since initial recognition	Lifetime expected losses	Amortised cost carrying amount (net of credit allowance)

The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward looking macroeconomic data.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Credit risk (Continued)

(ii) Other receivables (excluding prepayments) (Continued)

As at 30 June 2022, the Group provides for loss allowance for other receivables as follows:

(Unaudited)	Category	Expected credit loss rate	Estimated gross carrying amount at default	Loss allowance	Carrying amount (net of impairment provision)
Amounts due from related parties	Stage one	**1.70%**	**30,171**	**(513)**	**29,658**
Receivables for primary land development	Stage one	**0.10%**	**1,041,392**	**(1,041)**	**1,040,351**
Others	Stage one	**0.97%**	**716,078**	**(6,912)**	**709,166**
Others	Stage three	**100.00%**	**9,795**	**(9,795)**	**–**
			1,797,436	**(18,261)**	**1,779,175**

As at 31 December 2021, the Group provides for loss allowance for other receivables as follows:

(Audited)	Category	Expected credit loss rate	Estimated gross carrying amount at default	Loss allowance	Carrying amount (net of impairment provision)
Amounts due from related parties	Stage one	1.70%	28,662	(487)	28,175
Receivables for primary land development	Stage one	0.10%	1,000,270	(1000)	999,270
Others	Stage one	0.94%	768,480	(7,224)	761,256
Others	Stage three	100.00%	9,795	(9,795)	–
			1,807,207	(18,506)	1,788,701

(e) Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other borrowings. In addition, banking facilities are available for contingency purposes.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(e) Liquidity risk (Continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	At 30 June 2022 (Unaudited)				
	On demand or within 1 year RMB'000	**In the second year RMB'000**	**3 to 5 years RMB'000**	**Beyond 5 year RMB'000**	**Total RMB'000**
Interest-bearing bank and other borrowings (note 24)	**13,669,677**	**–**	**–**	**–**	**13,669,677**
Trade payables (note 22)	**3,746,873**	**–**	**–**	**–**	**3,746,873**
Other payables and accruals (note 23)	**2,611,009**	**–**	**–**	**–**	**2,611,009**
Lease liabilities	**30,332**	**9,823**	**1,893**	**17,951**	**59,999**
	20,057,891	**9,823**	**1,893**	**17,951**	**20,087,558**
Financial guarantees issued:					
Maximum amount guaranteed (note 26)	**1,137,135**	**–**	**–**	**–**	**1,137,135**

	At 31 December 2021 (Audited)				
	On demand or within 1 year RMB'000	In the second year RMB'000	3 to 5 years RMB'000	Beyond 5 year RMB'000	Total RMB'000
Interest-bearing bank and other borrowings (note 24)	11,726,175	2,259,049	–	–	13,985,224
Trade payables (note 22)	4,067,022	–	–	–	4,067,022
Other payables and accruals (note 23)	2,387,184	–	–	–	2,387,184
Lease liabilities	17,390	9,390	17,508	20,453	64,741
	18,197,771	2,268,439	17,508	20,453	20,504,171
Financial guarantees issued:					
Maximum amount guaranteed (note 26)	1,348,587	–	–	–	1,348,587

note: The amounts of interest-bearing bank and other borrowings include future interest payments computed using contractual rates.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(f) Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and provide returns for shareholders and benefits for other stakeholders.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is subject to financial covenants attached to the interest-bearing bank and other borrowings that define capital structure requirements. The financial institutions have the right to call the bank and other borrowings immediately for breach of the relevant financial covenants. No changes were made in the objectives, policies or processes for managing capital during the period.

The Group monitors capital using a net debt ratio, which is net debt divided by the capital. Net debt includes interest-bearing bank and other borrowings and promissory notes, less cash and cash equivalents and restricted cash. Capital represents total equity. The net debt ratios as at the end of the reporting periods were as follows:

	30 June 2022 RMB'000	31 December 2021 RMB'000
Interest-bearing bank and other borrowings (note 24)	**12,707,257**	12,910,460
Less: Cash and cash equivalents (note 20)	**(221,482)**	(443,200)
Less: Restricted cash (note 20)	**(237,877)**	(330,685)
Net debt	**12,247,898**	12,136,575
Total equity	**12,211,933**	12,200,741
Net debt ratio	**100.3%**	99.5%

6. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has six reportable operating segments as follows:

(a) the property development segment engages in the development and sale of properties;

(b) the property investment segment invests in properties for their rental income potential and/or capital appreciation;

(c) the business park operation and management segment engages in the provision of operation and management services to the business park projects owned by the local governments or other independent third parties;

(d) the construction, decoration and landscaping segment engages in property construction, the provision of interior decoration to property buyers and landscaping services to property projects; and

(e) the others segment comprises corporate income and expense items.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measurement of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that interest income, dividend income and certain corporate gains and expenses and finance costs are excluded from such measurement.

Segment assets exclude deferred tax assets, prepaid corporate income tax, prepaid land appreciation tax, prepaid other taxes, amounts due from related parties, restricted cash and cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude derivative financial assets, interest-bearing bank and other borrowings and related interests payable, amounts due to related parties, tax payable, provision for land appreciation tax, other taxes payable and deferred tax liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

For the six months ended 30 June 2022, no single external customer's transaction generated revenue accounting for 10% or more of the Group's total revenue.

6. OPERATING SEGMENT INFORMATION (Continued)

For the six months ended 30 June 2022 (unaudited)

	Property development RMB'000	Property investment RMB'000	Business park operation and management RMB'000	Construction, decoration and landscaping RMB'000	Others RMB'000	Total RMB'000
Segment revenue:						
Sales to external customers	2,663,280	252,570	126,750	217,450	–	3,260,050
Segment results	345,263	183,177	10,049	4,844	(27,613)	515,720
Reconciliation:						
Interest income						2,192
Dividend income and unallocated gains						–
Corporate and other unallocated expenses						–
Finance costs						(202,354)
Profit before income tax						315,557
Income tax expenses						(304,365)
Profit for the period						11,192

For the six months ended 30 June 2021 (unaudited)

	Property development RMB'000	Property investment RMB'000	Business park operation and management RMB'000	Construction, decoration and landscaping RMB'000	Property management RMB'000	Others RMB'000	Total RMB'000
Segment revenue:							
Sales to external customers	1,179,418	240,291	150,509	180,161	68,932	–	1,819,311
Segment results	111,251	167,800	10,372	(1,881)	(5,327)	6,813	289,028
Reconciliation:							
Interest income							9,611
Dividend income and unallocated gains							739,092
Corporate and other unallocated expenses							–
Finance costs							(427,833)
Profit before income tax							609,898
Income tax expenses							(324,752)
Profit for the period							285,146

6. OPERATING SEGMENT INFORMATION (Continued)

Geographical information

Geographical information is not presented since all of the Group's revenue from external customers is generated in Mainland China and the majority of the segment assets of the Group are located in Mainland China. Accordingly, in the opinion of the Directors, the presentation of geographical information would provide no additional useful information to the users of these financial statements.

7. REVENUE

Revenue represents the gross proceeds from the sale of properties, gross rental income received and receivable from investment properties, an appropriate proportion of contract revenue from construction, decoration and landscaping, and business park operation and management service income received and receivable from the provision of operation and management services to the business park projects, all net of value-added tax and surcharges, during the period.

An analysis of the Group's revenue is as follows:

	For the six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers recognised at a point in time		
Sale of properties	**2,663,280**	1,179,418
Revenue from contracts with customers recognised over time		
Business park operation and management service income	**126,750**	150,509
Construction, decoration and landscaping income	**217,450**	180,161
Property management income	**–**	68,932
	344,200	399,602
Revenue from contracts with customers	**3,007,480**	1,579,020
Revenue from other sources		
Rental income	**252,570**	240,291
	3,260,050	1,819,311

8. OTHER INCOME

	For the six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income	**2,192**	9,611
Government subsidies	**4,052**	7,021
	6,244	16,632

9. EXPENSES BY NATURE

Expenses included in cost of sales, selling and marketing expenses and administrative expenses are analysed as follows:

	For the six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of properties sold	**2,123,263**	902,215
Cost of services provided	**305,696**	363,230
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	**84,243**	83,584
Employee benefit expenses	**59,671**	85,229
Short-term office lease expenses	**643**	5,048
Depreciation	**16,579**	18,789
Amortisation of intangible assets	**2,689**	6,229
Advertising	**12,377**	20,150
Other costs and expenses	**49,062**	79,485
Total cost of sales, selling and marketing expenses and administrative expenses	**2,654,223**	1,563,959

10. OTHER (LOSSES)/GAINS – NET

	For the six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Gains arising from disposal of subsidiaries(a)	**–**	771,779
Losses arising from disposal of a joint venture	**–**	(32,703)
Net foreign exchange (losses)/gains	**(101,584)**	9,193
Other items	**5,645**	(207)
	(95,939)	748,062

For the six months ended 30 June 2021, other gains/(losses)-net mainly included losses on disposal of 50% equity interests in Dalian Software Park Ascendas Development Company Limited ("**DLSP-Ascendas**") of approximately RMB32,703,000 and gains on disposal of 100% equity interests in Yida Property Service Company Limited of approximately RMB771,779,000.

(a) On 4 March 2021, four wholly-owned subsidiaries of the Company entered into an equity transfer agreement with Longfor Jiayue Property Service Company Limited ("**Longfor**"), pursuant to which the Group disposed 100% equity interests in Yida Property Service Company Limited ("**Yida Property Service**") for a consideration of RMB1,273,000,000. The Group also undertook to compensate Longfor in accordance with the compensation formula stipulated in the agreement, if Yida Property Service would not meet the guaranteed profit for each of the four years ending 31 December 2024.

On 10 March 2021, the disposal of Yida Property Service was completed and the Group recognised a gain of RMB771,779,000 arising from the disposal, taking into consideration of the estimated compensation to Longfor which was recognised as at 30 June 2021. As at 30 June 2022, the fair value of the compensation was determined to be nil.

11. FINANCE COSTS

	For the six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on bank loans and other loans	**514,807**	859,957
Interest on lease liabilities	**1,967**	1,949
Less: Interest capitalised	**(276,749)**	(396,639)
	240,025	465,267
Interest income	**(37,671)**	(37,434)
	202,354	427,833

12. INCOME TAX EXPENSES

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2022 and 2021. The income tax for the subsidiaries operating in Mainland China is calculated at the applicable tax rates on the taxable profits for the period.

An analysis of the income tax charges for the period is as follows:

	For the six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current:		
PRC corporate income tax	**216,346**	257,805
PRC land appreciation tax ("**LAT**")	**190,818**	53,297
	407,164	311,102
Deferred:		
Current period	**(102,799)**	13,650
Total tax charge for the period	**304,365**	324,752

13. INTERIM DIVIDEND

The Company resolved not to declare any interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: Nil).

14. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share is based on the profit for the period attributable to ordinary equity holders of the Company of RMB18,365,000 (six months ended 30 June 2021: RMB271,442,000), and the weighted average number of ordinary shares of 2,583,970,000 (six months ended 30 June 2021: 2,583,970,000) in issue during these periods.

Diluted earnings per share is same as basic earnings per share for the six months ended 30 June 2022 and 2021 as the Group had no potentially dilutive ordinary shares in issue during those periods.

15. PROPERTY, PLANT AND EQUIPMENT

As at 30 June 2022, certain of the Group's property, plant and equipment of RMB27,722,000 (31 December 2021: RMB30,466,000) were pledged to banks to secure the loans granted to the Group (note 24).

16. INVESTMENT PROPERTIES

	Right-of-use Assets RMB'000	**Completed RMB'000**	**Under construction RMB'000**	**Total RMB'000**
(Unaudited)				
At 1 January 2022	**44,000**	**12,922,800**	**5,695,349**	**18,662,149**
Additions	**–**	**1,513**	**(12,191)**	**(10,678)**
Transfer to properties under development	**–**	**–**	**(615,145)**	**(615,145)**
Net gains/(losses) from fair value adjustments	**–**	**(1,513)**	**23,762**	**22,249**
At 30 June 2022	**44,000**	**12,922,800**	**5,091,775**	**18,058,575**

	Right-of-use Assets RMB'000	Completed RMB'000	Under construction RMB'000	Total RMB'000
(Unaudited)				
At 1 January 2021	45,000	13,246,500	5,691,217	18,982,717
Additions	–	1,302	551	1,853
Net gains/(losses) from fair value adjustments	(1,000)	(12,402)	472	(12,930)
At 30 June 2021	44,000	13,235,400	5,692,240	18,971,640

16. INVESTMENT PROPERTIES (Continued)

As at 30 June 2022, certain of the Group's investment properties of RMB15,884,438,000 (31 December 2021: RMB18,138,744,000) were pledged to banks to secure the loans granted to the Group (note 24).

The Group's completed investment properties are leased to third parties under operating leases, further summary details of which are included in note 28 of these condensed financial statements.

As at 30 June 2022, the Group performed internal valuations on completed investment properties and investment properties under construction, which were stated at fair value and included within level 3 of fair value hierarchy. In the opinion of the Directors, for all investment properties that are measured at fair value, the current use of the properties is their highest and best use. There were no significant changes to the valuation techniques from 31 December 2021.

The amount of the completed investment properties and investment properties under construction of the Group measured at fair value were RMB1,515,000,000 as at 30 June 2022 (31 December 2021: RMB1,515,000,000), which are subject to restrictions on sale and transfer, but may be leased to tenants that are engaged in software research and outsourcing services.

17. LAND HELD FOR DEVELOPMENT FOR SALE

	Six months ended 30 June 2022 RMB'000 (Unaudited)	Year ended 31 December 2021 RMB'000 (Audited)
Carrying amount at beginning of period/year	**938,059**	784,753
Additions	**–**	170,355
Transfer to properties under development	**(3,138)**	(17,049)
Carrying amount at end of period/year	**934,921**	938,059
Current portion	**(934,921)**	(938,059)
Non-current portion	**–**	–

As at 30 June 2022, certain of the Group's land held for development for sale of RMB934,921,000 (31 December 2021: RMB935,669,000) were pledged to banks to secure the bank and other loans granted to the Group (note 24).

18. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Prepayments	**404,988**	407,471
Deposits and other receivables	**1,797,436**	1,807,207
Less: Allowances for impairment of deposits and other receivables	**(18,261)**	(18,506)
Carrying amount at end of period	**2,184,163**	2,196,172
Current portion	**(1,625,805)**	(1,677,286)
Non-current portion	**558,358**	518,886

note:

As at 30 June 2022, certain of the Group's other receivables of RMB nil (31 December 2021: RMB74,707,000) were pledged to banks to secure the loans granted to the Group (note 24).

The Group applies the general approach to provide for expected credit losses prescribed by HKFRS 9.

As at 30 June 2022, included in the Group's prepayments, deposits and other receivables are amounts due from associates of RMB30,171,000 (31 December 2021: RMB28,662,000), which are unsecured, interest-free and repayable on demand.

As at 30 June 2022, included in the Group's prepayments, deposits and other receivables are amounts due from joint ventures of RMB660,000 (31 December 2021: RMB660,000), which are unsecured, interest-free and repayable on demand.

As at 30 June 2022, included in the Group's other receivables are advances of RMB1,041,392,000 (31 December 2021: RMB1,000,270,000) to certain local government authorities in Dalian, the PRC, in connection with the primary land development of certain land parcels in Dalian, the PRC.

19. TRADE RECEIVABLES

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Trade receivables – gross amount	**520,961**	599,021
Less: Allowances for impairment of trade receivables	**(72,794)**	(53,393)
	448,167	545,628

Trade receivables are mainly arisen from sales of properties, leases of investment properties and other services business. The payment terms of contract works receivables are stipulated in the relevant contracts. Trade receivables are non-interest-bearing.

An aging analysis of the gross trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Within 1 year	**199,615**	258,913
1 to 2 years	**62,794**	121,096
Over 2 years	**258,552**	219,012
	520,961	599,021

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. As at 30 June 2022, a provision of RMB72,794,000 (31 December 2021: RMB53,393,000) was made against the gross amount of trade receivables.

20. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Cash and bank balances (notes)	**459,359**	773,885
Less: Restricted cash	**(237,877)**	(330,685)
Cash and cash equivalents	**221,482**	443,200

20. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (Continued)

Cash at banks earns interest at floating rates based on daily bank deposit rates.

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to RMB456,749,000 (31 December 2021: RMB755,250,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

notes:

(a) According to the relevant loan facility agreements signed by certain subsidiaries of the Group with the banks, the subsidiaries are required to place the pre-sale proceeds from their properties at designated bank accounts. The deposits can only be used for the payment of property development costs incurred by the subsidiaries and the repayment of the relevant loans. As at 30 June 2022, such guarantee deposits amounted to RMB25,119,000 (31 December 2021: RMB42,037,000).

(b) As at 30 June 2022, the deposits of the Group amounted to RMB211,359,000 (31 December 2021: RMB250,248,000), were placed at designated bank accounts by certain subsidiaries of the Group for the payment of promissory notes, compensation of potential industrial accidents that would occur during construction work and the training of talents, in accordance with the relevant regulation implemented by contracts and local governments.

(c) As at 30 June 2022, certain of the Group's time deposits of RMB1,400,000 (31 December 2021: RMB38,400,000) were pledged to banks loans to secure the bank and other loans granted to the Group (note 24).

21. CONTRACT LIABILITIES

Contract liabilities of the Group represented amounts received from buyers in connection with the pre-sale of properties and gross amounts due to contract customers as at the reporting period end.

22. TRADE PAYABLES

An aging analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Due within 1 year or on demand	1,904,438	2,647,053
Due within 1 to 2 years	1,842,435	1,419,969
	3,746,873	4,067,022

The trade payables are non-interest-bearing and unsecured.

23. OTHER PAYABLES AND ACCRUALS

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Employee benefits payable	**199,209**	203,803
Accruals	**776,467**	664,407
Other payables	**2,392,103**	2,245,700
Carrying amount at end of the period/year	**3,367,779**	3,113,910
Current portion	**(3,367,779)**	(3,113,910)
Non-current portion	**–**	–

note:

As at 30 June 2022, included in the Group's other payables are amounts due to joint ventures of RMB28,695,000 (31 December 2021: RMB28,695,000), which are unsecured, interest-free and repayable on demand.

As at 30 June 2022, included in the Group's other payables are amounts due to Main Zone Limited and Innovate Zone Group Limited of RMB25,865,000 (31 December 2021: RMB26,310,000) and RMB172,643,000 (31 December 2021: RMB175,478,000) respectively, as part of the consideration for the acquisition of 28.2% and 61.54% equity interests in Richcoast Group. The payables due to Main Zone Group Limited and Innovate Zone Group Limited carry a late payment interest at a rate of 5% per annum, and it has been further adjusted to a rate of 15% per annum from 30 June 2019.

As at 30 June 2022, included in the Group's other payables were amounts due to Aetos Parties of RMB947,169,000 bearing interest rate of 21.9% per annum (31 December 2021: RMB824,904,000), which were in connection with the acquisition of the remaining equity interests in Dalian Yihong and Dalian Yize. Pursuant to the settlement agreement with Aetos Parties dated on 4 March 2021, the Group should settle the payables to Aetos Parties by instalments before 30 September 2021 in accordance with an agreed payment schedule. However, the Group failed to fulfill the settlement agreement till 30 June 2022. Subsequent thereto, Aetos Parties formally demanded the Group to settle the unpaid balance, among other actions, to Aetos Parties' satisfaction, or otherwise a winding-up petition may be presented to the court. The Group has since then proposed settlement plans to and has been actively negotiating with Aetos Parties.

24. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 June 2022 (Unaudited)		31 December 2021 (Audited)	
	Effective interest rate (%)	RMB'000	Effective interest rate (%)	RMB'000
Current				
Bank loans – secured	**4.55-6.65**	**4,680,107**	3.85-7.45	4,563,730
Bank loans – unsecured	**–**	**–**	4.25	1,600
Other loans – secured	**6.00-14.30**	**6,186,326**	6.00-14.30	4,450,298
Other loans – unsecured	**1.20-6.00**	**1,840,824**	1.20-12.00	1,854,632
		12,707,257		10,870,260
Non-current				
Bank loans – secured	**–**	**–**	4.55	354,000
Other loans – secured	**–**	**–**	6.00-13.00	1,686,200
		–		2,040,200
		12,707,257		12,910,460

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year or on demand	**4,680,107**	4,565,330
In the second year	**–**	354,000
	4,680,107	4,919,330
Other loans repayable:		
Within one year or on demand	**8,027,150**	6,304,930
In the second year	**–**	1,686,200
	8,027,150	7,991,130
	12,707,257	12,910,460

24. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

As at 30 June 2022, included in bank loans of the Group is an amount of RMB2,219,267,000 (31 December 2021: RMB2,320,290,000) containing an on-demand clause, which has been classified as current liabilities. For the purpose of the table above, the loan is included within current interest-bearing bank and other borrowings and analysed into bank loans repayable within one year or on demand.

The current bank and other borrowings included borrowings with principal amounts of RMB3,056,277,000 (31 December 2021: RMB2,659,277,000) with original maturity dates beyond 30 June 2023, which have been reclassified as current liabilities as at 30 June 2022 as a result of the matters described in note 2.

(a) As at 30 June 2022, included in other loans of the Group were the first tranche and the second tranche of corporate bonds with the principal amounts of RMB800,000,000 and RMB479,223,000 respectively (31 December 2021: RMB800,000,000 and RMB524,223,000 respectively). The first tranche and the second tranche of corporate bonds were issued by Yida Development Company Limited ("**Yida Development**"), an indirectly wholly-owned subsidiary of the Company, on 24 September 2015 and 8 March 2016, respectively.

    As at 30 June 2022, the remaining first tranche of corporate bond with the principal amount of RMB800,000,000 were due on 31 December 2022, bearing interest at a rate of 6% per annum (31 December 2021: 6%). The remaining second tranche of corporate bond with the principal amount of RMB479,223,000 were due on 31 December 2022, bearing interest at a rate ranging from 2% to 6% per annum (31 December 2021: 6%).

(b) As at 31 December 2021, included in other loans of the Group were senior notes due on 27 March 2022 (the "**Senior Notes**") with carrying amount of RMB1,332,049,000, the principal amount and interest of which were not paid according to the scheduled payment date and constituted on event of default. The Senior Notes were unsecured, bearing interest at a rate of 6.95% per annum, and were guaranteed by certain subsidiaries of the Group.

    On 17 February 2022, a solicitation of consents for the Senior Notes was completed. Events of default relating to above-mentioned failure to pay the principal amount and interest of the Senior Notes and other cross-default terms were waived. The maturity date of the Senior Notes was extended to 30 April 2025 while the interest rate of the Senior Notes changed to 6% per annum.

    On 30 June 2022, the Company failed to pay the consent fee of USD3,450,000 according to the scheduled payment date in the solicitation of consents.

24. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

(c) Certain of the Group's bank and other loans are secured or guaranteed by:

(i) pledges of the Group's properties under development with an aggregate carrying amount as at 30 June 2022 of approximately RMB5,592,438,000 (31 December 2021: RMB6,324,475,000);

(ii) pledges of the Group's investment properties with an aggregate carrying amount as at 30 June 2022 of approximately RMB15,884,438,000 (31 December 2021: RMB18,138,744,000);

(iii) pledges of the Group's land held for development for sale with an aggregate carrying amount as at 30 June 2022 of approximately RMB934,921,000 (31 December 2021: RMB935,669,000);

(iv) pledges of the Group's completed properties held for sale with an aggregate carrying amount as at 30 June 2022 of approximately RMB3,731,731,000 (31 December 2021: RMB4,930,857,000);

(v) pledge of a building of the Group with a carrying amount as at at 30 June 2022 of approximately RMB27,722,000 (31 December 2021: RMB30,466,000);

(vi) corporate guarantees executed by certain subsidiaries of the Group to the extent of RMB8,534,623,000 as at 30 June 2022 (31 December 2021: RMB8,687,847,000);

(vii) pledges of certain equity interests of the subsidiaries of the Company as at the end of the reporting period;

(viii) pledges of certain of the Group's time deposits with an aggregate carrying value at 30 June 2022 of approximately RMB1,400,000 (31 December 2021: RMB38,400,000); and

(ix) pledges of certain of other receivables of the Group with a carrying value at 30 June 2022 of approximately RMB nil (31 December 2021: RMB74,707,000).

(d) Other than certain other borrowings with a carrying amount of RMB1,416,680,000 (31 December 2021: RMB1,381,141,000) denominated in USD as at 30 June 2022 and RMB531,507,000 denominated in HKD as at 30 June 2022 (31 December 2021: RMB508,138,000), the remaining bank borrowings and other borrowings of the Group are denominated in RMB as at 30 June 2022 and 31 December 2021.

(e) As at 30 June 2022, included in other loans of the Group were loans from a related party (Shanghai Jiayu Medical Investment Management Co., Ltd. and Jiahuang (Holdings) Investment Limited) controlled by the same ultimate holding company of the Company with principal amounts of RMB659,874,000 (31 December 2021: RMB657,289,000), among which RMB408,315,000 (31 December 2021: RMB405,730,000), were unsecured, borne interest at 6% per annum (31 December 2021: 6%) and were repayable within one year, while the remaining RMB251,559,000 (31 December 2021: RMB251,559,000), were secured, borne interest at 6% per annum (31 December 2021: 6%) and were repayable within one year.

25. SHARE CAPITAL

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Authorised:		
50,000,000,000 shares of US$0.01 each	**3,124,300**	3,124,300
Issued and fully paid:		
2,583,970,000 ordinary shares of US$0.01 each	**159,418**	159,418

26. FINANCIAL GUARANTEES

The Group had the following financial guarantees as at the end of the reporting period:

(a) As at 30 June 2022, the maximum obligation in respect of the mortgage facilities provided to certain purchasers of the Group's properties amounted to RMB953,922,000 (31 December 2021: RMB1,028,783,000).

At the end of the reporting period, the Group provided guarantees in respect of the mortgage facilities granted by certain banks to certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default on mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owed by the defaulted purchasers to the banks.

Under the above arrangement, the related properties were pledged to the banks as security on the mortgage loans. Upon default on mortgage payments by these purchasers, the banks are entitled to take over the legal titles and can realise the pledged properties through open auction. The Group is obliged to repay the banks for the shortfall if the proceeds from the auction of the properties cannot cover the outstanding mortgage principals together with the accrued interest and penalties.

The Group's guarantee period starts from the dates of grant of the relevant mortgage loans, and ends upon the earlier of (i) the issuance of real estate ownership certificates to the purchasers, which will generally be available within one to two years after the purchasers take possession of the relevant properties; and (ii) the settlement of mortgage loans between the mortgage banks and the purchasers.

(b) The Group provided guarantees to the extent of RMB183,213,000 (31 December 2021: RMB319,804,000) as at 30 June 2022 in respect of bank loans granted to its joint ventures.

In determining whether financial liabilities should be recognised in respect of the Group's financial guarantee contracts, the Directors exercise judgement in the evaluation of the probability of resources outflow that will be required and the assessment of whether a reliable estimate can be made of the amount of the obligation.

In the opinion of the Directors, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition and the Directors consider that the possibility of the default of the parties involved is remote, and accordingly, no value has been recognised in the unaudited condensed consolidated financial statements.

27. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's bank and other loans are included in note 24 to the financial statements.

28. OPERATING LEASE ARRANGEMENTS

(i) As lessor

The Group leases its investment properties (note 16) under operating lease arrangements, with leases negotiated for terms ranging from one to thirteen years. The terms of the leases generally also require the tenants to pay security deposits and to provide for periodic rent adjustments according to the then prevailing market conditions. Certain contingent rent receivables are determined based on the turnover of the lessees.

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Within one year	**250,687**	294,142
In the second to fifth years, inclusive	**557,963**	645,328
After five years	**552,337**	578,902
	1,360,987	1,518,372

29. COMMITMENTS

In addition to the operating lease commitments detailed in note 28 above, the Group had the following capital commitments at the end of the reporting period:

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Contracted, but not provided for:		
Capital expenditure for investment properties under construction and properties under development in Mainland China	**4,134,091**	4,092,076
Capital contribution to a joint venture	**108,313**	2,040
	4,242,404	4,094,116

29. COMMITMENTS (Continued)

In addition, the Group's share of the joint ventures' own capital commitments, which are not included in the above, is as follows:

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Contracted, but not provided for:		
Capital expenditure for investment properties under construction and properties under development in Mainland China	**38,082**	127,204

30. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these unaudited condensed consolidated financial statements, the Group had the following material transactions with related parties during the period:

	notes	For the six months ended 30 June 2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Service fees from joint ventures	(i)	**38**	7,942
Interest expenses to a joint venture	(ii)	**–**	6

notes:

(i) The service fees were related to the construction services, landscaping services and property management services provided by the Group at rates determined in accordance with the terms and conditions set out in the contracts entered into between the related parties.

(ii) The interest expense was related to loans from a joint venture to the Group. The interest rates were mutually agreed with the related parties.

In the opinion of the Directors, the above transactions were entered into in the ordinary course of business of the Group.

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts of each of the categories of financial instruments of the Group are as follows:

At 30 June 2022 (Unaudited)

Financial assets

	Financial assets at amortised cost RMB'000
Trade receivables (note 19)	448,167
Deposits and other receivables (note 18)	1,779,175
Restricted cash (note 20)	237,877
Cash and cash equivalents (note 20)	221,482
	2,686,701

Financial liabilities

	Financial liabilities at amortised cost RMB'000
Trade payables (note 22)	3,746,873
Other payables and accruals (note 23)	2,611,009
Interest-bearing bank and other borrowings (note 24)	12,707,257
Lease liabilities	55,499
	19,120,638

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

At 31 December 2021 (Audited)

Financial assets

	Financial assets at amortised cost RMB'000
Trade receivables (note 19)	545,628
Deposits and other receivables (note 18)	1,788,701
Restricted cash (note 20)	330,685
Cash and cash equivalents (note 20)	443,200
	3,108,214

Financial liabilities

	Financial liabilities at amortised cost RMB'000
Trade payables (note 22)	4,067,022
Other payables and accruals (note 23)	2,387,184
Interest-bearing bank and other borrowings (note 24)	12,910,460
Lease liabilities	52,439
	19,417,105

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy as at 30 June 2022 (Unaudited)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
(Unaudited)				
Assets measured at fair value:				
Investment properties (note 16)	–	–	17,556,070	17,556,070
	–	–	17,556,070	17,556,070

Fair value hierarchy as at 31 December 2021 (Audited)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
(Audited)				
Assets measured at fair value:				
Investment properties (note 16)	–	–	18,150,400	18,150,400
	–	–	18,150,400	18,150,400

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The fair values of the non-current portion of other receivables and interest-bearing bank and other borrowings are approximate to their carrying amounts as at 30 June 2022 and 31 December 2021.

The details of the valuation technique and inputs used in the fair value measurement of investment properties has been disclosed in note 16 to the unaudited condensed consolidated financial statements, respectively.

During the six months ended 30 June 2022 and 2021, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

The Group's finance department determines the policies and procedures for recurring fair value measurement, such as investment properties and derivative financial assets. The finance department comprises the head of the investment properties segment, head of the Group's investment team, chief financial officer and the managers of each property.

External valuers are involved for the valuation of significant assets, such as investment properties and significant liabilities, such as derivative financial liabilities. Involvement of external valuers is decided upon annually by the finance department. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The finance department decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the finance department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the finance department verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The finance department, in conjunction with the Group's external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

"2020 Notes"	the USD300,000,000, 6.95%, senior notes due 2020 issued by the Company on 17 April 2017
"2022 Notes"	the senior notes issued by the Company on 27 March 2020 due 27 March 2022 (ISIN: XS2130508000; Common Code: 213050800)
"Aetoes Parties"	Lorraine Investment, Ltd., Normandy Investment, Ltd., Capital Chain Holdings Limited and Better Chance Investments Limited
"Audit Committee"	the audit committee of the Company
"CG Code"	the "Corporate Governance Code" as contained in Part 2 of Appendix 14 to the Listing Rules
"Charged Shares"	the 516,764,000 Shares charged by Jiayou in favour of the Aetos Parties pursuant to the Company Share Charge
"China Minsheng"	China Minsheng Investment Corp., Ltd.
"Company"	Yida China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the main board of the Stock Exchange (stock code: 3639)
"Company Share Charge"	a share charge entered into by Jiayou in favour of Aetos Parties, pursuant to which Jiayou agreed to charge 516,764,000 Shares held by it in favour of Aetos Parties as security for the obligation of Yida Parties under the Settlement Agreement
"Consent Solicitation"	the solicitation of consents entered into between the Company, certain of its subsidiaries (as subsidiary guarantors) and Citicorp International Limited (as trustee) on 7 February 2022 in relation to the proposed waivers of certain defaults under the Indenture and the 2022 Notes and the proposed amendments to the Indenture
"CMIG Jiaye"	China Minsheng Jiaye Investment Co., Ltd.
"Eligible Holders"	holders of the 2022 Notes who are non-U.S. persons located outside the United States or certain fiduciaries holding accounts for the benefit of non-U.S. persons outside the United States
"Final Award"	the final award issued by the Hong Kong International Arbitration Centre on 20 October 2020 comprising the full put option price of USD108 million, accrued interest of USD84 million, legal costs and expenses, and arbitration cost
"GFA"	gross floor area
"Group"	the Company and its subsidiaries
"Indenture"	the indenture dated as of 27 March 2020 (as supplemented or amended)
"Jiahuang"	Jiahuang (Holdings) Investment Limited

“Jiayou”	Jiayou (International) Investment Limited
“Listing”	the listing of the Shares on the Stock Exchange on 27 June 2014
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Model Code”	the “Model Code for Securities Transactions by Directors of Listed Issuers” set out in Appendix 10 to the Listing Rules
“Obligors”	Dalian Yida Property Co., Ltd., Gang Xin Limited and King Equity Holdings Limited, all being wholly-owned subsidiaries of the Company
“Period”	the six months ended 30 June 2022
“Pinzui”	Shanghai Pinzui Enterprise Management Ltd.
“PRC”	the People’s Republic of China
“Settlement Agreement”	the settlement agreement entered into among Aetos Parties, the Obligors and the Yida Parties in relation to the settlement arrangement for the outstanding payments under the Final Award
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Shares”	ordinary share(s) of US$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Total Payment Obligation’	the amount of approximately USD209 million which the Obligors acknowledged that they are indebted to the Aetos Parties pursuant to the Settlement Agreement
“Yida Parties”	the Company, its five wholly-owned subsidiaries and its two joint ventures
“sq.m.”	square meters

商務園區運營專家
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