



明发集团
MINGFA GROUP

Mingfa Group (International) Company Limited

明發集團（國際）有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code : 846

2023
INTERIM REPORT





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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Ng Man Fung Walter
Mr. Zhong Xiaoming
Mr. Liu Yuwei

Non-Executive Director

Dr. Lam, Lee G. (*Chairman*)

Independent Non-Executive Directors

Mr. Lau Kin Hon
Mr. Chu Kin Wang Peleus
Mr. Chan Sing Lai

COMPANY SECRETARY

Mr. Poon Wing Chuen (*FCCA*)

AUDIT COMMITTEE

Mr. Chu Kin Wang Peleus
(chairperson of the committee)
Mr. Lau Kin Hon
Mr. Chan Sing Lai

NOMINATION COMMITTEE

Mr. Chan Sing Lai
(chairperson of the committee)
Mr. Lau Kin Hon
Mr. Chu Kin Wang Peleus

REMUNERATION COMMITTEE

Mr. Lau Kin Hon
(chairperson of the committee)
Mr. Chu Kin Wang Peleus
Mr. Chan Sing Lai

RISK MANAGEMENT COMMITTEE

Mr. Chan Sing Lai
(chairperson of the committee)
Mr. Lau Kin Hon
Mr. Chu Kin Wang Peleus

AUTHORISED REPRESENTATIVES

Mr. Ng Man Fung Walter
Mr. Poon Wing Chuen (*FCCA*)

REGISTERED OFFICE

Vistra (Cayman) Limited
P.O. Box 31119 Grand Pavilion
Hibiscus Way, 802 West Bay Road
Grand Cayman, KY1-1205
Cayman Islands



Corporate Information

HEAD OFFICE IN THE PEOPLE'S REPUBLIC OF CHINA ("PRC")

Jiangsu Mingfa Business Park
No. 88 Pudong North Road
Pukou, Nanjing City
Jiangsu Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat B, 30/F
Plaza 88
88 Yeung Uk Road
Tsuen Wan
Hong Kong

COMPANY'S WEBSITE

<http://www.ming-fa.com>

STOCK CODE ON THE STOCK EXCHANGE OF HONG KONG LIMITED (MAIN BOARD)

846

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
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

PRINCIPAL BANKERS

Hang Seng Bank Limited
Bank of China (Hong Kong) Limited

LEGAL ADVISER AS TO HONG KONG LAWS

DeHeng Law Offices (Hong Kong) LLP
28/F, Henley Building
5 Queen's Road Central
Hong Kong

AUDITOR

BDO Limited
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong



Financial Highlights

	Unaudited		
	For the six months ended 30 June		
	2023	2022	Percentage of increase/ (decrease)
Revenue (<i>RMB million</i>)	5,511.2	5,957.7	(7.5%)
Profit attributable to equity holders of the Company (<i>RMB million</i>)	343.8	316.8	8.5%
Basic and diluted earnings per share (<i>RMB cents</i>)	5.6	5.2	7.7%

The board (“**Board**”) of directors (“**Directors**”) of Mingfa Group (International) Company Limited (“**Company**”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (“**Group**”) for the six months ended 30 June 2023 together with comparative amounts for the corresponding period in 2022.



Management Discussion and Analysis

RESULTS

The unaudited consolidated revenue of the Group decreased by approximately 7.5% to approximately RMB5,511.2 million (corresponding period in 2022: approximately RMB5,957.7 million) for the six months ended 30 June 2023.

During the period under review, the unaudited consolidated profit attributable to equity holders of the Company was approximately RMB343.8 million (corresponding period in 2022: approximately RMB316.8 million), representing an increase of approximately 8.5% compared to the corresponding period in 2022.

The unaudited basic and diluted earnings per share were RMB5.6 cents for the six months ended 30 June 2023 (corresponding period in 2022: RMB5.2 cents), representing an increase of 7.7% compared to the corresponding period in 2022.

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2023 (corresponding period in 2022: Nil).

INDUSTRY REVIEW

The real estate market was still stagnant in 2023. Potential property buyers have concerns about the future real estate market and have hesitation to purchase property. Local banks have also adopted a more prudent approach in granting bank loans to the developers to finance the property development. Furthermore, property developers find it more difficult to raise fund through offshore bonds to finance their operation. Some developers encountered severe liquidity problems and had defaults in their bonds and interest payments. It is uncertain whether these developers can reach capital re-structuring plans with the investors.

In consideration of the uncertain global economy, the PRC government has loosened certain measures to stimulate the local real estate market. It is expected that the real estate market will stabilise in the second half of 2023.



Management Discussion and Analysis

BUSINESS REVIEW

Sales and Earnings

The unaudited consolidated revenue for the six months ended 30 June 2023 was approximately RMB5,511.2 million (corresponding period in 2022: approximately RMB5,957.7 million), representing a decrease of approximately 7.5%. The decrease in revenue was due to the net effect of the decrease in gross floor area (“**GFA**”) delivered to the buyers from 919,611.0 square metres (“**sq.m.**”) for the six months ended 30 June 2022 to 805,529.7 sq.m. for the six months ended 30 June 2023 and the increase in average selling price (“**ASP**”) from RMB5,835.8 per sq.m. for the six months ended 30 June 2022 to RMB6,267.1 per sq.m. for the six months ended 30 June 2023.

The unaudited consolidated gross profit for the six months ended 30 June 2023 was approximately RMB1,755.5 million (corresponding period in 2022: approximately RMB1,427.3 million), representing an increase of approximately 23.0% which was mainly due to the increase in gross profit margin from 24.0% for the six months ended 30 June 2022 to 31.9% for the corresponding period in 2023.

Fair value losses of approximately RMB183.9 million on investment properties for the six months ended 30 June 2023 was mainly due to the downturn of market value in commercial properties (corresponding period in 2022: fair value gains approximately RMB87.9 million).

Net other losses of approximately RMB169.4 million was incurred for the six months ended 30 June 2023 (corresponding period in 2022: approximately RMB138.9 million). Such an increase was mainly due to the increase in exchange losses arising from currency translation of the offshore liabilities denominated in USD and HKD for the six months ended 30 June 2023.

Selling and marketing costs were approximately RMB318.5 million for the six months ended 30 June 2023, representing an increase of 49.1% compared with the corresponding period in 2022 (corresponding period in 2022: approximately RMB213.6 million). The increase was mainly due to the increase in sales commission rate to stimulate the contracted sales.

General and administrative expenses were approximately RMB305.3 million for the six months ended 30 June 2023, representing a decrease of 15.5% compared with the corresponding period in 2022 (corresponding period in 2022: approximately RMB361.2 million). The decrease was mainly due to the decrease in salary for the six months ended 30 June 2023.



Management Discussion and Analysis

Interest expenses on borrowings including capitalised interest decreased by 56.1% to approximately RMB43.4 million (corresponding period in 2022: approximately RMB98.9 million). The decrease was mainly due to the drop in borrowings from RMB3,371.4 million as at 30 June 2022 to RMB2,287.3 million as at 30 June 2023.

As a result of the foregoing factors, unaudited consolidated profit attributable to the equity holders of the Company for the six months ended 30 June 2023 was approximately RMB343.8 million (corresponding period in 2022: approximately RMB316.8 million), representing an increase of 8.5% compared with the corresponding period in 2022.

Regarding the recognised sales for the six months ended 30 June 2023, the ASP per sq.m. achieved by the Group was RMB6,267.1 per sq.m., representing an increase of 7.4% from RMB5,835.8 per sq.m. for the corresponding period in 2022. The increase in ASP for the six months ended 30 June 2023 was mainly due to fewer resettlement houses being delivered in Anhui Province with lower ASP during the six months ended 30 June 2023.

Contracted Sales

For the six months ended 30 June 2023, the Group achieved contracted sales of approximately RMB4,008.0 million (corresponding period in 2022: approximately RMB3,120.8 million). The ASP for the contracted sales had decreased by 5.4% to RMB7,030.0 per sq.m. during the period under review (corresponding period in 2022: approximately RMB7,429.1 per sq.m.).

Management Discussion and Analysis

Pre-sold Properties

As at 30 June 2023, the aggregated attributable GFA of pre-sold properties not yet delivered to the buyers was 1,190,085 sq.m. (as at 31 December 2022: 1,352,877 sq.m.). Set out below are the details of the properties, the Group's interest and the attributable pre-sold GFA of the Group:

City	Property	Group's Interest	Attributable Pre-sold GFA (sq.m.)
Suining	Suining Shuiyun Taoyuan	100%	111,898
Fengxian	Xingyue City	70%	86,451
Liu'an	Ye Ji City Square	100%	81,728
Suqian	Siyang Mingfa Shoufu	70%	67,288
Yan'an	Yan'an Zhi Sing	100%	52,383
Fengyang	Fengyang Shuiyun Taoyuan	100%	51,630
Ma'anshan	Mingbo Yue City	100%	47,682
Jinzhai	Jinzhai Mingfa City Square	100%	46,896
Shenyang	Shenyang Mingfa Shanghe Shidai	100%	41,761
Shenyang	Shenyang Mingfa Jinxiuhwa City	100%	40,726
Jinzhai	Jinzhai Yueshanyuefu	100%	37,131
Qingyang	Qingyang Yangguang Qingcheng	100%	37,131
Zhangzhou	Zhangzhou Longhai Mingfa Mall	100%	34,387
Huizhou	Huizhou Mingfa Gaobang New Town	80%	29,898
Nanjing	Nanjing Mingfa Shopping Mall	100%	28,892
Wujiang	Wujiang Mingfa Jiangwan New City	100%	28,305
Laian	Mingfa North Station Meiyuan	100%	28,305
Huai'an	Huai'an Mingfa Shopping Mall	100%	20,636
Laian	Mingfa North Station Yayuan	100%	16,682
Shenyang	Shenyang Mingfa Mall	100%	13,479
Nanjing	Nanjing Mingfa Wealth Centre	100%	11,272
Nanjing	Nanjing Mingfa Riverside New Town	100%	10,422
Dingyuan	Dingyuan Mingfa Shuiyun Taoyuan	100%	9,649
Zibo	Zibo World Trade Centre	100%	7,496
Zhangzhou	Zhangzhou Mingfa Shopping Mall	100%	7,061
Jinhu	Jinse Shuian	100%	6,626
Nanjing	Nanjing Mingfa City Square	100%	6,556
Nanjing	Nanjing Mingfa International Business Centre	100%	6,245
Laian	Mingfa North Station New Town	100%	6,141
Others			215,328
Total			1,190,085

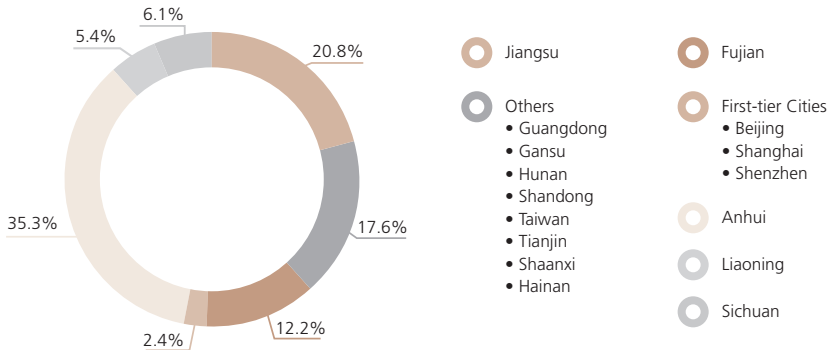
Management Discussion and Analysis

Summary of Land Bank

As at 30 June 2023, land reserves attributable to the Group decreased by 2.7% to approximately 17.9 million sq.m. (approximately 18.4 million sq.m. as at 31 December 2022), consisting of 131 projects (129 projects as at 31 December 2022) in total.

	Number of Projects	Attributable GFA (million sq.m.)
Completed projects	43	3.1
Projects under development	69	12.0
Projects for future development	19	2.8
Total	131	17.9

Total Land Bank by Province as at 30 June 2023



Management Discussion and Analysis

The following tables summarise the details of the Group's land reserves as at 30 June 2023:

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Completed Properties (held for sale/leasing) (Note 1)								
Xiamen Mingfa Seascape Garden	Located at Qianpu South 2 Road, Siming District, Xiamen, Fujian Province	Dec/2004	Residential/ Commercial/ Office	Completed	18,247	120	100%	120
Xiamen Mingfa Noble Place	Located at Jiangtou Residential, Huli District, Xiamen, Fujian Province	Dec/2004	Residential/ Commercial/ Office	Completed	5,529	1,287	100%	1,287
Xiamen Mingfa Garden	Located at Huanhuli South, Lvling Road, Siming District, Xiamen, Fujian Province	Apr/2005	Residential/ Commercial	Completed	18,697	13,527	100%	13,527
Xiamen Jianqun Elegant Garden	Located at north of Qianpu Lianqian East Road, Huli District, Xiamen, Fujian Province	Apr/2005	Residential/Office	Completed	10,257	1,418	100%	1,418
Xiamen Mingfa International New Town	Located at Qianpu Lianqian Road South, Siming District, Xiamen, Fujian Province	Feb/2002	Residential/ Commercial/ Office	Completed	26,016	5,435	100%	5,435
Xiamen Mingfa Shopping Mall	Located to the northwest of Jiahe Road and Lianqian Road, Siming District, Xiamen, Fujian Province	Oct/2007	Commercial/Office/ Hotel	Completed	166,775	1,619	70%	1,132
Xiamen Mingfa Town	Located at Lvling Road, Siming Industrial Park, Siming District, Xiamen, Fujian Province	Jan/2008	Residential/ Commercial	Completed	12,879	14,930	100%	14,930
Nanjing Mingfa Pearl Spring Resort	Located in Pearl Spring Resort, Pukou District, Nanjing, Jiangsu Province	Dec/2008	Residential/Hotel	Completed	112,973	5,943	100%	5,943

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Nanjing Mingfa Riverside New Town	Located in Taishan Village, Pukou District, Nanjing, Jiangsu Province	Nov/2009	Residential/ Commercial	Completed	1,072,182	22,729	100%	22,729
Nanjing Mingfa Shopping Mall	Located at the intersection of Dingqiang Road and Yulan Road in Yuhuatai District, Nanjing, Jiangsu Province	Dec/2010	Commercial/Office/ Hotel	Completed	182,588	112,186	100%	112,186
Wuxi Mingfa Shopping Mall	Located in Sitou Village and Tangtou Village, Yanqiao Town, Huishan District, Wuxi, Jiangsu Province	Dec/2011	Residential/ Commercial/ Hotel	Completed	216,643	379,190	100%	379,190
Hefei Mingfa Shopping Mall	Located along the northeast side of the junction of Silihe Road and Dangshan Road, Luyang District, Hefei, Anhui Province	Dec/2011	Residential/ Commercial/ Office/Hotel	Completed	176,698	179,006	100%	179,006
Yangzhou Mingfa Shopping Mall	Located at the south of Yunhe Road East and west of Baolin Road, Guangling District, Yangzhou, Jiangsu Province	Dec/2011	Residential/ Commercial/ Hotel	Completed	145,267	223,844	100%	223,844
Nanjing Mingfa City Square	Located on Dingshan Road, Pukou District, Nanjing, Jiangsu Province	Dec/2012	Residential/ Commercial/ Office	Completed	128,683	69,800	100%	69,800
Honglai Mingfa Commercial Center	Located at Longlai District, Nanan, Fujian Province	Jun/2012	Residential/ Commercial	Completed	27,065	10,852	100%	10,852
Xiamen Mingfa Xiang Wan Peninsula	Located at east part of Xiang'an Road, Xiang'an, Fujian Province	Dec/2012	Residential/ Commercial	Completed	104,380	10,151	100%	10,151
Zhangzhou Mingfa Shopping Mall	Located at Longjiang Road East, north of Shuixian Street, west of No. 6 Road, Xingpu Road South, Zhangzhou, Fujian Province	Dec/2013	Residential/ Commercial/ Office/Hotel	Completed	223,589	236,915	100%	236,915

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Xiamen Mingfa Harbor Resort	Located at south of Wu Yuan Wan Bridge, west of Huan Wan Road, and along the seaview strip of Huli District, Xiamen, Fujian Province	Dec/2013	Hotel	Completed	58,952	135,301	100%	135,301
Huai'an Mingfa Shopping Mall (Block C)	Located in Weihai East Road, Huai'an, Jiangsu Province	Dec/2014	Residential	Completed	51,345	2,411	100%	2,411
Nanjing Mingfa Pearl River International (G11)	Located at Jiangpu Street, east to Xianzhang Road, south to Jiangpu Secondary School, north to South River, west to Guihua Road, Pukou District, Jiangsu Province	Sep/2017	Residential	Completed	8,586	6,665	100%	6,665
Nanjing Mingfa New City Finance Building	Located in New Town Business Avenue North, Pukou District, Nanjing, Jiangsu Province	Dec/2017	Residential/ Commercial	Completed	59,042	10,113	100%	10,113
Nanjing Mingfa Cloud Mansion	Located in along the mountain road south, Jiangpu Street, Nanjing, Jiangsu Province	Sep/2017	Residential	Completed	32,787	3,103	40%	1,241
Jinzhai Mingfa City Square (Block G)	Located at New Town District, Meishan Town, Jinzhai County, Hefei, Anhui Province	Sep/2017	Residential/ Commercial	Completed	105,504	100,613	100%	100,613
Jinzhai Mingfa City Square (Block D)	Located at New City, Meishan Town, Jinzhai County, Anhui Province	Dec/2017	Residential/ Commercial	Completed	62,885	30,103	100%	30,103
Wuxi Mingfa International New Town	Located south of Yanqiao Town, Huishan District, Wuxi, Jiangsu Province	Jun/2017	Residential/ Commercial	Completed	258,297	68,049	100%	68,049
Jinzhai Mingfa City Square (Blocks E, F)	Located at New City, Meishan Town, Jinzhai County, Anhui Province	Jun/2018	Residential/ Commercial	Completed	203,406	222,213	100%	222,213
Beijing Mingfa Mall	Located in Beizang Village, Daxing District, Beijing	Dec/2018	Residential/ Commercial	Completed	45,414	107,736	100%	107,736

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Xiamen Mingfeng Town	Located at Lingdou Siming District, Xiamen, Fujian Province	Jul/2018	Commercial	Completed	19,190	75,143	100%	75,143
Zhenjiang Mingfa Xinjin Yuancheng	Located at east of the new road, Danbei Town, Danyang City, Jiangsu Province	Jan/2018	Residential/ Commercial	Completed	14,287	9,748	100%	9,748
Shenzhen Mingfa Guangming Xuan	Located at Tianliao Yulu Area, Guangming New District, Shenzhen, Guangdong Province	Dec/2018	Commercial	Completed	4,109	2,241	100%	2,241
Nanjing Mingfa Yuejingyuan G07	Located at Pukou south along the mountain road, east side of Nanjing University of Technology, Nanjing, Jiangsu Province	Oct/2018	Commercial	Completed	31,455	29,867	100%	29,867
Nanjing Mingfa Xiang Hill Garden	Located in along the mountain road to the south, Caiba Road East, Pukou District, Nanjing, Jiangsu Province	Dec/2019	Residential	Completed	115,876	67,481	100%	67,481
Jinzhai Mingfa City Square (Block AC)	Located at Jinzhai County Meishan Town New Town, Hefei, Anhui Province	Dec/2019	Residential/ Commercial	Completed	111,142	121,999	100%	121,999
Mingfa North Station New Town	Located in west side of Changjiang Road, Chahe Town, Lai'an County, Anhui Province	Jan/2020	Residential/ Commercial	Completed	65,335	356	100%	356
Nanjing Rong Li	Located at Jiangpu Street, Puzhu Road North, Directional River Road East, Pukou District, Nanjing, Jiangsu Province	Dec/2019	Residential	Completed	132,937	55,175	51%	28,139
Taoyuan Guandi	Located in south side of Taochang Road, Hanshan County, Anhui Province	Dec/2020	Residential	Completed	43,868	2,792	100%	2,792

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Zhangzhou Longhai Mingfa Mall (2011G17, 2011G18 Phase 1)	Located in Bangshan Town, Kekeng Village, Longhai, Zhangzhou, Fujian Province	Jul/2019	Residential/ Commercial	Completed	78,622	228,627	100%	228,627
Wujiang Mingfa Jiangwan New City (Phase 1)	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Jan/2019	Residential/ Commercial	Completed	298,289	503,971	100%	503,971
Zhongao Town Building	Located at south of Xiang'an District, Xiamen, Fujian Province	Apr/2021	Commercial	Completed	11,870	43,469	51%	22,169
Mingfa North Station Villas	Located at Chahe Town, Lai'an, Anhui Province	Aug/2020	Residential	Completed	66,350	44,511	100%	44,511
Nanjing Mingfa Yueshan Yuefu	Located at Pukou Jiangpu Street angle at University Avenue and Flower Industry, Nanjing, Jiangsu Province	Apr/2022	Residential	Completed	72,280	4,124	100%	4,124
Taoyuan Mansion	Located at Xianghe Town, Qianjiang, Anhui Province	Dec/2022	Residential	Completed	18,099	28,136	100%	28,136
Taoyuan Xi'an	Located in Gushi Town, Dangtu County, Anhui Province	Dec/2022	Residential/ Commercial	Completed	24,439	7,280	100%	7,280
Sub-total					4,642,834	3,200,179		3,149,494

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Properties under development (Note 2)								
Zhenjiang Jinxiu Yinshan	Located in the centre of Zhenjiang City, Jiangsu Province	Dec/2023	Residential/ Commercial/ Hotel	Approximately 90% of construction has been completed	296,702	91,113	100%	91,113
Huai'an Mingfa Shopping Mall (Block A)	Located in Shenzhen South Road, Huai'an, Jiangsu Province	Dec/2023	Commercial	Approximately 90% of construction has been completed	133,110	194,009	100%	194,009
Shenyang Mingfa Jinxiu Hua City	Located in Shenbei Xinqi Daoyi Development Zone, Liaoning Province	Dec/2023	Residential/ Commercial	Approximately 90% of construction has been completed	61,222	164,146	100%	164,146
Yangzhou Mingfa Jiangwan City	Located at east of Xuzhuang Road, north of Kaifa East Road, west of Liaojiagou Road, south of Ming Cheng Road, Yangzhou, Jiangsu Province	Dec/2023	Residential	Approximately 90% of construction has been completed	158,238	5,788	100%	5,788
Taizhou Mingfa International Mall (Phase 1)	Located in Gaogang District, Taizhou, Jiangsu Province	Dec/2023	Residential/ Commercial	Approximately 85% of construction has been completed	292,487	149,915	100%	149,915
Taizhou Mingfa International Mall (Phase 2)	Located in Gaogang District, Taizhou, Jiangsu Province	Dec/2023	Residential/ Industrial	Approximately 75% of construction has been completed	237,075	105,328	100%	105,328
Shanghai Mingfa Shopping Mall	Located in east of Hu Yi Highway, Baiyin Road of south, boundary of west, Gaotai Road North, Shanghai	Dec/2023	Commercial	Approximately 70% of construction has been completed	53,779	152,555	100%	152,555
Pingliang Mingfa European City	Located in west of Water Bridge, north of Linjing Road, Kongdong District, Pingliang, Gansu Province	Dec/2023	Residential	Approximately 85% of construction has been completed	117,594	99,935	60%	59,961

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Changsha Mingfa Shopping Mall	Located in Star Cheng Town, Wangcheng County, Changsha, Hunan Province	Dec/2023	Residential/ Commercial	Approximately 75% of construction has been completed	285,594	644,434	100%	644,434
Huizhou Mingfa Gaobang New City	Huizhou City West Train Station, Guangdong Province	Dec/2024	Residential	Approximately 80% of construction has been completed	332,335	606,964	80%	485,571
Tianjin Binhai Mingfa Shopping Mall	Located in Tanggu Marine Hi-Tech Development Zone, Tianjin	Dec/2023	Commercial	Approximately 75% of construction has been completed	209,048	350,345	100%	350,345
Nanjing Mingfa Wealth Center	Located in New City Headquarters Avenue on the north side of 05 plots, Pukou District, Nanjing, Jiangsu Province	Dec/2023	Commercial/Office	Approximately 90% of construction has been completed	56,694	56,258	100%	56,258
Wujiang Mingfa Jiangwan New City (Phase 2)	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Dec/2023	Residential/ Commercial	Approximately 80% of construction has been completed	506,829	1,060,946	100%	1,060,946
Quanzhou Mingfa International Huachang City	Located at Neicuo Village, Guanqiao Town, Nanan, Fujian Province	Dec/2023	Residential/ Commercial	Approximately 80% of construction has been completed	276,120	659,860	100%	659,860
Guang'an Mingfa Mall (Blocks GC2013-45)	Located in Bridge Group, Guan'an, Sichuan Province	Dec/2023	Residential/ Commercial	Approximately 85% of construction has been completed	76,153	163,329	100%	163,329
Shandong Zibo World Trade Center	Located in People's road to the north, Shanghai Road to the east, Zhangdian District, Zibo, Shandong Province	Dec/2023	Residential/ Commercial	Approximately 75% of construction has been completed	156,696	293,100	100%	293,100

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Shenyang Creative Industrial Estate	Located in Shenbei Xinqu Daoyi Development Zone, Liaoning Province	Dec2023	Residential/ Commercial	Approximately 80% of construction has been completed	154,024	137,960	100%	137,960
Zhangzhou Longhai Mingfa Mall (2011G15, 2012G15 Phase 2)	Located in Bangshan Town, Kekeng Village, Longhai, Zhangzhou, Fujian Province	Dec2023	Residential	Approximately 75% of construction has been completed	63,127	19,626	100%	19,626
Mingfa MingBo Town	Located at Bowang Town Bowang District, Ma'anshan, Anhui Province	Dec2023	Residential/ Commercial	Approximately 75% of construction has been completed	101,504	45,015	100%	45,015
Taoyuan New Town	Located at Xianghe Town, Quanjiao, Anhui Province	Dec2023	Residential	Approximately 80% of construction has been completed	109,452	105,620	100%	105,620
Taoyuan Mingzhu	Located in Shengzhouhu Road, Chizhou, Anhui Province	Dec2023	Residential	Approximately 80% of construction has been completed	99,943	7,738	100%	7,738
Sihong Shuiyun Taoyuan Garden	Located in east of Radish Li Road, north of Sizhou Street, Sihong County, Suqian, Jiangsu Province	Dec2023	Residential/ Commercial	Approximately 70% of construction has been completed	84,200	36,192	100%	36,192
Jinse Shui'an	Located in north side of Huaihe Road, Jinhu County, Huai'an, Jiangsu Province	Dec2023	Residential/ Commercial	Approximately 75% of construction has been completed	289,236	181,796	100%	181,796
Wujiang Mingfa Jiangwan New City (Phase 3)	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Dec2024	Residential/ Commercial	Approximately 65% of construction has been completed	615,764	1,122,691	100%	1,122,691
Nanjing International Business Center	Located in Software Service Center High Tech Development Zone, Nanjing, Jiangsu Province	Dec2023	Commercial	Approximately 60% of construction has been completed	62,015	331,309	80%	265,048

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Taoyuan Xiangsong	Located in North New District, Dongzhi County, Chizhou, Anhui Province	Dec2023	Residential/ Commercial	Approximately 70% of construction has been completed	36,590	20,288	100%	20,288
Taoyuan Fudi	Located at Xianghe Town, Qianjiao, Anhui Province	Dec2023	Residential	Approximately 70% of construction has been completed	66,262	63,515	51%	32,393
Taoyuan Guanlan	Located at Xianghe Town, Qianjiao, Anhui Province	Dec2023	Residential	Approximately 65% of construction has been completed	55,481	58,847	51%	30,012
Guang'an Mingfa City Complex Project (ChaMa Road B1-1 Block)	Located in Binjiang Road, Guang'an District, Guan'an, Sichuan Province	Dec2023	Residential/ Commercial	Approximately 70% of construction has been completed	76,363	156,305	100%	156,305
Zhangpu Mingfa Xiangshan Wan	Located in Houcai Village, Qianting Town, Zhangpu County, Zhangzhou, Fujian Province	Dec2023	Residential/ Commercial	Approximately 60% of construction has been completed	46,885	85,493	90%	76,859
Wuhu Chungu Xi'an	Located in new city east of Chengdong, Fanchang County, Wuhu City, Anhui Province	Dec2023	Residential	Approximately 75% of construction has been completed	64,607	976	100%	976
Mingfa Nanjing Cross-strait Science and Technology Base	Located in the channel of Science and Technology Industrial Park, Pukou District, Nanjing, Jiangsu Province	Dec2024	Industrial	Approximately 50% of construction has been completed	119,564	90,161	100%	90,161
Mingfa North Station Center	Located at Chahe Town, Lai'an, Anhui Province	Dec2023	Residential/ Commercial	Approximately 80% of construction has been completed	69,757	264,974	100%	264,974

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Hecheng Shoufu	Located at Liyang Town, Ma'anshan, Anhui Province	Dec2023	Residential	Approximately 80% of construction has been completed	26,918	9,494	100%	9,494
Mingfa Huguangshanse Yihao	Located at Xiangquan Town, Ma'anshan, Anhui Province	Dec2023	Residential/ Commercial	Approximately 65% of construction has been completed	68,688	70,855	100%	70,855
	Located at Xiangquan Town, Ma'anshan, Anhui Province	Dec2023	Residential/ Commercial	Approximately 55% of construction has been completed	63,674	75,551	100%	75,551
Jinzhai Yueshan Yuefu (Blocks 40, 41)	Located at Jinzhai County, Meishan Town New Town, Hefei, Anhui Province	Dec2023	Residential/ Commercial	Approximately 70% of construction has been completed	133,332	50,866	100%	50,866
Nanjing Mingrong Garden	Located in Puzhu Road, Jiangpu Street, Pukou District, Nanjing, Jiangsu Province	Dec2023	Commercial	Approximately 35% of construction has been completed	26,530	66,325	100%	66,325
new project in Nanjing Pukou G30	Located at north of Nanjing University of Technology, south along the mountain road, Pukou, Nanjing, Jiangsu Province	Dec2023	Commercial	Approximately 40% of construction has been completed	32,843	59,117	100%	59,117
Taohua Yuanzhu	Located at Xingyuan Road Zibo, Shandong Province	Oct2023	Residential	Approximately 70% of construction has been completed	156,691	152,551	100%	152,551
Mingfa Internet Industrial Park	Located at Xingyuan Road Zibo, Shandong Province	Oct2024	Commercial	Approximately 40% of construction has been completed	67,156	100,735	100%	100,735

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Siyang Mingfa Shoufu	Located at Zhongxing Town Siyang, Suqian, Jiangsu Province	Dec2024	Residential/ Commercial	Approximately 55% of construction has been completed	103,972	270,632	70%	189,443
Moli Anju	Located in east of Changxing Road and north of Yingshanjiang Avenue, Jinniu Lake New City, Tianchang, Anhui Province	Dec2023	Residential/ Commercial	Approximately 75% of construction has been completed	48,073	1,654	100%	1,654
Xingyue City	Located in west of Ring Road East, north of Zhangyang Avenue, west of City Road West, Fengxian, Xuzhou, Jiangsu Province	Dec2023	Residential/ Commercial	Approximately 45% of construction has been completed	320,779	568,087	70%	397,661
Mingfa City Lights	Located in Jinzhai Modern Industrial Park, Anhui Province	Dec2023	Residential/ Commercial	Approximately 55% of construction has been completed	107,417	121,555	100%	121,555
Mingbo Yue City	Located at Bowang Town, Bowang District, Ma'anshan, Anhui Province	Dec2023	Residential/ Commercial	Approximately 45% of construction has been completed	67,600	79,534	100%	79,534
Dingyuan Mingfa Shuiyun Taoyuan	Located at Kaoshan Road, Dingyuan Town, Chizhou, Anhui Province	Dec2023	Residential	Approximately 55% of construction has been completed	69,333	16,527	100%	16,527
Shenyang Mingfa Square	Located in Shenbei Xinqu Daoyi Development Zone, Liaoning Province	Dec2023	Residential/ Commercial	Approximately 55% of construction has been completed	119,154	196,065	100%	196,065
Yangguang Qingcheng (Block 1)	Located at Rongcheng Town, Chizhou, Anhui Province	Dec2023	Residential/ Commercial	Approximately 50% of construction has been completed	112,183	55,616	100%	55,616

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Dingyuan Mingfa Wealth Center	Located at south of Qi Ji Guang Avenue, Dingyuan Town, Chizhou, Anhui Province	Dec2024	Commercial/Office	Approximately 30% of construction has been completed	24,439	146,636	100%	146,636
Mingfa Software Valley	Located in north of Beijing East Road, east of Qianjiang Road, Xinyi, Xuzhou, Jiangsu Province	Dec2024	Commercial	Approximately 35% of construction has been completed	46,548	88,000	60%	52,800
Xinyi Mingfa Zhongyang Lake CBD	Located in Zhongshan Road, Xinyi High-Tech Zone, Xuzhou, Jiangsu Province	Dec2024	Residential/ Commercial	Approximately 35% of construction has been completed	76,473	126,555	100%	126,555
Mingfa North Station Meiyuan	Located at Chahe Town, Lai'an, Anhui Province	Dec2023	Residential/ Commercial	Approximately 35% of construction has been completed	64,377	85,671	100%	85,671
Hainan Mingfa Modern Service Industry Industrial Park	Located in Haikou Comprehensive Bonded Area, Haikou, Hainan Province	Dec2024	Industrial	Approximately 30% of construction has been completed	57,600	57,600	100%	57,600
Peixian Mingfa Noble Place	Located in east side of Zhenxing Road, Zhangzhuang Town, Peixian, Xuzhou, Jiangsu Province	Dec2023	Residential/ Commercial	Approximately 30% of construction has been completed	37,676	75,352	100%	75,352
Mingfa Taoyuan Mingzhu C1 Zone	Located in Dengke Street, Enyang District, Bazhong, Sichuan Province	Dec2023	Residential	Approximately 30% of construction has been completed	154,082	385,206	100%	385,206
Mingfa Yan'an Zhi Xing	Located in Yan'an new area, Yan'an, Shanxi Province	Dec2023	Residential/ Commercial	Approximately 35% of construction has been completed	79,116	319,218	100%	319,218
Suining Shuiyun Taoyuan	Located in north of North Road, west of Wenxue North Road, Suining County, Xuzhou, Jiangsu Province	Dec2024	Residential/ Commercial	Approximately 35% of construction has been completed	130,571	352,936	60%	155,858

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
QingYang Yangguang Qingcheng (Block 3)	Located at Qibuquan Road, Rongcheng Town, Chizhou, Anhui Province	Dec/2024	Residential/ Commercial	Approximately 35% of construction has been completed	57,269	55,243	100%	55,243
Shenyang Mingfa Comprehensive Technology Park	Located at Zaohua Street, Yuhong District, Shenyang, Liaoning Province	Dec/2024	Residential	Approximately 30% of construction has been completed	235,526	423,948	100%	423,948
new project in Ma'anshan MingPu	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Dec/2024	Industrial	Approximately 30% of construction has been completed	31,258	46,888	100%	46,888
new project in Ma'anshan MingLin	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Dec/2024	Residential/ Commercial/ Industrial	Approximately 30% of construction has been completed	106,963	162,975	100%	162,975
Fengyang Shuiyun Yaju	Located at the east side of Gongchen Temple Road and on the south side of Ruyi Road, Fengyang Town, Chuzhou, Anhui Province	May/2024	Residential/ Commercial	Approximately 30% of construction has been completed	65,484	108,734	100%	108,734
Longhai Mingfa Square (原: Zhangzhou Longhai Mingfa Mall (2011G16, 2012G13, 2012G14 Phase Three)	Located in Bangshan Town, Kekeng Village, Longhai, Zhangzhou, Fujian Province	Dec/2024	Residential	Approximately 30% of construction has been completed	105,188	315,564	100%	315,564
Fengxian International Hotel	Located in west of Ring Road East, north of Zhangyang Avenue, west of City Road West, Fengxian, Xuzhou, Jiangsu Province	Dec/2024	Residential/ Commercial	Approximately 45% of construction has been completed	22,316	55,791	70%	39,054
QingYang Yangguang Qingcheng (Block 4)	Located at Tianzhu Road, Rongcheng Town, Chizhou, Anhui Province	Dec/2024	Residential/ Commercial	Approximately 20% of construction has been completed	37,552	75,104	100%	75,104

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Liu'an Yeji Minghui City	Located in west of Zhanqian Road, south of Weiming Road, east of Changqing Road and north of Shihe Road, Yeji District, Liu'an, Anhui Province	Dec/2025	Residential/ Commercial	Approximately 30% of construction has been completed	150,070	300,140	100%	300,140
Fengyang Taoyuan Yashe	Located at the west side of Gongchengmiao Road and on the north side of Fengle West Road, Fengyang Town, Chuzhou, Anhui Province	May/2024	Commercial	Approximately 20% of construction has been completed	34,338	87,626	100%	87,626
Maanshan Mingbo Tianyue Fu	Located at the southwest corner of the intersection of Yuhe Road and Taihang Road in Bowang Town, Bowang District, Ma'anshan	Dec/2023	Residential	Approximately 20% of construction has been completed	32,569	71,122	90%	64,010
Sub-total					8,438,208	12,762,004		11,958,043

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Properties with land use rights certificate for future development <i>(Note 3)</i>								
Lanzhou Mingfa Zhongke Ecological Park	Located in southwest of Weijia Village, Gansu Province	Dec2023	Residential	Vacant	1,371,786	1,371,786	51%	699,611
Taiwan Taoyuan Block 169	Located in Air Passenger Park, Taoyuan, Taiwan	Dec2023	Commercial	Vacant	16,110	38,663	100%	38,663
Shenyang Mingfa Wealth Center	Located at Qing Nian Street, Heping District, Shenyang, Liaoning Province	Dec2023	Commercial	Vacant	5,468	54,677	100%	54,677
Jurong Zidong Square	Located at the east side of Ninghang North Road and the west side of Chigang Road, Jurong, Jiangsu Province	Dec2023	Residential/ Commercial	Vacant	53,892	296,406	100%	296,406
Mingfa Huguangshanse Erhao	Located at Xiangquan Town Ma'anshan, Anhui Province	Dec2023	Residential	Vacant	108,972	108,972	100%	108,972
new project in Jurong 2017-2-1-08	Located in Huanhu Road, Jurong, Jiangsu Province	Dec2023	Commercial	Vacant	9,265	13,989	100%	13,989
QingYang Yangguang Qingcheng (Block 2)	Located at Qi Bu Quan Road, Rongcheng Town, Chizhou, Anhui Province	Dec2023	Residential/ Commercial	Vacant	52,388	136,207	100%	136,207
Nan'an Mingfa International Center	Located at Fuxi Community, Meilin Street, Quanzhou, Fujian Province	Dec2023	Office	Vacant	22,288	133,728	100%	133,728
Sub-total					1,640,169	2,154,428		1,482,253

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
Properties with signed land use rights contract for future development <i>(Note 4)</i>								
Hong Six Highway Rebuilding Project	Located at Xixia Village, Honglai Town, Nanan, Fujian Province	Dec/2023	Residential/ Commercial	Vacant	22,784	92,298	100%	92,298
Kangyang Town	Located in Jiangjun Road, Jinzhai, Anhui Province	Dec/2023	Residential/ Commercial	Vacant	64,539	103,263	100%	103,263
New project in Bazhong (2020-1-1-4-7)	Located in Dengke Street, Enyang District, Bazhong, Sichuan Province	Aug/2024	Residential	Vacant	141,811	323,169	100%	323,169
New project in Bazhong (2020-1-1-1-3)	Located in Dengke Street, Enyang District, Bazhong, Sichuan Province	Aug/2024	Hotel	Vacant	23,970	35,955	100%	35,955
New project in Bazhong (2020-1-2-1-3)	Located in Dengke Street, Enyang District, Bazhong, Sichuan Province	Aug/2024	Commercial	Vacant	19,089	22,906	100%	22,906
New project in Liu'an Yeji 2021-26	Located at East of Liulin Avenue, south of Wanshou Road, west of Donglou Road and north of Shihe Road, Yeji District, Liu'an, Anhui Province	Jan/2025	Residential	Vacant	90,313	162,563	100%	162,563
New project in Liu'an Yeji 2021-27	Located at East of Liulin Avenue, south of Wanshou Road, west of Donglou Road and north of Shihe Road, Yeji District, Liu'an, Anhui Province	Jan/2025	Residential	Vacant	90,756	163,360	100%	163,360
Mingfa North Station Tianyu	Located at Chahe Town, Lai'an, Anhui Province	Aug/2025	Residential/ Commercial	Vacant	108,395	113,815	100%	113,815
Huai'an Minghua	Located on the east side of Mingguang Road and the south side of Lunjiao Road in Huai'an Development Zone	Nov/2025	Residential/ Commercial	Vacant	38,898	85,576	55%	47,067

Management Discussion and Analysis

Property	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (sq.m.) <i>(Note 1)</i>	Approximate Leasable and Saleable GFA (sq.m.)	Group's Interest	Attributable GFA (sq.m.)
New project in Nan'an 2023P04	Located in Furong New City Community, Meishan Town, Nan'an City	Apr/2026	Residential/ Commercial	Vacant	55,654	126,535	100%	126,535
Suzhou Wenjin Yuan	Located in Southeast corner of Huaihe Road and Xichang Road in Yongqiao District, Suzhou City	Sep/2025	Residential	Vacant	29,098	151,309	100%	151,309
Sub-total					685,307	1,380,749		1,342,240
					15,406,518	19,497,360		17,932,030

Summary of Properties Held by the Group for Investment

The following table summarises the details of the Group's major properties held for investment as at 30 June 2023:

Property	Location	Existing usage	Attributable GFA	Term of leases	Percentage of interest in the Properties Attributable to the Group
Beijing Mingfa Mall	Located at Bizang Village, Daxing District, Beijing.	Residential/ Commercial	66,690	3–10 years	100%
Changsha Mingfa Shopping Mall	Located in Star Cheng Town, Wangcheng County, Changsha, Hunan Province.	Commercial	131,561	20 years	100%
Hefei Mingfa Shopping Mall	Located along the northeast side of the junction of Silihe Road and Dangshan Road, Luyang district, Hefei, Anhui Province	Commercial	162,651	15–20 years	100%
Jinzhai Mingfa City Square	Located at New Town District, Meishan Town, Jinzhai County, Hefei, Anhui Province	Commercial	58,699	2–15 years	100%
Nanjing Mingdao School	Located at Yayuan Road, Jiangbei New District, Nanjing, Jiangsu Province	Commercial	60,381	6 years	100%
Nanjing Mingfa Cross-Strait Science and Technology Base	Located in the channel of science and technology industrial park	Commercial	5,491	3 years	100%

Management Discussion and Analysis

Property	Location	Existing usage	Attributable GFA	Term of leases	Percentage of interest in the Properties Attributable to the Group
Nanjing Mingfa New City Finance Building	Located in New Town Business Avenue North, Pukou District, Nanjing, Jiangsu Province	Commercial	1,176	3-5 years	100%
Nanjing Mingfa Riverside New Town	Located in Taishan village, Pukou district, Nanjing, Jiangsu Province.	Commercial	74,094	3-9 years	100%
Nanjing Mingfa Shopping Mall	Located at the intersection of Dingqiang Road and Yulan Road in Yuhuatai district, Nanjing, Jiangsu Province.	Commercial	135,436	10-15 years	100%
Nanjing Mingfa Yuejingyuan	Located at Pukou south along the mountain road, east side Nanjing University of Technology	Commercial	2,695	1-8 years	100%
Pingliang Mingfa European City	Located in Water bridge West, Linjing Road North, Kongdong District, Pingliang, Gansu Province.	Commercial	3,796	1-3 years	60%
Quanzhou Mingfa Hotel	Located in Licheng District, Jiangnan Torch Village, Quanzhou, Fujian Province	Hotel	4,755	5 years	100%
Sihong Shuiyun Taoyuan Garden	Located in Radish Li Road East, North of Sizhou Street, Sihong County, Suqian, Jiangsu Province	Commercial	7,633	3-10 years	100%
Taizhou Mingfa International Mall	Located in Gaogang District, Taizhou, Jiangsu Province	Commercial	15,406	10 years	100%
Tianjin Mingfa City Complex	Located in Tanggu Marine Hi-Tech Development Zone, Tianjin	Commercial	62,631	Under construction	100%
Wuxi Mingfa International New Town	Located at south of Yanqiao Town, Huishan District, Wuxi, Jiangsu Province	Commercial	—	3 years	100%
Wuxi Mingfa Shopping Mall	Located in Sitou Village and Tangtou Village, Yanqiao town, Huishan district, Wuxi, Jiangsu Province	Commercial	282,681	15-20years	70%
Xiamen Lianfeng Furniture Park	Located on Honglian Road, Siming district, Xiamen, Fujian Province	Industrial	26,120	20 years	100%
Xiamen Mingfa Group Mansion	Located at Qianpu Industrial Park, Xiamen, Fujian Province.	Commercial	1,625	5-6 years	100%
Xiamen Mingfa Harbour Resort	Located at south of Wu Yuan Wan Bridge, west of Huan Wan Road, and along the seaview strip of Huli District, Xiamen, Fujian Province	Commercial	45,419	3 years	100%
Xiamen Mingfa Hotel	Located at No. 413 Lianqian East Road, Xiamen, Fujian Province	Hotel	12,441	10 years	100%

Management Discussion and Analysis

Property	Location	Existing usage	Attributable GFA	Term of leases	Percentage of interest in the Properties Attributable to the Group
Xiamen Mingfa Industrial Park	Located at No.2 Honglian Road West, Siming District, Xiamen, Fujian Province.	Industrial	62,131	8-15 years	100%
Xiamen Mingfa Shopping Mall	Located to the northwest of Jiahe Road and Lianqian Road, Siming district, Xiamen, Fujian Province.	Commercial	126,369	8-20 years	70%-100%
Xiamen Mingfa Technology Park	Located in Kaiyuan Xing'an Industrial Park, Tong'an district, Xiamen, Fujian Province.	Industrial	11,588	18 years	100%
Yangzhou Mingfa Shopping Mall	Located at the south of Yunhe Road East and west of Baolin Road, Guangling District, Yangzhou, Jiangsu Province	Commercial	60,974	15 years	100%
Zhangzhou Longhai Mingfa Mall	Located in Bangshan Town, Kekeng Village, Longhai, Zhangzhou, Fujian Province.	Commercial	2,831	10 years	100%
Zhangzhou Mingfa Shopping Mall	Located at Longjiang Road East, Shuixian Street North, No.6 Road West, Xinpū Road South, Zhangzhou, Fujian Province	Commercial	112,416	12-19 years	100%
Zhenjiang Jinxiu Yinshan	Located in the centre of Zhenjiang City, Jiangsu Province	Commercial	2,880	15.5 years	100%
			1,540,570		



Management Discussion and Analysis

PROSPECT AND OUTLOOK

In consideration of the uncertain global economy, the Group continues to apply prudent financial policies in carrying out its business. As at 30 June 2023, the Group had a net cash position of RMB444.4 million.

The Group concentrated on property development in Yangtze Area, particularly in Nanjing and certain cities in Anhui. The Group has increased the sales commission rate to boost the contracted sales. The contracted sales for the six months ended 30 June 2023 increased by 28.4% to RMB4,008.0 million as compared to the corresponding period in 2022.

FINANCIAL REVIEW AND ANALYSIS

For the six months ended 30 June 2023, revenue generated by the Group was approximately RMB5,511.2 million (2022 approximately RMB5,957.7 million), representing a decrease of approximately 7.5% as compared to the corresponding period in 2022. The decrease in revenue was due to the net effect of the decrease in GFA delivered to the buyers from 919,611 sq.m. for the months ended 30 June 2022 to 805,530 sq.m. for the six months ended 30 June 2023 and the increase in ASP from RMB5,835.8 per sq.m. for the six months ended 30 June 2022 to RMB6,267.1 per sq.m. for the six months ended 30 June 2023.

Revenue generated from various segments is analysed as follows:

For the six months ended	Commercial	Residential	Properties		Others	Total
	Properties	Properties	Investment and	Hotel		
	RMB'million	RMB'million	Management	RMB'million	RMB'million	RMB'million
30 June 2023	185.9	4,862.4	272.2	176.1	14.6	5,511.2
30 June 2022	192.8	5,173.9	287.8	129.1	174.0	5,957.6



Management Discussion and Analysis

Revenue from generated the properties sector contributed in aggregate approximately 91.6% to the Group's revenue. Revenue generated from the commercial sector decreased by 3.7% for the six months ended 30 June 2023 as compared to the corresponding period in 2022. Revenue generated from the residential properties sector decreased by 6.0% for the six months ended 30 June 2023 as compared to the corresponding period in 2022. Such a decrease in revenue generated from residential properties was mainly due to the net effect of decrease of GFA delivered from 905,402.7 sq.m. in the six months ended 30 June 2022 to 785,146.3 sq.m. in the six months ended 30 June 2023 and the increase in ASP from RMB5,714.5 sq.m. in the six months ended 30 June 2022 to RMB6,193.0 sq.m. in the six months ended 30 June 2023. Such an increase in ASP was mainly due to fewer resettlement houses in Anhui Province being delivered in first half of 2023.

Revenue from the properties investment and management sector decreased by 5.4% from RMB287.8 million for the six months ended 30 June 2022 to RMB272.2 million for six months ending 30 June 2023.

Revenue generated from the hotel sector increased by 36.4% from RMB129.1 million for the six months ended 30 June 2022 to RMB176.1 million for the six months ended 30 June 2023. The increase in hotel revenue was mainly due to the steady recovery of tourism after COVID-19.

Revenue generated from the other sectors decreased by 91.7% to RMB14.5 million for the six months ended 30 June 2023. The decrease was mainly due to decrease in construction income generated from Qingyang project.

CAPITAL STRUCTURE

As at 30 June 2023, the Group had aggregate cash and cash equivalents (excluding restricted cash) of approximately RMB2,674.4 million (31 December 2022: approximately RMB2,875.4 million). The Group had restricted cash of approximately RMB57.3 million as at 30 June 2023 (31 December 2022: approximately RMB93.7 million). Bank loans and other borrowings of the Group repayable within one year and after one year were approximately RMB171.1 million and RMB2,116.1 million respectively as at 30 June 2023 (31 December 2022: approximately RMB171.1 million and RMB2,468.9 million respectively). The cash and cash equivalents of the Group were mainly denominated in Renminbi as at 30 June 2023.



Management Discussion and Analysis

FINANCIAL RATIOS

Set out below are the major ratios of the Group:

	As at 30 June 2023	As at 30 June 2022
Gross profit margin	31.9%	24.0%
Operating profit margin	14.7%	12.7%
Net profit margin	5.6%	4.7%
Current ratio	1.1	1.12
Total liabilities to total assets	71.5%	73.1%
Bank loans and other borrowings to shareholders' funds	12.5%	18.5%
Non-current bank loans and other borrowings to total assets	3.0%	3.7%
Gearing ratio*	0%	0%

* Defined as net debt (total borrowings less cash and cash equivalents and restricted cash) divided by the sum of shareholders' funds and net debt.



Corporate Governance and Other Information

PLEDGE OF ASSETS

As at 30 June 2023, investment properties of the Group with net book value of approximately RMB3,307.0 million (31 December 2022: approximately RMB3,460.0 million), buildings of approximately RMB552.8 million (31 December 2022: approximately RMB679.4 million), the leasehold interests in land of approximately RMB263.1 million (31 December 2022: approximately RMB576.9 million), completed properties held for sale of approximately RMB1,560.4 million (31 December 2022: approximately RMB1,560.4 million) and properties under development of approximately RMB923.0 million (31 December 2022: approximately RMB923.0 million) were pledged to secure the banking facilities of the Group. No cash (31 December 2022: RMB3.6 million) was pledged to banks as security for project construction as at 30 June 2023.

CAPITAL COMMITMENTS

As at 30 June 2023, the contracted capital commitments of the Group were approximately RMB16,008.3 million (31 December 2022: approximately RMB18,649.1 million), which were mainly capital commitments for property development. It is expected that the Group will finance such commitments from internally generated funds and resources.

GUARANTEES AND CONTINGENT LIABILITIES

As at 30 June 2023, the contingent liabilities of the Group was approximately RMB6,540.5 million (31 December 2022: approximately RMB6,338.0 million), which were mainly guarantees given by the Group in favour of certain banks for the grant of mortgage loans to buyers of the Group's properties. Such guarantees will be released following the completion of transfer of property title by the Group to the buyers.

FOREIGN EXCHANGE RISK

As at 30 June 2023, the balance of the bank deposits maintained by the Group (including restricted bank balances) consisted of Renminbi, Hong Kong dollars and New Taiwan dollars in the respective proportions of 92.7%, 4.1% and 3.2% (31 December 2022: Renminbi and Hong Kong dollars accounted for 99.8% and 0.2% respectively of the total bank balances of the Group). The bank loans and other borrowings maintained by the Group were denominated in Renminbi and New Taiwan dollars in respective proportions of 97.5% and 2.5% (31 December 2022: Renminbi and New Taiwan dollars accounted for 96.1% and 3.9% respectively of the total bank loans and other borrowings of the Group).



Corporate Governance and Other Information

The sales, purchases, bank borrowings and other borrowings of the Group for the six months ended 30 June 2023 were made mainly in Renminbi, Hong Kong dollars and US dollars, and it is expected that the majority of future development and transactions carried out by the Group will be made and transacted either in Renminbi, Hong Kong dollars or US dollars. The Group will convert the Hong Kong dollars and US dollars bank balances into Renminbi as and when required to minimize any foreign exchange risk. The Group did not adopt any foreign exchange hedging instruments to hedge against foreign exchange risk for the six months ended 30 June 2023 as the hedging cost was comparable to the corresponding risk.

INTEREST RATE RISK

As at 30 June 2023, the majority of the bank borrowings of the Group were floating rate borrowings and were denominated in Renminbi or New Taiwan dollars, whereby any upward fluctuations in interest rates will increase the interest costs of the Group in connection with such loans or any new loans obtained by the Group calculated on a floating interest rate basis. The Group currently does not use any derivative instruments to hedge against its interest rate risk.

FUNDING AND TREASURY POLICY

The Group utilises cash flows generated from operating activities and bank loans to finance its operations, construction and capital expenditure, to increase its land banks, to discharge its debt and to ensure the continuous growth of the Group's business.

CREDIT POLICIES

The Group has policies in place to ensure that sales of properties are made to purchasers with appropriate financial strength and an appropriate percentage of down payment. Credit is normally granted to anchor tenants with sufficient financial strength. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Other receivables mainly comprise deposits made to government agencies for property development purposes which are to be recovered upon completion of the development, and advances to business partners for business cooperations. The Group closely monitors these deposits and advances to ensure actions are taken to recover these balances in the case of any risk of default.

SUBSEQUENT EVENTS

Saved as the abovementioned, there was no matter between the balance sheet date (i.e. 30 June 2023) and the date of this report that would cause a material impact on the Group.



Corporate Governance and Other Information

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2023, the total issued share capital of the Company was 6,093,451,026 ordinary shares.

As at 30 June 2023, the interests or short position of those persons, other than the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company which has been disclosed to the Company pursuant to Part XV of the SFO, or which have been recorded in the register of interests required to be kept by the Company under section 336 of the SFO, are listed as follows:

Name	Nature of Interest	Total Number of Ordinary Shares ^(Note 1)	Approximate Percentage of Interest in the Company
Galaxy Earnest Limited ^(Note 2)	Beneficial interest	5,086,500,000 (L)	83.47%
Ms. Chen Bihua ^(Note 2, 3)	Interest of a controlled corporation and interest of spouse	5,100,000,000 (L)	83.70%
Mr. Wong Wun Ming ^(Note 3)	Beneficial owner	13,500,000 (L)	0.23%

Notes:

- (1) The letter "L" denotes a long position in the shares or underlying shares.
- (2) According to the disclosure of interests filed by Ms. Chen Bihua on 28 March 2023, Ms. Chen Bihua is interested in 5,100,000,000 shares in the Company, comprising:
 - (a) 13,500,000 shares beneficially owned by Mr. Wong Wun Ming, who was the spouse of Ms. Chen Bihua before Mr. Wong Wun Ming passed away; and
 - (b) 5,086,500,000 shares held by Galaxy Earnest Limited. Galaxy Earnest Limited is owned as to 55% by Growing Group Limited, a company wholly-owned by Ms. Chen Bihua. Ms. Chen Bihua is therefore deemed to be interested in such 5,086,500,000 shares of the Company pursuant to the Securities and Futures Ordinance.
- (3) According to the disclosure of interests filed by Ms. Chen Bihua on 28 March 2023, Mr. Wong Wun Ming passed away on 7 July 2022. Ms. Chen Bihua was the spouse of Mr. Wong Wun Ming before he passed away.

Save as disclosed above, as at 30 June 2023, no person, other than the Directors or chief executives of the Company, had any interest or short position in the shares, underlying shares and debentures of the Company which has been disclosed to the Company pursuant to Part XV of the SFO, or which have been recorded in the register of interests required to be kept by the Company under Section 336 of the SFO.



Corporate Governance and Other Information

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 30 June 2023, the total number of issued shares of the Company was 6,093,451,026 ordinary shares.

None of the Directors or chief executives of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of SFO), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company or the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**").

HUMAN RESOURCES

As at 30 June 2023, the Group had an immaterial difference in employee number as compared to 31 December 2022 which employed 3,961 staff (31 December 2022: 4,073 staff). For the six months ended 30 June 2023, the unaudited total staff costs of the Group including directors' emoluments were approximately RMB174.4 million (corresponding period in 2022: approximately RMB193.2 million), representing a decrease of 9.7%. The staff costs include basic salary and welfare expenses, whereby employees' welfare includes medical insurance plan, pension plan, unemployment insurance plan, training and pregnancy insurance plan. The Group provided various training opportunities to employees in order to enhance the competitiveness of the employees and the Company, including training for accounting teams and other training in relation to the latest group reporting requirements and standards. The Group's employees are engaged according to the terms and provisions of their employment contracts and the Group normally conducts a review of the remuneration packages and performance appraisal once every year for its employees, the results of which will be applied in the annual salary review for considering the grant of annual bonus or not and in the promotion assessment. The Group also studies and compares its remuneration packages with those of its peers and competitors and will make adjustments whenever necessary so as to maintain its competitiveness in the employment market.

DIVIDEND POLICY

The Board approved and adopted a dividend policy on 9 July 2019 which sets out the approach in deciding whether to propose a dividend and in determining the dividend amount, with an aim to strike a balance between maintaining sufficient capital to develop and operate the business of the Group and rewarding the shareholders of the Company ("**Shareholders**").



Corporate Governance and Other Information

The declaration and payment of dividends by the Company is also subject to any restrictions under the Companies Laws of the Cayman Islands, any applicable laws, rules and regulations and the articles of association of the Company. The Company may in its full discretion decide not to declare dividend due to various reasons, including but not limited to maintaining or adjusting the capital structure and reserving more capital to capture opportunities.

The declaration and payment of future dividend under this policy are subject to the Board's determination that the same would be in the best interests of the Group and the Shareholders as a whole.

In deciding whether to propose dividends and in determining the dividend amount, the Board shall take into account, the following factors, inter alia:

- (a) the Company's operating results, actual and expected financial performance;
- (b) retained earnings and distributable reserves of the Company and each of the subsidiaries of the Group;
- (c) the level of the Group's debts to equity ratio, return on equity and the relevant financial covenants;
- (d) any restrictions on payment of dividends that may be imposed by the Group's lenders;
- (e) the Group's expected working capital requirements, capital expenditure requirements and future expansion plans;
- (f) the Group's actual and future operations and liquidity position;
- (g) general economic conditions, business cycle of the Group's business and other internal and external factors that may have an impact on the business or financial performance and position of the Company; and
- (h) any other factors that the Board deems appropriate and relevant.

SIGNIFICANT INVESTMENTS

The Group did not have any significant investments during the six months ended 30 June 2023.



Corporate Governance and Other Information

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the six months ended 30 June 2023.

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES

The Group had no material acquisition or disposal of subsidiaries during the six months ended 30 June 2023.

CORPORATE GOVERNANCE PRACTICES

The Directors recognise the importance of incorporating the elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability to the Shareholders as a whole. The Board strived to uphold good corporate governance and adopt sound corporate governance practices. Throughout the six months ended 30 June 2023, the Company had complied with all code provisions in the Corporate Governance Code set out in Part 2 of Appendix 14 to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).


MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding the directors’ securities transactions on terms no less than the required standard set out in the Model Code in Appendix 10 to the Listing Rules. Having made specific enquiries with Directors, all Directors have confirmed that they had complied with the required standards set out in the Model Code and the Company’s code of conduct regarding the Directors’ securities transactions for the six months ended 30 June 2023.

DISCLOSURE OF CHANGES IN INFORMATION OF DIRECTOR(S)

Pursuant to rule 13.51B(1) of the Listing Rules, the changes of information of Director(s) are as follows:

Dr. Lam, Lee G. (“**Dr. Lam**”) was appointed as an independent non-executive director of New Huo Technology Holdings Limited (Stock Code: 1611) effective since April 2023. Dr. Lam resigned (i) as an independent non-executive director of Beverly JCG Ltd. (Stock Code: VFP, formerly known as JCG Investment Holdings Ltd.) effective since April 2023; and (ii) as an independent non-executive director of TMC Life Sciences Berhad (Stock Code: 0101, listed on the Bursa Malaysia) effective since May 2023.



Corporate Governance and Other Information

AUDIT COMMITTEE

The audit committee of the Company (“**Audit Committee**”) consists of three independent non-executive Directors, namely Mr. Chu Kin Wang Peleus (the chairperson of the Audit Committee), Mr. Lau Kin Hon and Mr. Chan Sing Lai. The Audit Committee has reviewed the accounting principles and practices adopted by the Group, the interim results and the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2023.

On behalf of the Board

LAM, Lee G.

Chairman

25 August 2023

Condensed Consolidated Interim Financial Statements

Condensed Consolidated Interim Statement of Profit or Loss

For the six months ended 30 June 2023

	Notes	30 June 2023 RMB'000 (Unaudited)	30 June 2022 RMB'000 (Unaudited)
Revenues	4	5,511,227	5,957,673
Cost of sales		(3,755,691)	(4,530,337)
Gross profit		1,755,536	1,427,336
Fair value (losses)/gains on investment properties		(183,924)	87,923
Other income and other losses	14	(169,434)	(138,917)
Net reversal of/(provision for) impairment loss on financial assets		30,829	(44,070)
Selling and marketing costs		(318,493)	(213,558)
General and administrative expenses		(305,301)	(361,181)
Operating profit		809,213	757,533
Finance income	16	12,393	14,494
Finance costs	16	(816)	(1,420)
Finance income — net	16	11,577	13,074
Share of results of			
— Associated companies		(11,188)	(35,898)
— Joint ventures		6,225	301
		(4,963)	(35,597)
Profit before income tax	15	815,827	735,010
Income tax expense	17	(507,466)	(457,664)
Profit for the period		308,361	277,346
Attributable to:			
Equity holders of the Company		343,818	316,809
Non-controlling interests		(35,457)	(39,463)
		308,361	277,346
Earnings per share for profit attributable to equity holders of the Company (RMB cents)			
— Basic	19	5.6	5.2
— Diluted	19	5.6	5.2

Condensed Consolidated Interim Statement of Other Comprehensive Income

For the six months ended 30 June 2023

	30 June 2023 RMB'000 (Unaudited)	30 June 2022 RMB'000 (Unaudited)
Profit for the period	308,361	277,346
Other comprehensive income <i>Item that may be reclassified subsequently to profit or loss</i>		
— Currency translation differences	3,924	(114)
Total comprehensive income for the period	312,285	277,232
Attributable to		
Equity holders of the Company	347,742	316,695
Non-controlling interests	(35,457)	(39,463)
	312,285	277,232

Condensed Consolidated Interim Statement of Financial Position

As at 30 June 2023

	Notes	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		3,077,695	3,168,465
Investment properties		13,867,000	14,231,900
Goodwill		7,169	7,169
Investments in associated companies		1,843,178	1,874,406
Investments in joint ventures		2,019,162	2,012,937
Deferred income tax assets		321,417	334,561
Other financial assets	6	40,550	40,550
Other receivables	7	14,293	14,293
Prepayments for land use rights	5	283,726	271,945
		21,474,190	21,956,226
Current assets			
Properties under development		19,728,711	20,216,278
Completed properties held for sale		19,842,365	19,882,658
Inventories		71,898	52,017
Trade and other receivables and prepayments	7	3,986,062	3,766,439
Contract costs		325,568	317,401
Prepaid income taxes		597,051	678,744
Amounts due from related parties, joint ventures and associated companies		583,918	599,451
Amounts due from non-controlling interests	8	708,503	748,492
Restricted cash	9	57,289	93,704
Cash and cash equivalents		2,674,435	2,875,412
		48,575,800	49,230,596
Total assets		70,049,990	71,186,822

Condensed Consolidated Interim Statement of Financial Position

As at 30 June 2023

	Notes	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
LIABILITIES			
Current liabilities			
Trade and other payables	13	21,949,597	21,289,456
Contract liabilities		9,795,291	11,726,600
Amounts due to related parties, joint ventures and associated companies		7,813,158	7,966,288
Amounts due to non-controlling interests		550,784	450,220
Income tax payable		3,888,068	3,688,293
Borrowings	11	171,139	171,139
Lease liabilities		2,889	4,904
		44,170,926	45,296,900
Net current assets		4,404,874	3,933,696
Total assets less current liabilities		25,879,064	25,889,922
Non-current liabilities			
Deferred government grants		1,083,104	1,090,059
Borrowings	11	2,116,145	2,468,932
Deferred income tax liabilities		2,702,904	2,708,749
Lease liabilities		5,629	6,380
		5,907,782	6,274,120
Total liabilities		50,078,708	51,571,020
Net assets		19,971,282	19,615,802
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	10	536,281	536,281
Reserves		17,794,326	17,446,584
		18,330,607	17,982,865
Non-controlling interests		1,640,675	1,632,937
Total equity		19,971,282	19,615,802

Condensed Consolidated Interim Statement of Changes in Equity

For the six months ended 30 June 2023

	Capital and reserves attributable to equity holders of the Company			Total RMB'000
	Share capital RMB'000	Reserves RMB'000	Non- controlling interests RMB'000	
Balance at 1 January 2022 (audited)	536,281	17,402,335	1,520,248	19,458,864
Comprehensive income				
Profit/(loss) for the period	—	316,809	(39,463)	277,346
Other comprehensive income				
— Currency translation differences	—	(114)	—	(114)
Total comprehensive income for the period	—	316,695	(39,463)	277,232
Transactions with owners				
Acquisition of non-controlling interest in a subsidiary	—	(1,025)	(7,975)	(9,000)
Balance at 30 June 2022 (unaudited)	536,281	17,718,005	1,472,810	19,727,096
Balance at 1 January 2023 (audited)	536,281	17,446,584	1,632,937	19,615,802
Comprehensive income				
Profit/(loss) for the period	—	343,818	(35,457)	308,361
Other comprehensive income				
— Currency translation differences	—	3,924	—	3,924
Total comprehensive income for the period	—	347,742	(35,457)	312,285
Transactions with owners				
Capital injection to subsidiaries by non-controlling interests	—	—	40,909	40,909
Acquisition of a subsidiary	—	—	2,286	2,286
Balance at 30 June 2023 (unaudited)	536,281	17,794,326	1,640,675	19,971,282

Condensed Consolidated Interim Statement of Cash Flows

For the six months ended 30 June 2023

	30 June 2023 RMB'000 (Unaudited)	30 June 2022 RMB'000 (Unaudited)
Net cash generated from/(used in) operating activities	187,218	(314,617)
Net cash generated from/(used in) investing activities	33,848	(43,198)
Net cash used in financing activities	(336,729)	(12,006)
Effect of foreign exchange rate changes on cash	(85,314)	(80,907)
Net decrease in cash and cash equivalents	(200,977)	(450,728)
Cash and cash equivalents at beginning of the period	2,875,412	3,665,916
Cash and cash equivalents at end of the period	2,674,435	3,215,188



Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

1 GENERAL INFORMATION

Mingfa Group (International) Company Limited (the “Company”) was incorporated in the Cayman Islands on 27 November 2007 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is the office of Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The principal activities of the Company and its subsidiaries (together, the “Group”) are property development, property investment and hotel operation in the People’s Republic of China (the “PRC”).

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 13 November 2009. Its immediate and ultimate holding company is Galaxy Earnest Limited (incorporated in the British Virgin Islands).

The condensed consolidated interim financial statements are presented in thousands of Renminbi (RMB’000), unless otherwise stated.



Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2023 are prepared under the historical cost convention, as modified by the revaluation of investment properties and other financial assets which are carried 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”).

The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2022, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA.

These condensed consolidated interim financial statements have not been audited.

Adoption of new or amended standards

The HKICPA has issued a number of new or amended HKFRSs that are first effective for the current accounting period of the Group:

- Disclosure of Accounting Policies (Amendments to HKAS 1 and HKFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to HKAS 8);
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to HKAS 12); and
- International Tax Reform — Pillar Two Model Rules (Amendments to HKAS 12).



Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements of the Company for the year ended 31 December 2022.

4 REVENUES AND SEGMENT INFORMATION

The chief operating decision-maker (the "CODM") reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

As the majority of the Group's consolidated revenue and results are attributable to the market in the PRC and most of the Group's consolidated assets are located in the PRC, therefore no geographical information is presented.

The CODM assesses the performance of the operating segments based on a measure of revenue and operating profit. The information provided to the CODM is measured in a manner consistent with that in the consolidated financial statements.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

4 REVENUES AND SEGMENT INFORMATION (Continued)

(a) Segment information

The unaudited segment results for the six months ended 30 June 2023 are as follows:

	Property development — commercial RMB'000	Property development — residential RMB'000	Hotel RMB'000	Property investment and management RMB'000	All other segments RMB'000	Elimination RMB'000	Total RMB'000
Total segment revenues	185,890	4,862,410	176,142	272,155	14,630	—	5,511,227
Revenues	185,890	4,862,410	176,142	272,155	14,630	—	5,511,227
Operating profit/(loss)	48,177	1,064,859	(12,170)	(70,166)	(221,487)	—	809,213
Finance income — net							11,577
Share of results of associated companies	3	(386)	—	(3,202)	(7,603)	—	(11,188)
Share of results of joint ventures	(1)	6,012	—	214	—	—	6,225
Profit before income tax							815,827
Income tax expense							(507,466)
Profit for the period							308,361
Other segment information							
Capital and property development expenditure	1,013,065	2,369,475	589	6,399	9,557	—	3,399,085
Depreciation of property, plant and equipment	5,930	35,606	19,401	612	129	—	61,678
Depreciation of right-of-use assets under properties under development	—	16,919	—	—	—	—	16,919
Fair value losses on investment properties	—	—	—	183,924	—	—	183,924

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

4 REVENUES AND SEGMENT INFORMATION (Continued)

(a) Segment information (Continued)

The unaudited segment assets and liabilities as at 30 June 2023 are as follows:

	Property development — commercial RMB'000	Property development — residential RMB'000	Hotel RMB'000	Property investment and management RMB'000	All other segments RMB'000	Elimination RMB'000	Total RMB'000
Segment assets	11,697,003	77,337,987	2,162,846	13,994,251	22,285,207	(62,248,662)	65,228,632
Associated companies	—	257,183	—	1,288,437	297,558	—	1,843,178
Joint ventures	7,135	65,155	—	1,946,872	—	—	2,019,162
	11,704,138	77,660,325	2,162,846	17,229,560	22,582,765	(62,248,662)	69,090,972
Unallocated:							
Deferred income tax assets							321,417
Prepaid income taxes							597,051
Other financial assets							40,550
Total assets							70,049,990
Segment liabilities	7,067,411	87,859,552	118,705	1,965,518	6,437,928	(62,248,662)	41,200,452
Unallocated:							
Deferred income tax liabilities							2,702,904
Borrowings							2,287,284
Income tax payable							3,888,068
Total liabilities							50,078,708

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

4 REVENUES AND SEGMENT INFORMATION (Continued)

(a) Segment information (Continued)

The unaudited segment results for the six months ended 30 June 2022 are as follows:

	Property development — commercial RMB'000	Property development — residential RMB'000	Hotel RMB'000	Property investment and management RMB'000	All other segments RMB'000	Elimination RMB'000	Total RMB'000
Total segment revenues	192,799	5,173,888	129,127	287,810	174,049	—	5,957,673
Revenues	192,799	5,173,888	129,127	287,810	174,049	—	5,957,673
Operating profit/(loss)	40,770	826,787	(36,615)	156,645	(230,054)	—	757,533
Finance income — net							13,074
Share of results of associated companies	—	(3,279)	—	(929)	(31,690)	—	(35,898)
Share of results of joint ventures	(1)	(153)	—	455	—	—	301
Profit before income tax							735,010
Income tax expense							(457,664)
Profit for the period							277,346
Other segment information							
Capital and property development expenditure	578,646	3,951,905	1,409	10,184	79,183	—	4,621,327
Depreciation of property, plant and equipment	5,058	46,920	25,135	874	107	—	78,094
Depreciation of right-of-use assets under properties under development	—	15,615	—	—	—	—	15,615
Fair value gains on investment properties	—	—	—	87,923	—	—	87,923

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

4 REVENUES AND SEGMENT INFORMATION (Continued)

(a) Segment information (Continued)

The audited segment assets and liabilities as at 31 December 2022 are as follows:

	Property development — commercial RMB'000	Property development — residential RMB'000	Hotel RMB'000	Property investment and management RMB'000	All other segments RMB'000	Elimination RMB'000	Total RMB'000
Segment assets	12,118,458	79,075,485	2,225,730	14,608,962	18,838,573	(60,621,584)	66,245,624
Associated companies	—	257,567	—	1,291,638	325,201	—	1,874,406
Joint ventures	4,220	61,844	—	1,946,873	—	—	2,012,937
	12,122,678	79,394,896	2,225,730	17,847,473	19,163,774	(60,621,584)	70,132,967
Unallocated:							
Deferred income tax assets							334,561
Prepaid income taxes							678,744
Other financial assets							40,550
Total assets							71,186,822
Segment liabilities	7,917,844	87,848,642	126,619	2,074,577	5,187,809	(60,621,584)	42,533,907
Unallocated:							
Deferred income tax liabilities							2,708,749
Borrowings							2,640,071
Income tax payable							3,688,293
Total liabilities							51,571,020

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

4 REVENUES AND SEGMENT INFORMATION (Continued)

(b) Revenues

Revenues of the Group consists of the following income recognised during the period:

	30 June 2023 RMB'000 (Unaudited)	30 June 2022 RMB'000 (Unaudited)
Revenue from contracts with customer within the scope of HKFRS 15:		
• Property development — commercial	185,890	192,799
• Property development — residential	4,862,410	5,173,888
• Hotel	176,142	129,127
• Property investment and management — property management fee income	84,509	89,622
• All other segments	14,630	174,049
	5,323,581	5,759,485
Revenue from other sources		
• Property investment and management — rental income	187,646	198,188
	5,511,227	5,957,673

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

5 PREPAYMENTS FOR LAND USE RIGHTS

The Group had made prepayments for the acquisition of certain land use rights, the ownership certificates of which have not been obtained as at the end of the reporting period.

6 OTHER FINANCIAL ASSETS

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Equity investments measured at fair value through other comprehensive income ("FVTOCI")		
— Non-current		
Unlisted equity shares (<i>Note</i>)	40,550	40,550
	40,550	40,550

Note:

Other financial assets represented unlisted equity investment of 10% in PRC shareholding limited company engaging in micro-lending businesses and are stated at fair value. There is no significant change in fair value of the financial assets for the six months ended 30 June 2023 and the year ended 31 December 2022 from the investment cost. During the six months ended 30 June 2023, no dividend was declared by this entity and was received by the Group.

The Group classifies equity securities which are held for purposes of strategic investment not for trading, and which are elected irrevocably at initial recognition to recognise as FVTOCI in this category.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

7 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Trade receivables	583,872	576,272
Less: Provision for impairment of trade receivables <i>(Note (a))</i>	(494,077)	(514,202)
Trade receivables — net <i>(Note (b))</i>	89,795	62,070
Other receivables and prepayments	3,910,560	3,718,662
	4,000,355	3,780,732
Less: Non-current portion of other receivables <i>(Note (c))</i>	(14,293)	(14,293)
Current portion	3,986,062	3,766,439

As at 30 June 2023 and 31 December 2022, the fair values of trade and other receivables and prepayments approximate their carrying amounts.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

7 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

Notes:

- (a) Movement in provision for impairment of trade receivables is as follows:

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Opening balance	514,202	484,069
Net (reversal of)/provision for impairment losses during the period	(20,125)	30,133
Closing balance	494,077	514,202

- (b) Trade receivables mainly arose from leases of investment properties and property construction. Proceeds in respect of properties sold and leased and property construction are to be received in accordance with the terms of the related sales and purchase agreements, lease agreements and construction agreements.

The ageing analysis of trade receivables (net of impairment losses) of the Group, based on invoice dates, as of the end of the period is as follows:

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Within 90 days	28,459	19,288
Over 90 days and within 1 year	35,646	18,859
Over 1 year and within 2 years	25,690	23,923
	89,795	62,070

- (c) The non-current portion of other receivables represents the unsettled proceeds from the sale of a building included in property, plant and equipment which are to be collected over a period of seven years. The receivables were initially recognised at fair value based on cash flows discounted using a rate of 5.94%.



Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

8 AMOUNTS DUE FROM NON-CONTROLLING INTERESTS

The balance mainly comprises the followings:

- (i) Surplus funds distribution to non-controlling shareholders of certain group subsidiaries in proportion to their respective equity interests in the relevant subsidiaries pursuant to the terms of the relevant cooperation agreements on projects. The surplus funds were generated and distributed to the non-controlling shareholders prior to completion of the projects. When the relevant projects are completed, dividend payments to the non-controlling shareholders will be set off against the amount due from non-controlling shareholders; and
- (ii) Loan receivable from a non-controlling shareholder.

Except for a balance of RMB102,751,000 (31 December 2022: RMB102,751,000) due from a non-controlling interest, Xian Gongheng Zhiye Co Ltd., as at 30 June 2023 which is interest bearing at 7.15% (31 December 2022: 7.15%) per annum, unsecured and recoverable on demand, the remaining balances were unsecured, interest-free, repayable on demand and non-trade in nature.

9 RESTRICTED CASH

As at 30 June 2023, the Group has no cash (31 December 2022: RMB3,600,000) being restricted and deposited in banks as security for borrowings.

As at 30 June 2023, the Group's cash of approximately RMB56,895,000 and RMB394,000 (31 December 2022: RMB88,574,000 and RMB1,530,000) in certain banks was restricted due to court order in the cases related to construction contracts with the suppliers and foreclosures by the proprietor claims due to default of mortgage repayment by the property purchasers respectively.

The conversion of RMB denominated balances into foreign currencies and the remittance of the foreign currencies out of the PRC are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

10 SHARE CAPITAL

Details of share capital of the Company are as follows:

	Par value HK\$	Number of ordinary shares	Nominal value of ordinary shares HK\$	Equivalent RMB
Authorised:				
At 1 January 2022, 31 December 2022 and 30 June 2023	0.1	12,000,000,000	1,200,000,000	
Issued and fully paid:				
At 1 January 2022, 31 December 2022 and 30 June 2023	0.1	6,093,451,026	609,345,103	536,280,877

11 BORROWINGS

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Borrowings included in non-current liabilities		
Bank borrowings — secured	2,287,284	2,640,071
Less: Amounts due within one year	(171,139)	(171,139)
	2,116,145	2,468,932
Borrowings included in current liabilities		
Current portion of long-term secured borrowings	171,139	171,139
Total	2,287,284	2,640,071



Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

12 PLEDGED ASSETS

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Completed properties held for sale	1,560,416	1,560,416
Property, plant and equipment	552,821	679,421
Properties under development	923,015	923,015
Land use rights under properties under development	263,122	576,941
Investment properties	3,307,000	3,460,000
	6,606,374	7,199,793

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

13 TRADE AND OTHER PAYABLES

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Trade payables (<i>Note</i>)	14,648,604	14,630,680
Other payables	7,061,640	6,451,221
Other taxes payable	239,353	207,555
	21,949,597	21,289,456

Note:

The ageing analysis of trade payables, based on invoice dates, as of the end of the period is as follows:

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Within 90 days	3,295,155	4,147,911
Over 90 days and within 1 year	7,270,178	6,213,309
Over 1 year	4,083,271	4,269,460
	14,648,604	14,630,680

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

14 OTHER INCOME AND OTHER LOSSES

	30 June 2023 RMB'000 (Unaudited)	30 June 2022 RMB'000 (Unaudited)
Government grants	391	71,344
Net exchange loss	(116,638)	(189,027)
Loss from disposal of investment properties	(38,117)	—
Miscellaneous	(15,070)	(21,234)
	(169,434)	(138,917)

15 PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging the following:

	30 June 2023 RMB'000 (Unaudited)	30 June 2022 RMB'000 (Unaudited)
Staff costs — including directors' emoluments	174,431	193,246
Auditor's remuneration	1,988	1,785
Charitable donations	20	20
Depreciation of property, plant and equipment	61,678	78,094
Depreciation of right-of-use assets under properties under development	16,919	15,615
Cost of properties sold	3,448,677	4,095,825
Business tax and other levies on sales and construction of properties	26,617	36,333
Direct outgoings arising from investment properties that generate rental income	49,907	56,493
Short-term lease expenses	1,369	1,924
Hotel operating expenses	133,892	111,350

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

16 FINANCE INCOME AND COSTS

	30 June 2023 RMB'000 (Unaudited)	30 June 2022 RMB'000 (Unaudited)
Finance income		
— interest income on bank deposits and loan to a related party	12,393	14,494
Interest expenses on borrowings	43,396	98,885
Interest expenses on lease liabilities	816	1,420
Less: Interest capitalised	(43,396)	(98,885)
Finance costs	(816)	(1,420)
Net finance income	11,577	13,074

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

17 INCOME TAX EXPENSE

	30 June 2023 RMB'000 (Unaudited)	30 June 2022 RMB'000 (Unaudited)
Current income tax		
— PRC enterprise income tax	203,871	250,971
— PRC land appreciation tax	232,310	107,830
	436,181	358,801
Deferred income tax		
— PRC enterprise income tax	38,888	63,130
— PRC withholding income tax	32,397	35,733
	71,285	98,863
	507,466	457,664

(a) Hong Kong profits tax

Hong Kong profits tax has not been provided for as the Group has no estimated assessable profit in Hong Kong during the six months ended 30 June 2023 (corresponding period in 2022: Nil).

Under the two-tiered profits tax regime, the first HK\$2 million of profits of qualifying corporations will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.

(b) PRC enterprise income tax

PRC enterprise income tax is provided for at 25% (corresponding period in 2022: 25%) of the profits for the PRC statutory financial reporting purpose, adjusted for those items which are not assessable or deductible for the PRC enterprise income tax purpose.



Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

17 INCOME TAX EXPENSE (Continued)

(c) PRC land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including costs of land use rights, borrowing costs, business taxes and all property development expenditures. The tax is incurred upon the transfer of property ownership.

(d) PRC withholding income tax

According to the Enterprise Income Tax Law of the PRC and its detailed implementation regulations, starting from 1 January 2008, a 10% withholding tax will be levied on the immediate holding companies established outside the PRC when their invested entities in the PRC declare their dividends out of the profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied, subject to the approval of local tax authorities, when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the PRC and Hong Kong. The Group accrues for the PRC withholding income tax based on the tax rate of 5% for its immediate holding companies which are established in Hong Kong.

18 DIVIDENDS

The board (the "Board") of directors of the Company does not recommend payment of any interim dividend for the six months ended 30 June 2023 (corresponding period in 2022: Nil).



Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

19 EARNINGS PER SHARE

Basic and diluted

Basic earnings per share for the six months ended 30 June 2023 and 2022 are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

As there were no dilutive options and other dilutive potential ordinary shares in issue during the six months ended 30 June 2023 and 2022, diluted earnings per share are the same as basic earnings per share.

	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
Profit attributable to equity holders of the Company (RMB'000)	343,818	316,809
Weighted average number of ordinary shares in issue (thousands)	6,093,451	6,093,451
Basic and diluted earnings per share (RMB cents)	5.6	5.2

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

20 CONTINGENT LIABILITIES

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Guarantees in respect of mortgage facilities for certain purchasers of the Group's properties (<i>Note (a)</i>)	6,540,511	6,338,044
Guarantees in respect of banking facilities granted to associated companies (<i>Note (b)</i>)	629,952	641,514
Guarantees in respect of banking facilities granted to a joint venture (<i>Note (c)</i>)	67,500	73,500
	7,237,963	7,053,058

Notes:

- (a) The Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends when the Group obtained the "property title certificate" for the mortgagees, or when the Group obtained the "master property title certificate". The directors of the Company consider that in case of default in payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty, and therefore no provision has been made in the consolidated financial statements for the guarantees.



Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

20 CONTINGENT LIABILITIES (Continued)

Notes: (Continued)

- (b) As at 30 June 2023 and 31 December 2022, the Group provided guarantees of the following amount in respect of bank borrowing to an associated company:

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Nanjing Software Valley Qichuang Communication Technology Co., Ltd	629,952	641,514

- (c) As at 30 June 2023 and 31 December 2022, the Group provided guarantees of the following amount in respect of bank borrowing to a joint venture:

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Wuxi Yueshang Aolai Co., Ltd	67,500	73,500

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

21 COMMITMENTS

Commitments for capital and property development expenditure

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Contracted but not provided for		
— Properties being developed by the Group for sale	15,364,336	17,941,745
— Land use rights	643,916	707,391
	16,008,252	18,649,136

22 RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

Other than those disclosed elsewhere in these condensed consolidated interim financial statements, the Group had entered into the following major related party transactions:

	30 June 2023 RMB'000 (Unaudited)	30 June 2022 RMB'000 (Unaudited)
Interest income from loan to Superb Land, a joint venture	—	4,234
Rental income from a joint venture	25,505	25,423



Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2023

22 RELATED PARTY TRANSACTIONS (Continued)

(b) Key management compensation

	30 June 2023 RMB'000 (Unaudited)	30 June 2022 RMB'000 (Unaudited)
Salaries and other short-term employee benefits	4,116	4,346
Retirement scheme contributions	8	8
	4,124	4,354

23 APPROVAL OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements set out on pages 39 to 68 were approved and authorised for issue by the Board on 25 August 2023.