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HUIJING HOLDINGS COMPANY LIMITED

滙景控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9968)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2021

2021 INTERIM RESULTS HIGHLIGHTS

- Contracted sales (including contracted sales from joint ventures) increased by 162.0% to approximately RMB6,411.0 million for the period ended 30 June 2021.
- Revenue increased by 35.8% to approximately RMB3,092.7 million for the period ended 30 June 2021.
- Gross profit amounted to approximately RMB936.0 million for the period ended 30 June 2021, of which gross profit on property development was approximately RMB943.5 million. Gross profit margin on property development was approximately 30.5%.
- Net profit amounted to approximately RMB453.4 million for the period ended 30 June 2021, which represented a period-on-period increase of 48.2%, of which approximately RMB332.8 million was attributable to owners of the parent company.
- Cash and bank balances (including restricted and pledged deposits) were RMB2,802.3 million as at 30 June 2021. Net gearing ratio was 14.0%, which is calculated by net debt divided by total equity. Net debt includes interest-bearing bank and other borrowings, senior notes and lease liabilities less cash and cash equivalents and restricted cash.

INTERIM RESULTS

The board of directors (the “**Board**”) of Huijing Holdings Company Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) announces that the unaudited consolidated interim results of the Group for the six months ended 30 June 2021 (the “**Period**”) together with the comparative figures for the six months ended 30 June 2020 as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2021

	Notes	Six months ended 30 June	
		2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
REVENUE	4	3,092,659	2,277,333
Cost of sales		(2,156,680)	(1,400,478)
Gross profit		935,979	876,855
Other income and gains	4	62,188	11,744
Selling and distribution expenses		(58,835)	(84,347)
Administrative expenses		(245,429)	(225,749)
Fair value gains/(loss) on investment properties		40,640	(13,553)
Other expenses		(26,506)	(35,238)
Finance costs	5	(56,686)	(43,782)
Share of profit of joint ventures		75,382	133,080
PROFIT BEFORE TAX	6	726,733	619,010
Income tax expense	7	(273,288)	(313,132)
PROFIT FOR THE PERIOD		453,445	305,878
ATTRIBUTABLE TO:			
Owners of the parent		332,773	303,100
Non-controlling interests		120,672	2,778
		453,445	305,878
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT	8		
Basic (RMB per share)		0.06	0.06
Diluted (RMB per share)		0.06	0.06

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2021

	Six months ended 30 June	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	453,445	305,878
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	55,294	(4,484)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	55,294	(4,484)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	508,739	301,394
ATTRIBUTABLE TO:		
Owners of the parent	388,067	298,616
Non-controlling interests	120,672	2,778
	508,739	301,394

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	30 June 2021	31 December 2020
<i>Note</i>	RMB'000 (Unaudited)	RMB'000 (Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	71,965	65,330
Right-of-use assets	3,777	6,684
Investment properties	1,683,600	1,433,900
Intangible assets	7,225	7,618
Investment in joint ventures	302,492	225,061
Investment in an associate	5,500	–
Land held for development for sale	581,446	496,728
Deferred tax assets	168,814	165,802
	2,824,819	2,401,123
CURRENT ASSETS		
Land held for development for sale	744,630	1,161,151
Properties under development	3,584,676	2,944,941
Completed properties held for sale	1,765,600	1,153,279
Trade receivables	189,268	56,760
Prepayments, other receivables and other assets	3,633,835	2,181,815
Receivable from a joint venture	201,805	258,121
Financial assets at fair value through profit or loss	455,105	494,838
Prepaid land appreciation tax	72,437	3,241
Restricted cash	245,041	386,855
Cash and cash equivalents	2,557,294	1,696,868
	13,449,691	10,337,869

		30 June 2021	31 December 2020
	<i>Notes</i>	RMB'000 (Unaudited)	RMB'000 (Audited)
CURRENT LIABILITIES			
Trade payables	10	1,830,592	1,738,948
Other payables, deposits received and accruals		1,069,760	719,989
Lease liabilities		3,879	5,163
Contract liabilities		4,028,727	2,223,304
Interest-bearing bank and other borrowings		1,352,163	823,100
Senior notes	11	873,403	871,332
Provision for corporate income tax		539,402	644,145
Provision for land appreciation tax		707,676	697,045
		<hr/>	<hr/>
Total current liabilities		10,405,602	7,723,026
		<hr/>	<hr/>
NET CURRENT ASSETS		3,044,089	2,614,843
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,868,908	5,015,966
		<hr/>	<hr/>
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		1,206,940	1,073,040
Lease liabilities		647	2,134
Deferred tax liabilities		136,191	111,156
		<hr/>	<hr/>
Total non-current liabilities		1,343,778	1,186,330
		<hr/>	<hr/>
NET ASSETS		4,525,130	3,829,636
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Equity attributable to owners of the parent			
Issued capital	12	47,972	47,972
Reserves		3,372,767	3,196,838
		<hr/>	<hr/>
		3,420,739	3,244,810
		<hr/>	<hr/>
Non-controlling interests		1,104,391	584,826
		<hr/>	<hr/>
TOTAL EQUITY		4,525,130	3,829,636
		<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

During the period, the Company is an investment holding company. The Company’s subsidiaries were principally engaged in property development and investment in the People’s Republic of China (the “**PRC**”). In the opinion of the directors of the Company (the “**Directors**”), the ultimate and immediate holding company of the Company is Wui Ying Holdings Limited and the controlling shareholders of the Company are Mr. Lun Ruixiang (through Wui Ying Holdings Limited) and Ms. Chan Hau Wan (spouse of Mr. Lun Ruixiang) (through Wui Shing Holdings Limited).

2.1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed consolidated financial information for the six months ended 30 June 2021 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2020.

The interim condensed consolidated financial information has been prepared under the historical cost convention, except for investment properties and financial assets at fair value through profit or loss which have been measured at fair value. This interim condensed consolidated financial information is presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of the following revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) for the first time for the current period’s financial information.

HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	<i>Interest Rate Benchmark Reform — Phase 2</i>
Amendments to HKFRS 16	<i>Covid-19-Related Rent Concessions</i>

The adoption of the revised HKFRSs has had no significant financial effect on the interim condensed consolidated financial information.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has changed its accounting policy of the classification of the interest paid in the condensed consolidated statement of cash flows from operating activities to financing activities during the current period (the “**Policy Change**”) so as to provide reliable and more relevant information of cash flows generated from financial liabilities. In the opinion of the Directors, it is more appropriate to reflect all cash flows of the Group’s borrowings as financing activities in the condensed consolidated statement of cash flows and the Policy Change can result in a consistent presentation which is beneficial to users of the financial statements to understand all the related cash flows of the same financial liabilities and provides more comparable information with industry peers.

Set out below are the amounts by which each financial statement line item was affected for the six months ended 30 June 2021 and 2020 as a result of the Policy Change:

	Six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	Decrease/ (increase)	Decrease/ (increase)
	RMB’000	RMB’000
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest paid	<u>155,875</u>	<u>43,584</u>
Net cash flows used in operating activities	<u>155,875</u>	<u>43,584</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	<u>(155,875)</u>	<u>(43,584)</u>
Net cash flows from financing activities	<u>(155,875)</u>	<u>(43,584)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u><u>-</u></u>	<u><u>-</u></u>

The adoption of the Policy Change has had no impact on the condensed consolidated statements of profit or loss, comprehensive income, financial position and changes in equity.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in one single operating segment, i.e., the property development and investment business. Accordingly, no operating segment information is presented.

Geographical information

No geographical information about the Group’s operating segment is presented as the Group’s revenue from the external customers is derived solely from its operations in Mainland China and more than 90% of the non-current assets of the Group are located in Mainland China. Accordingly, in the opinion of the Directors, the presentation of geographical information would provide no additional useful information to the users of the interim condensed consolidated financial information.

Information about major customers

During the six months ended 30 June 2021 and 2020, no revenue from transaction with a single external customer contributed 10% or more of the Group’s total revenue.

4. REVENUE, OTHER INCOME AND GAINS

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

	Six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>
<i>Revenue from contracts with customers</i>		
Sale of properties in the PRC	3,089,946	2,275,847
<i>Revenue from another source</i>		
Gross rental income from investment property operating leases	<u>2,713</u>	<u>1,486</u>
	<u>3,092,659</u>	<u>2,277,333</u>

Disaggregated revenue information for revenue from contracts with customers

All revenue from contracts with customers are recognised at a point in time.

(b) An analysis of the Group's other income and gains is as follows:

	Six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>
Gain on disposal of a subsidiary	41,875	–
Bank interest income	6,628	1,453
Interest income of a loan to a joint venture	7,684	4,629
Forfeiture of deposits	110	791
Others	<u>5,891</u>	<u>4,871</u>
	<u>62,188</u>	<u>11,744</u>

5. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>
Interest on lease liabilities	132	198
Interest on bank and other borrowings	100,510	92,757
Interest on senior notes	54,772	–
Interest expense arising from revenue contracts	<u>2,141</u>	<u>3,898</u>
	157,555	96,853
Less: Interest capitalised	<u>(100,869)</u>	<u>(53,071)</u>
	<u>56,686</u>	<u>43,782</u>

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Cost of properties sold	2,146,456	1,399,278
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	10,224	1,200
Depreciation of property, plant and equipment	2,734	3,817
Depreciation of right-of-use assets	2,509	2,909
Amortisation of intangible assets [#]	1,072	185
Gain on disposal of items of property, plant and equipment	(22)	(91)
Impairment of other receivables	–	13,309
Changes in fair value of financial assets at fair value through profit or loss, net [*]	23,400	2,506
Lease payments not included in the measurement of lease liabilities	66	576
Equity-settled share option expense	6,505	18,505
Foreign exchange differences, net [#]	1,378	704
	2,146,456	1,399,278

[#] Included in "Administrative expenses" in the unaudited condensed consolidated statement of profit or loss.

^{*} Included in "Other expenses" in the unaudited condensed consolidated statement of profit or loss.

7. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the entities within the Group incorporated in the Cayman Islands and the British Virgin Islands are not subject to any income tax.

No provision for Hong Kong profits tax has been made for the period as the Group did not generate any assessable profits arising in Hong Kong during the period (six months ended 30 June 2020: Nil). Subsidiaries of the Group operating in Mainland China are subject to the Corporate Income Tax ("CIT") at a rate of 25% for each of the six months ended 30 June 2021 and 2020.

Land Appreciation Tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated and included in taxation a provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The LAT provision is subject to the final review and approval by the local tax bureau.

	Six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current:		
PRC CIT	203,268	148,115
PRC LAT	61,457	209,100
	264,725	357,215
Deferred	8,563	(44,083)
Total tax charge for the period	273,288	313,132

8. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to owners of the parent, and the weighted average number of ordinary shares of 5,254,000,000 (six months ended 30 June 2020: 5,189,046,703) in issue during the period.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to owners of the parent, and the weighted average number of ordinary shares used in the calculation is the total of (i) the weighted average number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and (ii) the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares (see below).

The calculations of the basic and diluted earnings per share are based on:

	Six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Earnings		
Profit attributable to owners of the parent, used in the basic and diluted earnings per share calculation	<u>332,773</u>	<u>303,100</u>
	Number of shares	
	Six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	5,254,000,000	5,189,046,703
Effect of dilution — weighted average number of ordinary shares: Share options	<u>12,260,407</u>	<u>4,518,729</u>
Weighted average number of ordinary shares in issue during the period used in the diluted earnings per share calculation	<u>5,266,260,407</u>	<u>5,193,565,432</u>

9. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the revenue recognition date or invoice date, is as follows:

	30 June	31 December
	2021	2020
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Within 1 year	<u>189,268</u>	<u>56,760</u>

10. TRADE PAYABLES

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

	30 June 2021 (Unaudited) RMB'000	31 December 2020 (Audited) RMB'000
Within 1 year	1,529,289	1,389,669
1 to 2 years	94,952	277,233
Over 2 years	206,351	72,046
	<u>1,830,592</u>	<u>1,738,948</u>

The trade payables are unsecured and interest-free and are normally settled based on the progress of the construction of the Group's properties under development.

11. SENIOR NOTES

	Effective interest rate (% per annum)	30 June 2021 (Unaudited) RMB'000	31 December 2020 (Audited) RMB'000
Senior Notes	12.9	<u>873,403</u>	<u>871,332</u>

	30 June 2021 (Unaudited) RMB'000	31 December 2020 (Audited) RMB'000
Analysed into:		
Repayable within one year	<u>873,403</u>	<u>871,332</u>

Notes:

- (a) On 3 and 31 August 2020, the Company issued senior notes with an aggregate principal amount of US\$135,000,000 (approximately RMB930,640,000) bearing interest at 12.5% per annum. The net proceeds, after deducting the issuance costs, amounted to approximately US\$130,832,000 (approximately RMB901,907,000) (the "2020 Senior Notes").

On 22 July 2021, the Company completed an exchange offer by issuing senior notes with an aggregate principal amount of US\$115,000,000 (approximately RMB792,767,000) bearing interest at 12.5% per annum and due on 21 July 2022 to exchange the 2020 Senior Notes with same principal amount. Upon completion, 2020 Senior Notes with principal amount of US\$115,000,000 were cancelled and the remaining 2020 Senior Notes with principal amount of US\$20,000,000 were subsequently settled.

On the same date, the Company also issued senior notes with an aggregate principal amount of US\$23,000,000 (approximately RMB158,553,000) bearing interest at 12.5% per annum and due on 21 July 2022.

- (b) The Company, at its option, can redeem all or a portion of the senior notes at any time prior to the maturity date at a pre-determined redemption price (principal amount plus applicable premium) plus accrued and unpaid interest up to the redemption date, as set forth in the written agreements between the Company and the trustees of the senior notes.
- (c) The senior notes of the Company are denominated in United States dollars and are secured by pledges over the equity interests of certain subsidiaries of the Company.

12. SHARE CAPITAL

Shares

	30 June 2021 (Unaudited) RMB'000	31 December 2020 (Audited) RMB'000
Authorised:		
10,000,000,000 ordinary shares of HK\$0.01 each	<u>90,141</u>	<u>90,141</u>
Issued and fully paid:		
5,254,000,000 (31 December 2020: 5,254,000,000) ordinary shares of HK\$0.01 each	<u>47,972</u>	<u>47,972</u>

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend for the six months ended 30 June 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL OVERVIEW

Embracing the first year of the 14th Five-Year Plan (十四五規劃) in 2021, the economic development of China has entered a steady growth after gradually getting rid of the short-term impacts of the outbreak of the COVID-19 pandemic in 2020. As real estate is a major part of the macro economy in China, the PRC Government will continue to focus on “Houses for living in and not for speculative investment and Implementing city-specific measures” as the major base policy, explicitly supporting the new construction and reconstruction of indemnificatory rental housing and the construction of related ancillary infrastructure in major cities with net population inflows, and provide support in relevant supporting policies to promote the stable and healthy development of the real estate market.

In the changing market driven by new policies introduced for the new economic era, the Group maintains the steady growth momentum. Adhering to the mission of “Maintain foothold in the Greater Bay Area, penetrate into Dongguan, and sustainable coverage of high-valued cities in the Southern, Eastern and Central China areas (立足大灣區，深耕東莞，佈局華南，華中及華東等高增值城市)”, the Group developed the business model of “focusing on residential development projects, while taking the urban renewal projects as the core, taking the cultural and tourism-healthy living towns and the scientific and innovative technologies industrial towns as the two-wing (以住宅開發為主營業務，以城市更新為核心、文旅康養和科創產業為雙翼)”, which constitutes our “one focus, one core, and two wings (一主一核兩翼)” blueprint, in order to continually enhance the core competitiveness and the capacity of sustainable development of the Group.

BUSINESS REVIEW

The Group derives its revenue primarily from sales of properties and, to a lesser extent, leasing of investment properties. For the six months ended 30 June 2021, the Group recorded a total revenue of approximately RMB3,092.7 million, representing a period-on-period increase of approximately 35.8%.

Contracted sales

For the six months ended 30 June 2021, including those of joint ventures, the Group recorded (i) contracted sales of approximately RMB6,411.0 million, representing an increase of approximately 162.0% as compared to that for the six months ended 30 June 2020; and (ii) contracted gross floor area (“GFA”) sold of approximately 708,309 sq.m., representing an increase of approximately 244.4% as compared to that for the six months ended 30 June 2020.

Sales of properties

For the six months ended 30 June 2021, the revenue from sales of properties recorded a period-on-period increase of approximately 35.8% to approximately RMB3,089.9 million, which accounted for approximately 99.9% of the total revenue of the Group. For the six months ended 30 June 2021, the Group recognised total GFA of approximately 399,443 sq.m., which represented an increase of approximately 67.2% as compared to that for the corresponding period in 2020. The average selling price (“ASP”) of the properties recognised as property sales was approximately RMB7,736 per sq.m., representing a period-on-period decrease of approximately 18.8%.

The following table sets out the recognised sales and GFA sold of each district for the six months ended 30 June 2021:

	Recognised GFA <i>sq.m.</i>	Percentage of total recognised GFA %	Recognised ASP <i>RMB/sq.m.</i>	Recognised revenue <i>RMB'000</i>	Percentage of total recognised revenue %
By district					
Dongguan	11,464	2.9%	9,135	104,727	3.3%
Heyuan	109,324	27.4%	6,329	691,926	22.4%
Hefei	32,371	8.1%	10,477	339,160	11.0%
Hengyang	50,154	12.6%	10,070	505,051	16.3%
Xichang	2,902	0.7%	7,236	21,000	0.7%
Bazhou	212	0.1%	7,623	1,616	0.1%
Fuyang	193,016	48.2%	7,390	1,426,466	46.2%
	<u>399,443</u>	<u>100%</u>	<u>7,736</u>	<u>3,089,946</u>	<u>100%</u>

Name of Project	City Location	The Group's Equity Interest	Sold GFA	Saleable GFA	Investment Property	Unsaleable GFA	Total estimate GFA for future development	Total Consideration*	Attributable Consideration	Land Cost
Huijing Riverside Villa (御海藍岸)	Dongguan	100%	429,835	10,238	-	49,257	-	559,891	559,891	1,144.2
Huijing Riverside Villa • Perfection (御海藍岸•臻品)	Dongguan	100%	32,779	92	-	5,276	-	80,059	80,059	2,098.7
Royal Spring Hill (御泉香山)	Dongguan	100%	217,867	6,526	-	42,024	-	184,600	184,600	692.9
City Valley (城市山谷)	Dongguan	100%	123,531	679	-	24,566	-	91,794	91,794	617.0
Huijing City Centre (滙景城市中心)	Dongguan	100%	121,208	4,792	15,329	28,659	-	231,031	231,031	1,359.1
Century Gemini (世紀雙子) (Note 4)	Dongguan	100%	49,749	8,759	-	27,168	-	102,639	102,639	920.9
Huijing City (滙景城) (Note 4)	Dongguan	100%	-	-	25,780	-	-	-	-	-
Central Palace (中央華府)	Dongguan	100%	62,590	4,770	-	11,670	-	80,097	80,097	1,013.5
Fenghua Mansion (豐華公館)	Dongguan	100%	14,814	1,336	-	2,745	-	105,260	105,260	5,570.8
Houjie Town Baotun Village Area (厚街鎮寶屯地塊) (Note 2)	Dongguan	100%	-	-	-	-	-	23,701	23,701	-
Hongmei Hongwugao (洪梅洪屋渦) (Note 3)	Dongguan	100%	-	-	-	-	-	259,154	259,154	-
Qingxi Sanzhong Area (清溪三中片區) (Note 3)	Dongguan	100%	-	-	-	-	-	186,300	186,300	-
Shatian Renzhou Area (沙田稔洲片區) (Note 3)	Dongguan	100%	-	-	-	-	-	115,075	115,075	-
Bund No.8 (外灘8號)	Heyuan	100%	180,085	700	-	35,244	-	186,131	186,131	861.6
Nine Miles Bay (九里灣花園)	Heyuan	100%	294,739	401,358	-	125,413	-	747,084	747,084	909.4
Star River Court (星河豪庭)	Heyuan	40%	62,877	19,535	13,070	19,163	-	59,412	23,765	518.2
Dongjiang River Galleries (a portion of) (東江畫廊(部分))	Heyuan	80%	-	-	-	-	532,707	490,517	392,414	920.8
Hefei Huijing City Centre (合肥滙景城市中心)	Hefei	100%	134,553	72,907	84,121	69,960	-	182,723	182,723	505.4
Huijing Yanhu International Resort (衡陽滙景•雁湖生態文旅小鎮)	Hengyang	100%	90,619	84,222	-	27,441	1,105,596	330,283	330,283	252.5
Xingfu District (幸福里)	Pinghu	80%	-	61,525	-	22,996	-	268,977	215,182	3,182.4
Yonghe District (雍和居)	Chenzhou	90%	-	266,456	-	61,781	-	418,600	376,740	1,275.3
Jieyou District (解憂湖)	Xuzhou	100%	-	333,383	-	9,813	-	658,200	658,200	1,917.9
Feili Garden (翡麗莊園)	Xichang	40%	148,822	17,318	-	20,054	-	472,061	188,824	2,535.3
Feili Palace (翡麗華府)	Xichang	40%	-	87,401	-	2,679	-	381,842	152,737	4,238.9
Yongjin Bay (雍錦瀾灣)	Chengdu	51%	-	152,479	-	8,053	-	236,421	120,575	1,472.7
Royal View Peak (御景峰閣)	Chengdu	51%	-	40,231	-	3,321	-	70,277	35,841	1,613.6
Royal View Palace (御景華府)	Chengdu	51%	-	78,289	-	18,995	-	114,898	58,598	1,181.1
Royal View Riverside (御景濱江)	Chengdu	51%	-	59,473	-	3,878	-	107,545	54,848	1,697.6
The 1st Mansion 壹號府邸	Fuyang	51%	193,016	58,819	49,733	45,666	-	578,816	295,196	1,666.9
Star City District (星城項目)	Bazhou	40%	47,559	37,193	-	10,277	-	44,994	17,998	473.5
Huijing Global Centre (滙景發展環球中心)	Changsha	49%	99,744	132,198	-	64,672	-	826,040	404,760	2,784.9
			<u>2,304,387</u>	<u>1,940,679</u>	<u>188,033</u>	<u>740,771</u>	<u>1,638,303</u>	<u>8,194,422</u>	<u>6,461,500</u>	<u>1,202.9</u>

* Refer to the land parcel cost of the acquired project company

Notes:

1. Saleable/leasable GFA refer to the internal floor area of a property, which has been derived from the relevant (i) pre-sale permit; (ii) floor area prediction report (房產面積預測報告), where a pre-sale permit is not available for the whole or a part of a property; and/or (iii) relevant development indicators approved by the relevant authority responsible for urban and rural planning or the Group's internal records, where neither a pre-sale permit nor floor area prediction report is available for the whole or a part of the development.
2. The expected GFA is not available for Houjie Town Baotun Village Area as the latest land planning remains subject to approval. For further details, please refer to the subsection under the Company's prospectus dated 31 December 2019 (the "**Prospectus**") headed "Compliance with Laws and Regulations — Historical Non-compliance Incidents — (A) Delay in commencement and/or completion of construction within the prescribed period as stipulated in the relevant land grant contracts".
3. As at 30 June 2021, the land in Qingxi Sanzhong Area, Hongmei Hongwugao and Shatian Renzhou Area was zoned for industrial use, current information (including plot ratio) is not relevant for our Group's purpose. For further details, please refer to the subsection under the Prospectus headed "Business — Land reserves".
4. Century Gemini and Huijing City are situated on the same parcel of land and therefore share the same site area.

Investment properties

As at 30 June 2021, the Group had a total GFA of approximately 188,033 sq.m. (leasable area of approximately 35,369 sq.m.) with rental income of approximately RMB2.7 million for the six months ended 30 June 2021.

Land reserves

Leveraging on the Group's in-depth understanding of the property markets in the Greater Bay Area, the Yangtze River Delta Urban Cluster, the Mid-Stream Urban Cluster and the Chengdu-Chongqing Urban Cluster and intensive studies on its target cities, the Group continued to strategically select and acquire parcels of land at strategic and advantageous locations in those regions and cities in order to further establish the Group's presence in those markets. As at 30 June 2021, the Group had land reserves amounting to approximately 3,578,982 sq.m., with 26 projects and 5 parcels of land located in 12 cities in the Greater Bay Area, the Yangtze River Delta Urban Cluster, the Mid-Stream Urban Cluster and the Chengdu-Chongqing Urban Cluster.

The following table sets out the GFA of the Group’s land reserves by geographical locations as at 30 June 2021:

Location	Total land reserve GFA (sq.m.)	Percentage of total land reserve GFA (%)
Dongguan	37,192	1%
Heyuan	954,300	27%
Hefei	72,907	2%
Hengyang	1,189,818	33%
Pinghu	61,525	2%
Chenzhou	266,456	7%
Xuzhou	333,383	9%
Xichang	104,719	3%
Chengdu	330,472	9%
Fuyang	58,819	2%
Bazhou	37,193	1%
Changsha	132,198	4%
	<hr/>	<hr/>
Total	<u>3,578,982</u>	<u>100%</u>

As at the date of this announcement, the progress of the Three-old Transformation Schemes (the “**Three-old Transformation Schemes**”) was as follows:

1. Project Zhangmutou Baoshan Area: The Three-old Transformation for this project is carried out under the Cooperation Scenario. The Company expects that the Three-old Transformation will be completed and the land-use rights for commercial and residential purposes will be obtained by the end of the year 2021. The total site area of this project is 171,330 sq.m. with an expected plot ratio accountable gross floor area of 367,222 sq.m..
2. Humen Xinwan Area: The Three-old Transformation for this project is carried out under the Right Owners Scenario. Currently, the urban renewal procedure of this project has resumed and the Company has submitted relevant information for approval to government authorities. The Company expects that the Three-old Transformation will be completed and the land-use rights for commercial and residential purposes will be obtained by the end of the year 2021. The total site area of this project is 14,910 sq.m. with an expected plot ratio accountable gross floor area of 34,288 sq.m..

3. Shatian Renzhou Area: The Three-old Transformation for this project is carried out under the Right Owners Scenario. The project is located in Shatian town with a total site area of approximately 77,321 sq.m. with an expected plot ratio accountable gross floor area of 270,625 sq.m.. This project has completed the Three-old Transformation in July 2021, and has completed the modification of the land use right certificate and the application of the construction land planning permit and real estate title certificate. The Company expects to commence the construction of this project within the year 2021.
4. The Company had entered into eight agreements as preparatory services providers with relevant parties. The relevant projects are all located in Dongguan city carrying out preparatory services and have a total site area of 2,042,800 sq.m.. The Three-old Transformation for the relevant projects is expected to be carried out under the Single Party Scenario. The details of the projects are as follows:

Project	Location	Total site area (sq.m.)
Xie Gang Li Village (謝崗黎村)	Xiegang town, Dongguan city	323,000
AI Smart Town (智能小鎮)	Shatian town, Dongguan city	294,400
Qishi South Town (企石南鎮)	Qishi town, Dongguan city	255,300
Cha Shan Shang Yuan (茶山上元)	Chashan town, Dongguan city	207,800
Qingxi Qingxia (清溪清廈)	Qingxi town, Dongguan city	161,300
Chashan Waterworks Area (茶山水廠片區項目)	Chashan town, Dongguan city	105,700
Wanjiang Gonglian Area (萬江共聯片區項目)	Wanjiang Gonglian area, Dongguan city	210,000
Hongmei Hongwugao (洪梅洪屋渦片區項目)	Hongmei town, Dongguan city	485,300
Total		<u>2,042,800</u>

5. The Group is currently working on obtaining the qualifications of the preparatory services providers for 12 urban renewal projects. The relevant projects are all located in Dongguan city and the proposed total site area of the 12 projects will be approximately 2.8 million sq.m..

FINANCIAL REVIEW

Overall performance

For the six months ended 30 June 2021, total revenue of the Group was approximately RMB3,092.7 million, which represented a period-on-period increase of approximately 35.8%. Gross profit was approximately RMB936.0 million, which represented a period-on-period increase of approximately 6.7%. Gross profit margin was approximately 30.3%, which represented a period-on-period decrease of approximately 8.2 percentage points. Profit for the period recorded a period-on-period increase of approximately 48.2% to approximately RMB453.4 million and profit attributable to owners of the parent recorded a period-on-period increase of approximately 9.8% to approximately RMB332.8 million for the six months ended 30 June 2021.

Revenue

Revenue increased from approximately RMB2,277.3 million for the six months ended 30 June 2020 to approximately RMB3,092.7 million for the six months ended 30 June 2021, which represented a period-on-period increase of approximately 35.8%. The GFA delivered increased from 238,917 sq.m. for the six months ended 30 June 2020 to 399,443 sq.m. for the six months ended 30 June 2021, which represented a period-on-period increase of approximately 67.2%, while the ASP decreased from RMB9,526 per sq.m. to RMB7,736 per sq.m. It is mainly due to an increase in GFA delivered in Fuyang city and the property price in Heyuan city is relatively lower.

Cost of sales

Corresponding to the significant increase in revenue, the cost of sales increased accordingly from approximately RMB1,400.5 million for the six months ended 30 June 2020 to approximately RMB2,156.7 million for the six months ended 30 June 2021, which resulted from the significant increase in GFA delivered during the six months ended 30 June 2021 as compared to that for the corresponding period in 2020.

Gross Profit and Gross Profit Margin

Gross profit increased from approximately RMB876.9 million for the six months ended 30 June 2020 to approximately RMB936.0 million for the six months ended 30 June 2021, with gross profit margin being approximately 38.5% and 30.3%, respectively. The decrease in gross profit margin was mainly due to the difference between the product portfolio and regional portfolio of property delivery for the six months ended 30 June 2021.

Other Income and Gains

Other income and gains increased from approximately RMB11.7 million for the six months ended 30 June 2020 to approximately RMB62.2 million for the six months ended 30 June 2021. Such increase was mainly due to the gain on disposal of 50% equity interests in Dongguan Nanfang Silk Textile Co., Ltd. (東莞市南方絹紡織有限公司) (“Nanfang Silk”) during the period.

Fair Value Gains or Loss on Investment Properties

Fair value loss or gains on investment properties turned around from fair value loss of approximately RMB13.6 million for the six months ended 30 June 2020 to fair value gain of approximately RMB40.6 million for the six months ended 30 June 2021. Such change was mainly due to the fact that the valuation of investment properties returned to normal level under the mitigation of the pandemic situation during the six months ended 30 June 2021.

Selling and Distribution Expenses

Selling and distribution expenses decreased from approximately RMB84.3 million for the six months ended 30 June 2020 to approximately RMB58.8 million for the six months ended 30 June 2021. Such decrease was primarily due to the optimisation of the Group’s cost and expense structure, in which the Group reduced marketing expense, leading to a decrease of approximately RMB35.8 million in marketing expense for the six months ended 30 June 2021 as compared to the corresponding period in 2020.

Administrative Expenses

Administrative expenses increased from approximately RMB225.7 million for the six months ended 30 June 2020 to approximately RMB245.4 million for the six months ended 30 June 2021. Such increase was mainly due to the (i) the increase in employee salary expenses from approximately RMB80.9 million for the six months ended 30 June 2020 to approximately RMB102.0 million for the six months ended 30 June 2021; and (ii) the absence of listing fees incurred by the Group for the six months ended 30 June 2021 (six months ended 30 June 2020: approximately RMB5.6 million).

Other Expenses

Other expenses decreased from approximately RMB35.2 million for the six months ended 30 June 2020 to approximately RMB26.5 million for the six months ended 30 June 2021. Such decrease was mainly due to the (i) decrease in bad debt of approximately RMB13.7 million; and (ii) decrease in donation of approximately RMB11.0 million during the period.

Share of Profit of Joint Ventures

Share of profit of joint ventures decreased from approximately RMB133.1 million for the six months ended 30 June 2020 to approximately RMB75.4 million for the six months ended 30 June 2021, which was primarily due to the remeasurement gain on existing interest of Nanfang Silk and the decrease in the revenue generated from the property delivery of the joint venture located in Hunan in the current period.

Finance Costs

Finance cost increased from approximately RMB43.8 million for the six months ended 30 June 2020 to approximately RMB56.7 million for the six months ended 30 June 2021, which was primarily due to the increase in interest on senior notes.

Income Tax Expenses

Income tax expenses decreased from approximately RMB313.1 million for the six months ended 30 June 2020 to approximately RMB273.3 million for the six months ended 30 June 2021, with effective income tax rate of approximately 50.6% and 37.6% for the respective period. The decrease in effective income tax rate was primarily due to the decrease in current PRC LAT.

Net Profit and Net Profit Margin

Net profit increased from approximately RMB305.9 million for the six months ended 30 June 2020 to approximately RMB453.4 million for the six months ended 30 June 2021, while net profit margin increased from approximately 13.4% for the six months ended 30 June 2020 to approximately 14.7% for the six months ended 30 June 2021.

The increase in net profit was primarily due to an increase in revenue by approximately 35.8% for the six months ended 30 June 2021 as a result of an increase in properties delivered, while selling and distribution expenses and other expenses decreased by 30.2% and 24.8% as compared to the six months ended 30 June 2020, respectively.

Liquidity and capital resources

The Group operated in a capital-intensive industry and has funded its growth primarily through cash generated from operations including proceeds from the sale of its properties, debt financing and capital contributions from shareholders. The Group's cash requirements relate primarily to acquisitions of lands, properties development, debt repayment and clearance of all applicable taxes for projects developed.

Going forward, the Group believes that its liquidity requirements will be satisfied by cash generated from its operating activities, banking facilities available to us, and the net proceeds received from the Global Offering (as defined in the Prospectus).

As at 30 June 2021, the Group had a total cash and bank balance (including restricted cash) of approximately RMB2,802.3 million as compared to that of approximately RMB2,083.7 million as at 31 December 2020. The increase was primarily due to the increase in proceeds from sales of properties. Substantially all of the Group's cash and bank balance are denominated in RMB.

The Group's net current assets were approximately RMB2,614.8 million and RMB3,044.1 million as at 31 December 2020 and 30 June 2021, respectively. The increase in net current assets was mainly attributable to (i) the increase in prepayments, other receivables and other assets of approximately RMB1,452.0 million; (ii) the increase in total cash and bank balance (including restricted cash) of approximately RMB860.4 million; and (iii) the increase in contract liabilities of RMB1,805.4 million.

As at 30 June 2021, the Group's borrowings of RMB944.6 million (31 December 2020: RMB931.9 million) were borrowings with floating interest rates.

As at 30 June 2021, the Group had banking facilities in the total amount of RMB1,752.7 million, of which approximately RMB1,369.3 million, representing approximately 78.1%, has been utilised.

Key financial ratios

As at 30 June 2021, the Group's net gearing ratio (calculated as the total borrowings, senior notes and lease liabilities net of restricted cash, cash and cash equivalents divided by total equity) was approximately 14.0%, which represented a decrease of 4 percentage points as compared to approximately 18.0% as at 31 December 2020. The decrease was primarily attributable to the (i) increase in cash and cash equivalents balance of 50.7% as at 30 June 2021; and (ii) increase in short-term and long-term interest-bearing bank and other borrowings and senior notes of 24.0% and thus an increase in the balance of total equity as at 30 June 2021, which resulted in a better optimised capital structure.

The Group's current ratio was calculated based on its total current assets divided by its total current liabilities as of the respective dates with the ratio at 1.3 times as at 31 December 2020 and 30 June 2021.

Foreign exchange risk

Substantially all of the Group's revenue and expenditure are denominated in RMB. As at 30 June 2021, the Group did not enter into any hedging transactions. The Group manages its foreign exchange risk by closely monitoring the movement of the foreign currency rates and will consider hedging significant foreign currency exposure should the need arise.

Interest rate risk

The Group's interest rate risk arises from its long-term borrowings. As all of the Group's borrowings are denominated in RMB, the interest rates on the Group's borrowings are primarily affected by interest-bearing bank and other borrowings. The Group manages its interest rate risk by closely monitoring the trend of interest rate fluctuation and its impact on the Group's interest rate risk exposure, as well as regulating the debt portfolio of the Group.

Pledge of assets

The Group's bank and other borrowings with carrying amounts of RMB2,309,240,000 (31 December 2020: RMB1,896,140,000), RMB233,638,000 (31 December 2020: Nil) and RMB16,225,000 (31 December 2020: Nil) denominated in RMB, United States dollars and Hong Kong dollars, respectively, were secured by certain land held for development for sale, equity interests in certain subsidiaries, properties owned by the Group, properties under development and completed properties held for sale of the Group with total carrying values of approximately RMB3,019.2 million (31 December 2020: approximately RMB2,602.1 million).

Capital commitments

The Group had the following capital commitments as at the end of the reporting period:

	As at	
	30 June 2021 (RMB'000)	31 December 2020 (RMB'000)
Contracted, but not provided for:		
Properties under development	2,519,053	1,339,627
Purchase of land through acquisition of subsidiaries	682,216	491,790
Investment properties under construction	134,435	122,520
Total	3,335,704	1,953,937

Financial guarantees and contingent liabilities

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

	As at	
	30 June 2021 (RMB'000)	31 December 2020 (RMB'000)
Guarantees given to banks in connection with mortgage facilities provided to customers of the Group's properties	3,625,326	4,516,730

The Group provided guarantees in respect of mortgage facilities granted by certain banks to the customers of the Group's completed properties held for sale. Pursuant to the terms of the guarantee arrangements, in case of default on mortgage payments by the customers, the Group is responsible for repaying the outstanding mortgage principals together with any accrued interest and penalties owed by the defaulted customers to those banks.

Under the above arrangement, the related properties were pledged to the banks as collateral for the mortgage loans, upon default on mortgage repayments by these customers, the banks are entitled to take over the legal titles and will realise the pledged properties through open auction.

The Group's guarantee period starts from the start of grant of the relevant mortgage loans and ends upon the issuance and registration of property ownership certificates to the purchasers, which will generally be available within one to two years after the customers take possession of the relevant properties.

The Directors consider that the fair value of the guarantees at initial recognition and the expected credit loss (“ECL”) allowance are not significant, and in case of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalties.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

For the six months ended 30 June 2021, the Group i) acquired 51% of the equity interest in Fuyang City Xinggang Properties Company Limited (阜陽市星港置業有限公司) (“**Fuyang Xinggang**”). The company holds a property development project in Fuyang, Anhui Province, in April 2021; and ii) acquired 51% of the equity interest by way of capital increase in each of Chengdu Lida Real Estate Development Co., Ltd. (成都立達房地產開發有限公司) (“**Chengdu Lida**”) and Pujiang Gaoyu Zhongxinhai Real Estate Co., Ltd. (蒲江縣高宇中鑫海置業有限公司) (“**Gaoyu Zhongxinhai**”), together with their jointly owned Pujiang Gaoyu Xinda Real Estate Co., Ltd. (蒲江縣高宇鑫達置業有限公司) (“**Gaoyu Xinda**”), in May 2021, holding five property projects in aggregate in Chengdu, Sichuan Province. For details, please refer to the announcement of the Company dated 30 April 2021 in respect of discloseable transaction of the Company in relation to the acquisition of 51% of the equity interest in Fuyang Xinggang, and announcement of the Company dated 21 May 2021 in respect of discloseable transactions of the Company in relation to the investment in Chengdu Lida, Gaoyu Zhongxinhai and Gaoyu Xinda by way of capital increase.

For the six months ended 30 June 2021, the Group has disposed of 50% equity interests of Nanfang Silk and ceased to have control over that company. The company has been reclassified to a joint venture of the Group.

Significant investment held

For the six months ended 30 June 2021, there was no significant investment held by the Group.

Employee and remuneration policy

As at 30 June 2021, the Group had a total of 568 employees. Total expenditure on salary and welfare of the Group's employees for the six months ended 30 June 2021 amounted to approximately RMB109.7 million (2020: approximately RMB106.7 million). The Group has adopted a system of determining the remuneration of employees based on employees qualification, experience, position and seniority. In general, the Group provides competitive remuneration packages to employees, which include basic salaries, allowances, discretionary bonus, performance-based rewards and year-end bonus. The Group also pays social security insurance for the Group's employees, including social insurance and housing funds. In terms of employee training, the Group provides consistent and systematic training to employees based on their positions and expertise, in order to enhance their expertise in real estate and their related fields. To provide incentive or rewards to selected participants, the Company has adopted a pre-IPO share option scheme and a post-IPO share option scheme.

Future outlook

Looking ahead, the Group foresees the PRC economic development will continue to maintain steady growth. As real estate is a major part of the macro economy, the Chinese government has put forward the regulation and control focus of “Three unchanges”, including maintaining the same policies of “Houses for living in and not for speculative investment (房住不炒)”, “Strive to develop rental housing” and “Deeply promote new urbanisation”, in order to ensure the stable and healthy development of the real estate market, while the real estate macro control and the liquidity requirement emphasised in the industry will continue to bring challenges to the operation of the Group.

Looking forward to 2021, under the constant real estate regulation and control policy, the “Three Red Lines (三條紅線)” of real estate financing and the tightening of market liquidity margins, the growth rate of real estate investment is likely to encounter new challenges. Nevertheless, benefited from the effective epidemic control and normalised epidemic prevention and control, along with the further recovery of economy in China, the annual sales of the real estate industry are likely to rise steadily. The Group will adopt a more proactive sales strategy, adjust marketing plans and strategies in a timely manner and increase marketing investment. At the same time, the Group will continue to strengthen cash flow management, further accelerate the contracted sales of the Group’s projects and maintain a stable capital structure.

Under the tightened regulatory environment of the real estate industry in China, various financial management departments have strengthened the supervision of the financing activities of real estate project to reduce the degree of dependence of enterprises on financial leverage and prevent financial risks. The overall financing environment of the real estate industry is challenging. The Group constantly strives to strengthen financial security, maintain ample liquidity, stable financial management and continuously optimised financial structure and stable growth in contracted sales under regulatory requirements, in which the Group is highly recognised by credit rating agencies. Lianhe Ratings Global Limited has assigned a “B+” rating to the Group with a positive outlook rating, which fully reflects the past growth of the contracted sales, the land reserves which have gradually realised geographical diversity and the above-average profitability of the Group.

The Group will pay close attention to changes in the market environment and related industrial policies. From the perspective of the domestic industrial development strategy, the Group will adhere to the business model of “focusing on residential development projects, while taking the urban renewal projects as the core, taking the cultural and tourism-healthy living towns and the scientific and innovative technologies industrial towns as the two-wing (以住宅開發為主營業務，以城市更新為核心、文旅康養和科創產業為雙翼)”, which constitutes our “one focus, one core, and two wings (一主一核兩翼)” blueprint, continue to meet customers’ demand as its orientation as well as leverage on its own strengths and abundant resources to ensure adequate and quality land reserves. In addition, the Group will strive to bring integrated renewal in residential and industrial development to the city by linking the upstream and downstream industrial chains, providing customers with a more comprehensive and diversified way of “new production” and “new life”. The Group will continue to strengthen its presence across the Guangdong-Hong Kong-Macau Greater Bay Area, vigorously boost its market share in regions where the Group has established its presence, gradually extending its outreach across areas with high growth potential such as the Yangtze River Delta, Chengdu-Chongqing

and the mid-stream of the Yangtze River Urban Clusters, and continue to build a high-quality development road that integrates “industry, city and people (產、城、人)”.

The following table sets out the GFA breakdown of the Group’s land reserves by property project as to 30 June 2021:

As at 30 June 2021

Property Type	Completed as at 30 June 2021				Under development as at 30 June 2021				Total estimate GFA for future development (sq.m.)	Total GFA (sq.m.)
	Unsaleable GFA (sq.m.)	GFA sold (sq.m.)	GFA available for sale/lease (sq.m.)	Investment Property (sq.m.)	Saleable/leasable GFA (sq.m.)	Unsaleable GFA (sq.m.)	Investment Property (sq.m.)	Property development (sq.m.)		
Residential property project										
Dongguan	162,706	931,165	32,400	–	–	–	–	–	–	1,126,271
Heyuan	89,769	474,824	54,991	–	347,067	70,888	–	532,707	–	1,570,246
Pinghu	–	–	–	–	61,525	22,996	–	–	–	84,521
Xichang	20,054	148,822	17,318	–	87,401	2,679	–	–	–	276,274
Chenzhou	–	–	–	–	266,456	61,781	–	–	–	328,237
Xuzhou	–	–	–	–	333,383	9,813	–	–	–	343,196
Bazhou	4,634	47,559	12,725	–	24,468	5,643	–	–	–	95,029
Chengdu	30,926	–	290,241	–	40,231	3,321	–	–	–	364,719
Subtotal	308,089	1,602,370	407,675	–	1,160,531	177,121	–	532,707	–	4,188,493
Integrated property project										
Dongguan	28,659	121,208	4,792	–	–	–	–	–	–	154,659
Heyuan	17,307	62,877	6,974	–	12,561	1,856	–	–	–	101,575
Hefei	7,415	134,553	11,387	–	61,520	62,545	–	–	–	277,420
Changsha	64,672	99,744	132,198	–	–	–	–	–	–	296,614
Fuyang	31,894	193,016	19,965	–	38,854	13,772	–	–	–	297,501
Subtotal	149,947	611,398	175,316	–	112,935	78,173	–	–	–	1,127,769
Investment property										
Dongguan	–	–	–	41,109	–	–	–	–	–	41,109
Heyuan	–	–	–	–	–	–	13,070	–	–	13,070
Hefei	–	–	–	–	–	–	84,121	–	–	84,121
Fuyang	–	–	–	–	–	–	49,733	–	–	49,733
Subtotal	–	–	–	41,109	–	–	146,924	–	–	188,033
Property promoting specific industry										
Hengyang	12,867	90,619	2,853	–	81,369	14,574	–	1,105,596	–	1,307,878
Subtotal	12,867	90,619	2,853	–	81,369	14,574	–	1,105,596	–	1,307,878
Total	470,903	2,304,387	585,844	41,109	1,354,835	269,868	146,924	1,638,303	–	6,812,173

The following table sets forth a summary of the Group's property projects and project phases developed, including projects and project phases held for future development as at 30 June 2021:

As at 30 June 2021

Location	Completed as at 30 June 2021						Under development as at 30 June 2021						Actual/Estimated Construction Commencement Time	Actual/Estimated Pre-sale Commencement Time	Actual/Estimated Construction Complete Time			
	Total site area	Unsaleable GFA	GFA sold	GFA available for sale	Investment Property	Total GFA completed	Saleable GFA	Pre-saleable GFA	Pre-sold GFA	Unsaleable GFA	Investment Property	Total GFA under development				Total estimate GFA for future development		
	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)				(sq.m.)		
Huijing Riverside Villa (御海藍岸)	Dongguan	315,867	49,257	429,835	10,238	-	489,330	-	-	-	-	-	-	489,330	2010.9.30	2011.4.1	2020.6	
Huijing Riverside Villa • Perfection (御海藍岸 • 臻品)	Dongguan	10,220	5,276	32,779	92	-	38,147	-	-	-	-	-	-	38,147	2017.9.1	2018.4.28	2019.6.26	
Royal Spring Hill (御泉香山)	Dongguan	119,999	42,024	217,867	6,526	-	266,417	-	-	-	-	-	-	266,417	2010.12.28	2011.5.20	2017.3.9	
City Valley (城市山谷)	Dongguan	59,665	24,566	123,531	679	-	148,776	-	-	-	-	-	-	148,776	2014.4.15	2014.11.25	2018.7.6	
Huijing City Centre (滙景城市中心)	Dongguan	37,025	28,659	121,208	4,792	15,329	169,988	-	-	-	-	-	-	169,988	2015.10.16	2016.4.8	2019.7.8	
Century Gemini (世紀雙子)	Dongguan	17,314	27,168	49,749	8,759	-	85,676	-	-	-	-	-	-	85,676	2011.1.21	2012.5.21	2015.1.5	
Huijing City (滙景城)	Dongguan	-	-	-	25,780	25,780	-	-	-	-	-	-	-	25,780	2011.1.21	n.a	2015.4.30	
Central Palace (中央華府)	Dongguan	18,914	11,670	62,590	4,770	-	79,030	-	-	-	-	-	-	79,030	2010.4.14	2010.4.28	2011.11.21	
Fenghua Mansion (豐華公館)	Dongguan	6,042	2,745	14,814	1,336	-	18,895	-	-	-	-	-	-	18,895	2018.10.24	2019.11.29	2020.6.30	
Subtotal		585,046	191,365	1,052,373	37,192	41,109	1,322,039	-	-	-	-	-	-	1,322,039				
Bund No.8 (外灘8號)	Heyuan	60,007	35,244	180,085	700	-	216,029	-	-	-	-	-	-	216,029	2016.7.27	2019.5.8	2018.12.25	
Nine Miles Bay (九里灣花園)	Heyuan	273,500	54,525	294,739	54,291	-	403,555	347,067	248,469	134,248	70,888	-	417,955	821,510	2018.11.30	2018.12.20	2021.12.31	
Star River Court (星河家庭)	Heyuan	20,000	17,307	62,877	6,974	-	87,158	12,561	12,561	2,006	1,856	13,070	27,487	114,645	2017.8.30	2017.12.15	2022.12.31	
Dongjiang River Galleries (a portion of) (東江畫廊 (部份))	Heyuan	266,353	-	-	-	-	-	-	-	-	-	-	532,707	532,707	n.a	n.a	n.a	
Subtotal		619,860	107,076	537,701	61,965	-	706,742	359,628	261,030	136,254	72,744	13,070	445,442	532,707	1,684,891			
Hefei Huijing City Centre (合肥滙景城市中心)	Hefei	37,779	7,415	134,553	11,387	-	153,355	61,520	43,356	27,696	62,545	84,121	208,186	361,541	2017.1.19	2017.8.31	2020.9.30	
Huijing Yanhu International Resort (衡陽滙景 • 雁湖生態文旅小鎮)	Hengyang	938,427	12,867	90,619	2,853	-	106,339	81,369	59,739	40,585	14,574	-	95,943	1,105,596	1,307,878	2016.4.28	2017.10.30	2020.12.31
Xingfu District (幸福里)	Pinghu	25,114	-	-	-	-	61,525	61,525	33,220	22,996	-	-	84,521	84,521	2020.6.30	2020.12.15	2022.12.31	
Yonghe District (雍和居)	Chenzhou	107,319	-	-	-	-	266,456	-	-	61,781	-	-	328,237	328,237	2021.9.23	2022.3.31	2024.9.22	
Jieyou District (解憂湖)	Xuzhou	96,398	-	-	-	-	333,383	-	-	9,813	-	-	343,196	343,196	2022.1.11	2022.7.31	2024.1.10	
Feilu Garden (翡麗莊園)	Xichang	65,455	20,054	148,822	17,318	-	186,194	-	-	-	-	-	-	186,194	2018.6.25	2018.8.17	2020.12.19	
Feilu Palace (翡麗華府)	Xichang	20,297	-	-	-	-	87,401	74,622	4,271	2,679	-	-	90,080	90,080	2019.10.18	2020.10.29	2021.12.31	
Subtotal		1,290,789	40,336	373,994	31,558	-	445,888	891,654	239,242	105,772	174,388	84,121	1,150,163	1,105,596	2,701,647			
Yongjin Bay (雍錦瀾灣)	Chengdu	47,646	8,053	-	152,479	-	160,532	-	-	-	-	-	-	160,532	2017.12.29	2018.07.12	2021.03.19	
Royal View Peak (御景峰園)	Chengdu	14,641	-	-	-	-	40,231	40,031	21,081	3,321	-	-	43,552	43,552	2020.04.26	2020.08.31	2023.04.26	
Royal View Palace (御景華府)	Chengdu	30,640	18,995	-	78,289	-	97,284	-	-	-	-	-	-	97,284	2019.10.30	2019.12.18	2021.07.29	
Royal View Riverside (御景濱江)	Chengdu	23,430	3,878	-	59,473	-	63,351	-	-	-	-	-	-	63,351	2018.11.14	2019.01.18	2021.06.11	
Subtotal		116,357	30,926	-	290,241	-	321,167	40,231	40,031	21,081	3,321	-	43,552	-	364,719			
The 1st Mansion (壹號府邸)	Fuyang	114,879	31,894	193,016	19,965	-	244,875	38,854	22,439	20,514	13,772	49,733	102,359	347,234	2017.11.22	2018.02.02	2020.11.18	
Star City District (星城項目)	Bazhou	32,464	4,634	47,559	12,725	-	64,918	24,468	19,645	2,684	5,643	-	30,111	95,029	2017.4.27	2017.9.15	2023.12.31	
Huijing Global Centre (滙景發展環球中心)	Changsha	27,081	64,672	99,744	132,198	-	296,614	-	-	-	-	-	-	296,614	2016.6.30	2017.12.25	2020.6.30	
Total		2,786,476	470,903	2,304,387	585,844	41,109	3,402,243	1,354,835	582,387	286,305	269,868	146,924	1,771,627	1,638,303	6,812,173			

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

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

REVIEW OF CONSOLIDATED FINANCIAL INFORMATION

The audit committee of the Company had reviewed the accounting principles and policies adopted by the Group and discussed internal controls and financial reporting matters, including a review of the unaudited condensed consolidated financial information for the Period.

In addition, the Company's external auditor, Ernst & Young, has conducted a review of the Group's interim financial information for the Period in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Hong Kong Institute of Certified Public Accountants.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code ("CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange as its own code to govern its corporate governance practices.

In the opinion of the Board, the Company complied with the CG Code during the Period.

IMPORTANT EVENTS AFTER THE PERIOD

Exchange offer in relation to outstanding US\$115,000,000 12.5% senior notes due 2021 (the "Old Notes") and issuance of US\$138,000,000 12.5% senior notes due 2022 (the "New Notes")

On 12 July 2021, the Company commenced the Exchange Offer to Eligible Holders (as per definitions in the announcement of the Company dated 12 July 2021) with respect to the Old Notes held by non-U.S. persons (as defined in Regulation S). Subsequently, on 19 July 2021, the Company issued the New Notes which are listed on Singapore Exchange Securities Trading Limited for refinancing certain indebtedness and for other general corporate purposes. The New Notes bear interest from 22 July 2021 at the rate of 12.5% per annum, payable on 22 January 2022 and 21 July 2022. For more details, please refer to the announcements of the Company dated 12 July 2021, 19 July 2021 (published in the morning), 19 July 2021 (published in the evening) and 23 July 2021, respectively, in respect of, among others, the exchange offer of the Old Notes and the issue of the New Notes.

By order of the Board
Huijing Holdings Company Limited
Lun Ruixiang
Chairman and Non-executive Director

Hong Kong, 26 August 2021

As at the date of this announcement, the Board comprises Mr Lun Zhao Ming, Mr Lu Peijun and Mr Luo Chengyu as executive Directors, Mr Lun Ruixiang as a non-executive Director, and Ms Chiu Lai Kuen Susanna, Mr Hung Wan Shun Stephen and Ms Lin Yanna as independent non-executive Directors.