

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Redsun Properties Group Limited**

### **弘陽地產集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1996)**

## **UNAUDITED INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2021**

### **HIGHLIGHTS OF THE 2021 INTERIM RESULTS**

- Contracted sales reached RMB49.15 billion, representing a year-on-year increase of 55.7%. Contracted average selling price increased from RMB14,642 per sq.m. in the corresponding period of 2020 to RMB16,920 per sq.m. in the first half of 2021, representing a year-on-year increase of 15.6%.
- Revenue increased by 34.7% to RMB12,964.5 million as compared to the corresponding period of 2020. Revenue from commercial operations and hotel operations increased by 39.4% to RMB314.4 million (1H of 2020: RMB225.6 million).
- Gross profit and gross profit margin were RMB2,730.2 million and 21.1%, respectively.
- Net profit increased by 10.6% to RMB990.0 million, as compared to the corresponding period of 2020. Net profit margin reached 7.6%.
- Core net profit was RMB904.9 million (1H of 2020: RMB874.2 million).
- As at 30 June 2021, cash and bank balances were approximately RMB17.58 billion.
- As at 30 June 2021, net gearing ratio was 53.9%.
- As at 30 June 2021, cash to short-term debt ratio was 1.69 times.
- As at 30 June 2021, gearing ratio (excluding contract liabilities) was 69.4%.

Note 1: Core net profit excluded non-recurring profits or loss items and their related tax effects, comprising fair value gain on investment properties, fair value gain on financial assets, foreign exchange differences, net and impairment losses, etc.

## INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Redsun Properties Group Limited (the “**Company**”) is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2021 (the “**reporting period**”), together with the comparative figures for the corresponding period of the previous year as follows:

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2021*

	Notes	2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
<b>REVENUE</b>	5	<b>12,964,452</b>	9,623,812
Cost of sales		<u>(10,234,286)</u>	<u>(7,189,382)</u>
Gross profit		<b>2,730,166</b>	2,434,430
Other income and gains	5	<b>222,919</b>	179,188
Selling and distribution expenses		<b>(416,723)</b>	(319,716)
Administrative expenses		<b>(403,745)</b>	(543,059)
Other expenses		<b>(35,318)</b>	(50,488)
Fair value gains on investment properties		<b>87,690</b>	57,302
Finance costs	7	<b>(494,616)</b>	(425,186)
Share of profits and losses of:			
Joint ventures		<b>(123,195)</b>	(26,237)
Associates		<b>158,469</b>	259,141
<b>PROFIT BEFORE TAX</b>	6	<b>1,725,647</b>	1,565,375
Income tax expense	8	<b>(735,678)</b>	(670,307)
<b>PROFIT FOR THE PERIOD</b>		<b><u>989,969</u></b>	<u>895,068</u>
Attributable to:			
Owners of the parent		<b>739,311</b>	677,418
Non-controlling interests		<b>250,658</b>	217,650
		<b><u>989,969</u></b>	<u>895,068</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	10		
Basic			
— For profit for the period		<b><u>RMB0.22</u></b>	<u>RMB0.20</u>
Diluted			
— For profit for the period		<b><u>RMB0.22</u></b>	<u>RMB0.20</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*For the six months ended 30 June 2021*

	<b>2021</b>	2020
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
<b>PROFIT FOR THE PERIOD</b>	<b><u>989,969</u></b>	<u>895,068</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<u>—</u>	<u>—</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b><u>989,969</u></b>	<u>895,068</u>
Attributable to:		
Owners of the parent	<b>739,311</b>	677,418
Non-controlling interests	<b><u>250,658</u></b>	<u>217,650</u>
	<b><u>989,969</u></b>	<u>895,068</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*30 June 2021*

	Notes	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		798,559	820,826
Investment properties		13,100,420	12,973,827
Right-of-use assets		96,158	99,437
Other intangible assets		10,121	11,180
Investments in joint ventures		2,126,390	1,977,217
Investments in associates		11,580,469	9,572,816
Loan receivables		—	211,721
Deferred tax assets		<u>1,152,389</u>	<u>1,045,864</u>
Total non-current assets		<u>28,864,506</u>	<u>26,712,888</u>
<b>CURRENT ASSETS</b>			
Inventories		49,976	42,046
Properties under development		48,370,726	48,499,979
Completed properties held for sale		5,578,339	3,795,722
Trade receivables	11	3,118	7,067
Prepayments, other receivables and other assets		15,567,814	11,601,756
Due from related companies		12,188,228	8,801,141
Financial assets at fair value through profit or loss		545,250	428,521
Tax recoverable		864,566	630,969
Cash and bank balances		<u>17,575,326</u>	<u>18,525,081</u>
Total current assets		<u>100,743,343</u>	<u>92,332,282</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION (continued)**  
*30 June 2021*

		<b>30 June</b>	31 December
		<b>2021</b>	2020
	Notes	<b>RMB'000</b>	RMB'000
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	12	<b>7,060,716</b>	6,244,841
Other payables and accruals		<b>8,335,019</b>	8,376,013
Contract liabilities		<b>30,842,533</b>	29,383,224
Interest-bearing bank and other borrowings		<b>6,845,651</b>	8,766,941
Senior notes		<b>3,571,310</b>	2,671,726
Lease liabilities		<b>45,336</b>	35,509
Due to related companies		<b>12,402,221</b>	8,068,242
Tax payable		<b>2,970,750</b>	2,904,848
		<u><b>72,073,536</b></u>	<u>66,451,344</u>
		<u><b>28,669,807</b></u>	<u>25,880,938</u>
<b>NET CURRENT ASSETS</b>			
		<u><b>57,534,313</b></u>	<u>52,593,826</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank and other borrowings		<b>15,176,110</b>	13,285,233
Other payables and accruals		<b>208,420</b>	200,345
Senior notes		<b>8,281,029</b>	7,581,168
Lease liabilities		<b>1,397,780</b>	1,745,635
Deferred tax liabilities		<b>2,247,906</b>	2,377,861
		<u><b>27,311,245</b></u>	<u>25,190,242</u>
<b>Total non-current liabilities</b>		<u><b>27,311,245</b></u>	<u>25,190,242</u>
<b>Net assets</b>		<u><b>30,223,068</b></u>	<u>27,403,584</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION (continued)**  
*30 June 2021*

	<b>30 June 2021</b>	31 December 2020
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
<b>EQUITY</b>		
Equity attributable to owners of the parent		
Share capital	<b>28,354</b>	28,275
Share premium	<b>1,876,314</b>	2,257,437
Other reserves	<b>13,625,343</b>	12,894,625
	<b>15,530,011</b>	15,180,337
<b>Non-controlling interests</b>	<b>14,693,057</b>	12,223,247
<b>Total equity</b>	<b>30,223,068</b>	27,403,584

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2021

## 1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9008, Cayman Islands. The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on 12 July 2018.

The Company is an investment holding company. During the six months ended 30 June 2021, the Group is principally engaged in property development, commercial property investment and operations, and hotel operations.

In the opinion of the directors of the Company, the immediate holding company of the Company is Redsun Properties Group (Holdings) Limited.

## 2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2021 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2020.

## 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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 International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial information.

Amendments to IFRS 9, IAS 39, IFRS 7,  
IFRS 4 and IFRS 16  
Amendment to IFRS 16

*Interest Rate Benchmark Reform — Phase 2*  
*Covid-19-Related Rent Concessions beyond*  
*30 June 2021 (early adopted)*

The nature and impact of the revised IFRSs are described below:

- a) Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate (“RFR”). The phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of IFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity’s financial instruments and risk management strategy.

The Group had certain interest-bearing bank borrowings denominated in RMB and foreign currencies based on the Inter Bank Offered Rate as at 30 June 2021. Since the interest rates of these borrowings were not replaced by RFRs during the period, the amendments did not have any impact on the financial position and performance of the Group. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply this practical expedient upon the modification of these borrowings provided that the “economically equivalent” criterion is met.

- b) Amendment to IFRS 16 issued in March 2021 extends the availability of the practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic by 12 months. Accordingly, the practical expedient applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment is effective retrospectively for annual periods beginning on or after 1 April 2021 with any cumulative effect of initially applying the amendment recognised as an adjustment to the opening balance of retained profits at the beginning of the current accounting period. Earlier application is permitted. The amendments did not have any impact on the financial position and performance of the Group as the Group did not have any rent concessions arising as a direct consequence of the covid-19 pandemic for the period ended 30 June 2021.

The Group has changed its accounting policy of the classification of the interest paid in the interim condensed consolidated statement of cash flows from operating activities to financing activities during the period (the “Policy Change”) so as to provide more reliable and relevant information of cash flows generated from financial liabilities. In the opinion of the directors of the Company, it is more appropriate to classify all cash flows in respect of financial liabilities as cash flows from financing activities in the interim condensed consolidated statement of cash flows to reflect the nature of the cash flows associated with financial liabilities, including the interest paid as a cost of financing, and to provide more relevant information about the cash flows associated with financial liabilities. The directors are also of the opinion that such classification and presentation will provide more comparable information with industry peers. The comparative amounts have been restated accordingly.

#### 4. OPERATING SEGMENT INFORMATION

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

- Property development
- Commercial property investment and operations
- Hotel operations

The Group's operations are mainly conducted in Mainland China. Management considered there is no reportable geographic segment as all revenues from external customers are generated in Mainland China and the Group's significant non-current assets are located in Mainland China.

Six months ended 30 June 2021	Property development RMB'000 (Unaudited)	Commercial property investment and operations RMB'000 (Unaudited)	Hotel operations RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Segment revenue</b>				
Sales to external customers	<u>12,650,071</u>	<u>291,773</u>	<u>22,608</u>	<u>12,964,452</u>
Revenue				<u><u>12,964,452</u></u>
<b>Segment results</b>	<b>1,899,639</b>	<b>208,280</b>	<b>2,970</b>	<b>2,110,889</b>
<i>Reconciliation:</i>				
Bank interest income				56,365
Fair value gain on financial assets at fair value through profit or loss				4,169
Finance costs (other than interest on lease liabilities)				(448,282)
Corporate and other unallocated expenses				<u>2,506</u>
Profit before tax				<u><u>1,725,647</u></u>

Six months ended 30 June 2020	Property development RMB'000 (Unaudited)	Commercial property investment and operations RMB'000 (Unaudited)	Hotel operations RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Segment revenue</b>				
Sales to external customers	<u>9,398,208</u>	<u>212,839</u>	<u>12,765</u>	<u>9,623,812</u>
Revenue				<u><u>9,623,812</u></u>
<b>Segment results</b>	1,789,507	125,883	(5,266)	1,910,124
<i>Reconciliation:</i>				
Bank interest income				40,620
Fair value gain on financial assets at fair value through profit or loss				35,332
Net foreign exchange loss				(22,663)
Investment income				3,584
Finance costs (other than interest on lease liabilities)				(388,699)
Corporate and other unallocated expenses				<u>(12,923)</u>
Profit before tax				<u><u>1,565,375</u></u>

The following table presents the asset and liability information of the Group's operating segments as at 30 June 2021 and 31 December 2020.

	Property development RMB'000 (Unaudited)	Commercial property investment and operations RMB'000 (Unaudited)	Hotel operations RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Segment assets</b>				
30 June 2021	114,715,599	13,895,785	316,296	128,927,680
<i>Reconciliation:</i>				
Corporate and other unallocated assets				<u>680,169</u>
Total assets				<u><u>129,607,849</u></u>
<b>Segment liabilities</b>				
30 June 2021	97,063,197	1,850,222	19,823	98,933,242
<i>Reconciliation:</i>				
Corporate and other unallocated liabilities				<u>451,539</u>
Total liabilities				<u><u>99,384,781</u></u>
	Property development RMB'000 (Audited)	Commercial property investment and operations RMB'000 (Audited)	Hotel operations RMB'000 (Audited)	Total RMB'000 (Audited)
<b>Segment assets</b>				
31 December 2020	104,646,023	13,454,368	322,914	118,423,305
<i>Reconciliation:</i>				
Corporate and other unallocated assets				<u>621,865</u>
Total assets				<u><u>119,045,170</u></u>
<b>Segment liabilities</b>				
31 December 2020	89,558,825	2,025,905	23,441	91,608,171
<i>Reconciliation:</i>				
Corporate and other unallocated liabilities				<u>33,415</u>
Total liabilities				<u><u>91,641,586</u></u>

## Information about major customers

No sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue during the six months ended 30 June 2021 and 30 June 2020.

## 5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
<i>Revenue from contracts with customers</i>	12,699,894	9,431,157
<i>Revenue from other sources</i>		
Gross rental income	264,558	192,655
	<u>12,964,452</u>	<u>9,623,812</u>

### Disaggregated revenue information for revenue from contracts with customers

#### *For the six months ended 30 June 2021*

<u>Segments</u>	Property development RMB'000 (Unaudited)	Commercial property investment and operations RMB'000 (Unaudited)	Hotel operations RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Types of goods or services</b>				
Sale of properties	12,345,991	—	—	12,345,991
Hotel operations	—	—	22,608	22,608
Project management services	304,080	7,000	—	311,080
Others	—	20,215	—	20,215
	<u>12,650,071</u>	<u>27,215</u>	<u>22,608</u>	<u>12,699,894</u>
<b>Timing of revenue recognition</b>				
Sale of properties transferred at a point in time	12,345,991	—	—	12,345,991
Services transferred over time	304,080	27,215	22,608	353,903
	<u>12,650,071</u>	<u>27,215</u>	<u>22,608</u>	<u>12,699,894</u>
Total revenue from contracts with customers	<u>12,650,071</u>	<u>27,215</u>	<u>22,608</u>	<u>12,699,894</u>

*For the six months ended 30 June 2020*

<u>Segments</u>	Property development RMB'000 (Unaudited)	Commercial property investment and operations RMB'000 (Unaudited)	Hotel operations RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Types of goods or services</b>				
Sale of properties	9,084,598	—	—	9,084,598
Hotel operations	—	—	12,765	12,765
Project management services	313,610	—	—	313,610
Others	—	20,184	—	20,184
	<u>9,398,208</u>	<u>20,184</u>	<u>12,765</u>	<u>9,431,157</u>
<b>Timing of revenue recognition</b>				
Sale of properties transferred at a point in time	9,084,598	—	—	9,084,598
Services transferred over time	313,610	20,184	12,765	346,559
	<u>9,398,208</u>	<u>20,184</u>	<u>12,765</u>	<u>9,431,157</u>

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

	<b>For the six months ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Bank interest income	56,365	40,620
Interest income from joint ventures and associates	—	15,207
Investment income	—	3,584
Forfeiture of deposit	4,555	5,350
Government grants	2,819	3,286
Fair value gain on financial assets at fair value through profit or loss	4,169	35,332
Gain on disposal of subsidiaries	60,198	29,649
Gain on disposal of an associate	—	9,188
Gain on remeasurement of pre-existing interests in the acquired subsidiaries	65,541	—
Others	29,272	36,972
	<u>222,919</u>	<u>179,188</u>

## 6. PROFIT BEFORE TAX

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

	<b>For the six months ended</b>	
	<b>30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Cost of inventories sold	<b>10,091,118</b>	7,123,481
Cost of services provided	<b>128,427</b>	62,080
Impairment losses written off for properties completed held for sale	<b>(2,792)</b>	(18,423)
Impairment losses on financial assets	<b>12,304</b>	8,297
Depreciation of items of property, plant and equipment	<b>35,966</b>	36,836
Depreciation of right-of-use assets	<b>17,158</b>	19,111
Amortisation of other intangible assets	<b>1,798</b>	3,020
Fair value gains on investment properties	<b>(87,690)</b>	(57,302)
Fair value gains on financial assets at fair value through profit or loss	<b>(4,169)</b>	(35,332)
Loss on disposal of items of property plant and equipment	<b>686</b>	3,410
Gain on disposal of subsidiaries	<b>(60,198)</b>	(29,649)
Gain on disposal of an associate	<b>—</b>	(9,188)
Gain on remeasurement of pre-existing interests in the acquired subsidiaries	<b>(65,541)</b>	—
Foreign exchange differences, net	<b>—</b>	22,663
Share of profits and losses of:		
Joint ventures	<b>123,195</b>	26,237
Associates	<b>(158,469)</b>	(259,141)
Employee benefit expense (including directors' and chief executive's remuneration):		
Wages and salaries	<b>425,204</b>	286,036
Equity-settled share-based payments	<b>4,318</b>	34,822
Pension scheme contributions and social welfare	<b>61,473</b>	39,531
Less: Amount capitalised	<b>(152,780)</b>	(93,331)
	<b>338,215</b>	267,058

## 7. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on bank loans, other borrowings and senior notes	1,420,443	1,487,827
Interest on lease liabilities	46,334	36,487
Interest expense arising from revenue contracts	348,496	523,774
	<hr/>	<hr/>
Total interest expense	1,815,273	2,048,088
Less: Net foreign exchange gains on financing activities	(29,973)	—
Interest capitalised	(1,290,684)	(1,622,902)
	<hr/>	<hr/>
	494,616	425,186
	<hr/>	<hr/>

## 8. INCOME TAX

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 British Virgin Islands, the Group's subsidiaries incorporated in the Cayman Islands and British Virgin Islands are not subject to any income tax. The Group's subsidiaries incorporated in Hong Kong are not liable for income tax as they did not have any assessable income currently arising in Hong Kong for the six months ended 30 June 2021.

Subsidiaries of the Group operating in Mainland China are subject to the People's Republic of China ("PRC") corporate income tax rate of 25% for the period.

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

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax:		
Corporate income tax	826,589	475,405
LAT	164,024	275,740
Deferred tax	(254,935)	(80,838)
	<hr/>	<hr/>
Total tax charge for the period	735,678	670,307
	<hr/>	<hr/>

## 9. DIVIDENDS

The proposed 2020 final dividend of HK14.5 cents per share, totaling HK\$483,131,000 (equivalent to approximately RMB402,984,000), was approved by the Company's shareholders at the annual general meeting on 25 June 2021. It was recorded in "Other payables and accruals" in the interim condensed consolidated statement of financial position and was subsequently distributed in July 2021.

The board of directors has resolved not to pay an interim dividend for the six months ended 30 June 2021 (six months ended 30 June 2020: Nil).

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 3,326,207,492 (six months ended 30 June 2020: 3,318,964,951) in issue during the period, as adjusted to reflect the rights issue during the period.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, adjusted to reflect the effect of share options, where applicable (see below). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and 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.

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

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Earnings</b>		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	<u>739,311</u>	<u>677,418</u>
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	3,326,207,492	3,318,964,951
Effect of dilution — weighted average number of ordinary shares:		
Share options	<u>30,534,212</u>	<u>28,763,631</u>
	<u><b>3,356,741,704</b></u>	<u><b>3,347,728,582</b></u>

The weighted average number of ordinary shares shown above has been arrived at after deducting the shares held by the trustee under the Company's share award scheme.

## 11. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
Within 1 month	2,552	2,397
1 to 3 months	116	1,857
3 to 6 months	—	1,800
6 to 12 months	437	1,000
Over 12 months	13	13
	<u>3,118</u>	<u>7,067</u>

## 12. TRADE AND BILLS PAYABLES

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

	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
Within 1 year	6,405,476	5,663,672
Over 1 year	655,240	581,169
	<u>7,060,716</u>	<u>6,244,841</u>

Trade payables are unsecured and interest-free and are normally settled based on the progress of construction.

## OVERVIEW AND OUTLOOK

### Review for the First Half of 2021

In the first half of 2021, the GDP of China increased by 12.7% year-on-year with an average growth rate of 5.3% over the past two years. With continuous steady recovery of domestic economy and rebound of production demand, the economic development of China enjoyed a stable growth with positive momentum. However, due to the uncertainties brought by the spread of the Delta variant of COVID-19 virus and the surge in prices of commodities, there may be downward pressure on exports and real estate in the second half of the year. With prudent monetary policy remaining in place, deposit reserve ratio will be reduced and easing will be implemented mainly through structural approaches; while fiscal policies will focus on lowering leverage of government and ensuring anti-epidemic achievement, which will leave more room for adjustment in the second half of the year. In respect of real estate market, according to the National Bureau of Statistics, in the first half of the year, the sales area of commodity housing across the country was 886,353,500 sq.m., representing a year-on-year increase of 27.7% and an average increase of 9.6% over the past two years. The sales of commodity housing amounted to RMB9,293,131 million, representing a year-on-year increase of 38.9% and an average increase of 16.7% over the past two years. Under the keynote of “Three Stabilities” (stable land prices, house prices and expectations), the supply side of land has introduced the “Two Concentrations” policy (concentrated publishing of announcements on grant of land and concentrated organization of land grant activities) to put more regulations on the commercial papers of real estate enterprises in pilot scheme. Overall speaking, the scale of the industry still remained, but property financing was under stringent control.

Under the new situation, upholding its core values of “professionalism and building credibility for the long term”, the Group adhered to the dual-driven synergic development in property development and commercial real estate, as well as the sustainable and stable development strategies which are profit-oriented and of high quality.

In the first half of the year, the Group achieved robust contracted sales and its structure was gradually optimized. The Group achieved contracted sales of RMB49.15 billion in aggregate, representing an increase of 55.7% as compared to the corresponding period last year. The contracted sales area was 2,904,796 sq.m., with an average selling price of RMB16,920 per sq.m. In particular, the first-tier cities and new first-tier cities accounted for approximately 50%, while the Yangtze River Delta and Jiangsu Region maintained a certain leading edge in the market and the growth in the Greater Bay Area and the Chengdu-Chongqing region was remarkable.

Steadily consolidating its nationwide layout, the Group constantly strengthened its foothold and established deep presence in core areas. In the first half of the year, the Group adhered to implementing the investment strategy of “penetrating the Greater

Jiangsu Region, strengthening foothold in major metropolitan areas and expanding into core cities” and established deep presence in premium metropolitan areas of China such as the Yangtze River Delta, the Greater Bay Area, the Chengdu-Chongqing region, the Shandong Peninsula and the middle reaches of Yangtze River. As at 30 June 2021, the Group’s aggregate gross floor area of land bank was approximately 21,005,050 sq.m., 67% of which were located in the first-tier, new first-tier and second-tier cities, which provided sufficient support for the healthy development of the Group in the future. In the land bank newly obtained during the first half of the year, the first- and second-tier cities accounted for 78%, of which the newly-added saleable value in Jiangsu Province was over 50%.

The Group coordinated the development between residential property development and commercial real estate and its business competitiveness continued to increase. In the first half of the year, sales revenue from commercial operations amounted to RMB291.8 million, which included the Hong Yang Plaza in operation, which were located in Nanjing in Jiangsu (Nanjing Hong Yang Plaza) and Changzhou in Jiangsu (Changzhou Central Hong Yang Plaza), respectively. At the same time, we are preparing the opening of the new Hong Yang Plaza located in Dacheng in Changzhou, Fenghuangdong in Changzhou, and Anqing. Further consolidating the diversified land acquisition mode under the commercial/residential linkage, the Group newly obtained a premium commercial and residential plot in the downtown area of Weifang in Shandong in August. Besides, sales revenue from hotel operations amounted to approximately RMB22.6 million.

The Group created its business strategy with industry characteristics, thereby achieving cost reduction and efficiency enhancement. Through the creation of integrated business strategy and cross-cycle resources and capital operation scheduling capability in six areas including the “investment and financial research management system, product research, development and construction system, standardized supply chain system, project operation and development platform, comprehensive project marketing flow and smoothed property service standard system”, the Group formed its competitive edges in the project opening cycle and average selling price of first-launched projects. The product control and delivery levels were improved. The services of the Group were constantly upgraded and along with the increase in customers’ satisfaction. The scale effect of the New Hongqiao Procurement Alliance directed by the Group has emerged, which effectively reduced our costs and expenditures.

The Group achieved stable growth in revenue and gained steady growth in earnings. Revenue amounted to RMB12,964.5 million, representing an increase of approximately 34.7% as compared to the same period last year. Gross profit amounted to RMB2,730.2 million, representing an increase of approximately 12.1% as compared to the same period last year. Net profit amounted to RMB990.0 million, representing an increase of approximately 10.6% as compared to the same period last year. Core net profit amounted to approximately RMB904.9 million, representing an increase of approximately 3.5% as compared to the same period last year.

The financial conditions of the Group remained healthy and its recognition in the capital market continued to increase. With adherence to a healthy financial structure, the Group has met all the requirements under the “Three Red Lines” assessment by the end of 2020 and all of its “Three Red Lines” data were in green tier. During the reporting period, the Group continued to realize green tier in the “Three Red Lines” assessment and its healthy financial management has been sustained. In January 2021, the Company successfully issued its offshore USD-denominated senior notes with longest maturity term, lowest interest rate and largest scale in the Company’s history. It also successfully issued its first ever USD-denominated senior green notes in May 2021. Meanwhile, the credit rating of the Group remained stable. Fitch Ratings maintained the Group’s long-term credit rating as “B+” with stable outlook. Moody’s maintained the Group’s long-term credit rating as “B2” with positive outlook. Lianhe Ratings Global upgraded the Group’s long-term credit rating to “BB” with stable outlook. In addition, United Credit Ratings maintained the long-term issuer credit rating of Redsun Properties (Group) Co., Ltd., a wholly-owned domestic subsidiary of the Group, as “AA+” with stable outlook.

### **Outlook for the Second Half of 2021**

In the second half of 2021, the COVID-19 pandemic will continue to develop, the external environment will become increasingly complex and challenging, while domestically our economic recovery will remain unstable and uneven. The meeting of the Political Bureau of the CCCPC on 30 July proposed to “make good inter-cyclical adjustment for macroeconomic policies and coordinate the transition between the macroeconomic policies this year and the next”, which will extend the continuity of policies. It is one of the future policy objectives to keep the economic performance in the second half of 2021 in a reasonable range. Fiscal policy will enhance effectiveness actively, while monetary policy will remain stable and provide steady support to the economy, with an ongoing emphasis on promoting the recovery of small and medium-sized enterprises as well as industries in difficulty.

The “Three Stabilities” long-term mechanism in the real estate market is becoming institutionalized, comprehensive, precise and normalized. The scale of the industry still remains, but the market divergence will continue and price fluctuations will be less frequent. The industry will return to the essence of residence while the property enterprises will return to the essence of operation.

In the second half of the year, the Group will adhere to strengthen our foothold in core areas and maintain the dual-driven strategy, as well as the sustainable and stable development strategies which are profit-oriented and of high quality. Focusing on the customers’ demand, we will conduct research and value creation to deliver good products and services, thereby constantly increasing our brand influence and reputation.

Adhering to the investment strategy of “penetrating the Greater Jiangsu Region, strengthening foothold in major metropolitan areas and expanding into core cities”, the Group will implement diversified investment channel expansion and stick to the

cooperative development to complement each other's advantages. We will continue to carry out commercial/residential coordination and their mutual empowerment and facilitation, making an effort to improve the efficiency of residential investment and increase the valuation of commercial assets.

The Group will persist in the operation strategy of being “operation- and customer-oriented”. On one hand, we seek to achieve profitable operation cash flow and stick to the bottom lines of low inventories, low trade receivables and capital safety margin. On the other hand, we pursue customers' satisfaction with loyalty and implement stringent standards for quality control, making an effort to realize product innovation, construction upgrade and service upgrade.

The Group will adhere to promoting precise and thorough research on cities and customers and realize product research and innovation based on “scenario iteration” and “health, aesthetics and wisdom”. We will realize continuous upgrade in our construction craftsmanship and services to ensure that our products can meet market demands and are recognized by customers.

The Group will adhere to complying with the financial strategies and credit metrics management as required by the national policies as well as the green tier requirements under the “Three Red Lines” assessment. We will make ends meet and determine our expenditure based on revenue in order to sustain our healthy financial strategies. We will further improve the credibility level of the Company and expand our accessibility to capital markets with an aim to constantly reducing our finance costs and supporting the healthy and sustainable growth of the Company.

Constantly upholding the value of “professionalism and building credibility for the long term”, the Group will fully implement the corporate vision of “making lives warmer”, advocate the corporate spirit of “Health, Hard work and Benevolence”, the “talent-, fighter- and contributor-oriented” talent concept as well as the team culture of “practicality, vitality and affinity”, so as to make a constant effort to realize the vision of “becoming a respected creator of a better life” (成為受人尊敬的美好生活創造者), earning the respect of our customers, industry peers, business partners as well as the community.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

#### 1. Sales of Properties

For the six months ended 30 June 2021, the Group achieved contracted sales of approximately RMB49.15 billion, representing an increase of 55.7% as compared to RMB31.57 billion in the same period last year. The average contracted selling price of the Group amounted to RMB16,920 per sq.m., representing an increase of 15.6% as compared to RMB14,642 per sq.m. in the same period last year.

The record high and significant year-on-year increase in the Group's contracted sales were mainly due to the adherence to the layout strategy of "penetrating the Greater Jiangsu Region, strengthening foothold in major metropolitan areas and expanding into core cities", proactive enhancement in operating efficiency, acceleration in turnover and realisation of economies of scale through strengthening regional foothold.

Details of the contracted sales of the Group for the six months ended 30 June 2021 are set out as below:

Region	Contracted Sales in Total Gross Floor Area (sq.m.)	Contracted Sales Amount (RMB'000)	Average Contracted Selling Price (RMB/sq.m.)
Nanjing	289,813	7,277,490	25,111
Wuxi	256,682	4,473,555	17,428
Yancheng	244,131	3,462,369	14,182
Chongqing	176,358	2,608,867	14,793
Changzhou	132,261	1,904,674	14,401
Suzhou	127,643	3,314,582	25,968
Xuzhou	126,200	1,245,403	9,868
Hefei	125,254	1,572,369	12,553
Nantong	123,201	1,946,811	15,802
Foshan	114,454	2,111,858	18,452
Chengdu	109,617	2,334,607	21,298
Jiaxing	105,366	1,598,824	15,174
Anqing	102,602	847,367	8,259
Suqian	100,303	920,552	9,178
Ningbo	83,429	2,883,413	34,561
Xianyang	49,233	432,548	8,786
Changsha	42,218	520,514	12,329
Guangzhou	40,869	1,001,290	24,500

<b>Region</b>	<b>Contracted Sales in Total Gross Floor Area (sq.m.)</b>	<b>Contracted Sales Amount (RMB'000)</b>	<b>Average Contracted Selling Price (RMB/sq.m.)</b>
Jinan	36,682	450,332	12,277
Wuhan	35,442	603,131	17,017
Yangzhou	34,859	340,434	9,766
Wuhu	32,825	317,221	9,664
Hangzhou	32,401	1,191,994	36,789
Huzhou	31,015	695,003	22,409
Chuzhou	30,573	311,504	10,189
Nanchang	30,190	411,820	13,641
Xiangyang	29,221	265,770	9,095
Zhengzhou	22,861	177,688	7,773
Zhenjiang	20,916	203,162	9,713
Wenzhou	20,127	508,912	25,285
Qingdao	16,836	281,154	16,700
Xi'an	15,996	110,482	6,907
Jiangmen	10,845	106,423	9,813
Shaoxing	7,207	139,780	19,395
Huai'an	3,617	37,221	10,291
Kaifeng	3,322	34,276	10,318
Bozhou	1,454	16,268	11,188
Taizhou (台州)	768	18,490	24,075
Fuyang	399	3,590	8,997
Others	137,606	2,468,284	17,937
Total	<u>2,904,796</u>	<u>49,150,032</u>	<u>16,920</u>

## **2. Land Bank**

As at 30 June 2021, the Group's total gross floor area of land bank was approximately 21,005,050 sq.m., including completed properties totaled 1,470,311 sq.m., rentable area held for investment totaled 838,065 sq.m. and properties under development totaled 18,696,674 sq.m..

Details of the land bank of the Group (including the land bank which is undergoing the acquisition process) as at 30 June 2021 are set out as below:

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Nanjing	Nanjing Hong Yang Plaza (南京弘陽廣場)	230,871	—	452,721	—	452,721	100%
Nanjing	Lishui Times Joy Residence (formerly: Shiqiu Project) (溧水時光悅府(原名稱: 石湫項目))	131,964	51,031	—	130,509	181,540	48%
Nanjing	Nanjing Jiangbei New District Chengnanhe Road Project (南京江北新區城南河路項目)	66,057	—	—	178,602	178,602	25%
Nanjing	Nanjing Zhuangyuanfang Xiyue Garden (formerly: Lishui Zhuangyuanfang Project) (南京狀元坊熹樾花園 (原名稱: 溧水狀元坊項目))	67,192	—	—	162,507	162,507	31%
Nanjing	Nanjing Kangjian Road Glance River Joy Residence (南京康健路望江悅府)	65,227	—	—	145,258	145,258	20%
Nanjing	Nanjing Jiangning Tangshan Tianrun Road Project (南京江寧湯山天潤路項目)	68,029	—	—	141,543	141,543	33%
Nanjing	Nanjing Times Avenue Lan Wan Jiu Zhu (formerly: Times Avenue Project) (南京時代大道攬灣玖築 (原名稱: 時代大道項目))	60,138	—	—	138,705	138,705	15%
Nanjing	Times Sky Shade (formerly: Nanjing Land Lot No. 2017G36 (時代天樾 (原名稱: 南京·2017G36 地塊))	54,173	6,367	—	121,224	127,591	15%
Nanjing	Qilin Garden in the East (麒麟領東苑)	67,810	126,505	—	—	126,505	33%
Nanjing	Lukou Lakeside Mansion (formerly: Lukou Project) (祿口雲溪環園(原名稱: 祿口項目))	73,686	—	—	111,849	111,849	47%
Nanjing	Lishui Sunrise Joy Shangchen (溧水昕悅尚宸)	41,931	—	—	98,681	98,681	48%
Nanjing	Nanjing Qinhuai Laochengdong Project (南京秦淮老城東項目)	31,813	—	—	66,591	66,591	33%
Nanjing	Xiaolongwan Garden of Joy and Happiness (formerly: Land Lot No. 2017G57) (小龍灣悅 禧苑(原名稱: 2017G57 地塊))	58,024	43,279	—	20,657	63,936	100%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Nanjing	Nanjing Jiangbei New District Xinhua Road Project (南京江北新區新華路項目)	18,130	—	—	51,910	51,910	51%
Nanjing	Nanjing Yaohuamen Qiyao Meizhu (南京堯化門樓堯美著)	14,670	—	—	42,727	42,727	82%
Nanjing	Qiaolin Shiguang Boyueyuan (橋林時光泊月園)	28,188	—	—	37,065	37,065	48%
Nanjing	Nanjing Land Lot No. 2017G27 (南京·2017G27地塊)	68,644	27,637	—	—	27,637	20%
Nanjing	Nanjing No. 2018G01 (南京2018G01)	7,025	16,970	—	—	16,970	28%
Nanjing	Puzhu North Road Project (浦珠北路項目)	7,232	16,516	—	—	16,516	69%
Nanjing	Wave of Swallow New Garden (燕瀾新苑)	61,145	12,539	—	—	12,539	50%
Nanjing	Solaris Loving City Section 6 Store (旭日愛上城六區商舖)	989	—	7,301	—	7,301	100%
Nanjing	Residence of Bamboo and Water (竹水居)	52,763	6,562	—	—	6,562	50%
Nanjing	Sea Joy Garden (海悅花園)	57,503	6,024	—	—	6,024	49%
Nanjing	Solaris Loving City Section 8 (旭日愛上城八區)	40,552	5,986	—	—	5,986	100%
Nanjing	Solaris Jingcheng Store (旭日景城商舖)	1,371	—	4,450	—	4,450	100%
Nanjing	Garden of Joy and Elegance (昕悅雅苑)	32,246	4,148	—	—	4,148	49%
Nanjing	Mountain and Lake View Garden in Times (時光山湖花園)	14,338	3,571	—	—	3,571	25%
Nanjing	Loving Garden (愛上花園)	77,367	3,115	—	—	3,115	99%
Nanjing	Redsun Solaris Loving City Section 6 (弘陽旭日愛上城六區)	75,237	2,766	—	—	2,766	100%
Suzhou	Xiangcheng Shangchen View Mansion (formerly: Fuyuan Road Project) (相城天境上辰(原名稱: 富元路項目))	154,101	—	—	424,786	424,786	44%
Suzhou	Suzhou Lumu Heaven Billow (蘇州陸慕天境瀾庭)	37,963	—	—	82,115	82,115	59%
Suzhou	Upper Sunny Masterpiece Garden (上熙名苑)	44,701	29,426	—	16,647	46,073	50%
Suzhou	Runyuan Masterpiece Garden (潤元名著花園)	80,669	814	—	27,583	28,397	49%
Suzhou	Luyuan Architecture (甬源名築)	60,961	931	—	8,957	9,888	99%
Suzhou	Shangshui Garden of Elegance (上水雅苑)	69,325	—	—	3,092	3,092	99%
Changshu	Hefeng Architecture in Xinhua Road (新華路和風名築)	45,742	—	—	103,314	103,314	42%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Changshu	Changshu Guli Tieqin Road Project (常熟古里鐵琴路項目)	40,805	—	—	87,541	87,541	34%
Changshu	Shang Jun Hua Court (尚雋華庭)	39,410	—	—	12,798	12,798	47%
Changshu	Changshu No. 005 (常熟005)	17,361	—	—	5,876	5,876	31%
Taicang	Taicang Wutang River Luminaries (formerly: Wutang River Project) (太倉吳塘河明月辰光(原名稱: 吳塘河項目))	33,325	—	—	55,183	55,183	32%
Zhangjiagang	Zhangjiagang Chengdong Tangyue Royalty (formerly: Zhangjiagang Jiangcheng Road) (張家港城東棠樾世家(原名稱: 張家港蔣乘路))	44,590	—	—	102,095	102,095	43%
Zhangjiagang	Tang Qiao Cloud Mansion (formerly: Tang Qiao Fumin Road Project) (塘橋雲築(原名稱: 塘橋富民路項目))	40,317	—	—	70,271	70,271	47%
Zhangjiagang	Beautiful in Ten (十里錦繡)	98,783	1,753	—	20,502	22,255	16%
Zhangjiagang	Sunrise Joy Masterpiece Residence (昕悅名邸)	47,706	5,671	—	—	5,671	69%
Zhangjiagang	Star Great Tang Masterpiece Residence (星盛唐名邸)	36,829	4,877	—	—	4,877	50%
Hangzhou	Fuchun Bay Jichen Residence (富春灣濟宸府)	39,313	—	—	111,939	111,939	33%
Hangzhou	Hangzhou Binyao Mansion (formerly: Binjiang Pule Project) (杭州濱耀學府(原名稱: 濱江浦樂項目))	44,633	—	—	101,545	101,545	26%
Hangzhou	Hangxing Road Project (杭行路項目)	18,703	—	—	44,575	44,575	30%
Hangzhou	Yu Zheng Chu Chu [2018] No.9 (余政儲出[2018]9號)	50,888	—	—	7,645	7,645	31%
Wenzhou	Yueqing Central District Junlan Hezhu (樂清中心區君蘭和著)	41,342	—	—	80,566	80,566	34%
Wenzhou	Huichang River Prosperous Seasons (formerly: Huichang River B03 Project) (會昌河潮啟四季(原名稱: 會昌河B03項目))	25,721	—	—	65,203	65,203	49%
Wenzhou	Huichang River West Lakeside Seasons (formerly: Huichang River B07 Project) (會昌河西湖四季(原名稱: 會昌河B07項目))	19,967	—	—	52,565	52,565	49%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Wenzhou	Guanghuaqiao Jiangbin ONE (廣化橋江濱ONE)	21,191	—	—	41,022	41,022	48%
Foshan	Nanyou Park No. 1 (南油公園一號)	67,582	—	—	176,419	176,419	31%
Foshan	Foshan Lakeside Mansion (formerly: Lv Dao Hu) (佛山綠島湖公館(原名稱: 綠島湖))	51,240	—	—	165,077	165,077	17%
Foshan	Foshan Jihua North Joy River No. 1 (佛山季華北悅江一號)	33,220	—	—	89,035	89,035	47%
Foshan	Foshan Zhangcha Sunrise Joy Residence Project (佛山張槎昕悅府項目)	17,059	—	—	46,901	46,901	48%
Foshan	Hongyang Shan Xin Garden (弘陽山馨花園)	63,132	37,147	—	—	37,147	95%
Foshan	Benevolence Lake Project (博愛湖項目)	44,156	12,701	6,046	—	18,747	95%
Guangzhou	Guangzhou Zengcheng Times (廣州增城時光薈)	53,392	—	—	186,439	186,439	34%
Guangzhou	Guangzhou Jiaoxin Project (廣州濶心項目)	88,941	—	—	145,201	145,201	34%
Chengdu	Central Road Fanjin 108 (formerly: Central Road) (中環路梵錦108(原名稱: 中環路項目))	72,114	—	41,650	186,155	227,805	26%
Chengdu	Xinglonghu Project (formerly: Tianfu Xinqu 42 mou) (興隆湖項目(原名稱: 天府新區42畝))	28,432	—	—	79,751	79,751	32%
Chengdu	Qionglai Chang'an Avenue Project (邛崃長安大道項目)	39,809	19,628	—	25,161	44,789	94%
Chengdu	Shuangliu Heyuan Project (雙流合園項目)	19,794	—	—	35,187	35,187	31%
Chengdu	Dujiangyan DJY2017-10 (都江堰DJY2017-10)	39,064	—	—	9,414	9,414	95%
Chengdu	Dujiangyan DJY2017-09 (都江堰DJY2017-09)	26,393	—	—	4,849	4,849	95%
Hefei	Lujiang Lakeside Shade Mountain (廬江湖畔樾山)	161,263	—	—	343,680	343,680	49%
Hefei	Longzi Lake Times (龍子湖湖語時光)	68,461	—	—	138,007	138,007	29%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Hefei	Fengle Oriental Jade (formerly: Yaohai Prosper and Joy) (豐樂翡麗東方(原名稱: 瑤海豐樂))	59,233	—	—	127,799	127,799	32%
Hefei	Mountain View Yard (望麓別院)	139,536	—	—	28,558	28,558	25%
Hefei	In Times (時光里)	42,621	2,018	—	6,543	8,561	100%
Hefei	Purple Breeze (紫氣東來)	28,081	163	—	6,511	6,674	51%
Hefei	Moon Bay Joy and Magnificence (月亮灣和悅風華)	26,380	5,713	—	—	5,713	38%
Hefei	Sunrise Joy Garden (昕悅花園)	37,254	124	—	3,510	3,634	80%
Pengzhou	Chinoiserie Mansion (formerly: Pengzhou 50+55 mou Project) (彭州玖峯(原名稱: 彭州50+55畝項目))	70,603	—	—	155,287	155,287	66%
Qingdao	Jimo Yunhai Road Beauty Collection In Times (即墨雲海路集美時光)	116,220	—	—	190,754	190,754	35%
Qingdao	Jinshatan Beyond the Sea (金沙灘天賦雲海)	14,077	—	—	106,592	106,592	28%
Wuhan	Wuhan Xiao Jun Shan Aesthetics of Life (formerly: Xiao Jun Shan) (武漢小軍山天璽尚院 (原名稱: 小軍山))	128,129	—	—	370,338	370,338	45%
Wuhan	Yin Yue Residence (印月府)	106,207	89,308	—	100,721	190,029	95%
Wuhan	Wuhan Jiangxia Huangjia Hunan Road Project (武漢江夏黃家湖南路項目)	25,290	—	—	59,854	59,854	95%
Xi'an	Xi'an Jinghe New Town The Polaris Mansion (西安涇河新城北宸天樾)	95,017	—	—	271,700	271,700	32%
Xi'an	Yan Liang Sunrise Joy Residence (閩良昕悅府)	24,649	—	—	70,299	70,299	48%
Changsha	Black Stone Sunrise Joy Residence (formerly: Black Stone Project) (黑石昕悅府 (原名稱: 黑石項目))	32,684	—	—	119,978	119,978	95%
Changsha	Changsha Xinglian Road Natural Bustling (formerly: Xinglian Road) (長沙興聯路 雲瀟賦(原名稱: 興聯路))	16,111	—	—	52,124	52,124	48%
Changsha	Changsha Wayao Road Sunrise Joy Court (formerly: Wayao Road) (長沙瓦窯路昕悅棠 (原名稱: 瓦窯路))	34,269	—	—	44,336	44,336	48%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Changsha	Wanhou Road Project (formerly: Wanhou Road) (萬侯路項目(原名稱: 萬侯路))	21,967	—	—	38,185	38,185	95%
Changsha	Deyi In Times (德一時光里)	12,956	20,574	—	—	20,574	67%
Zhengzhou	Zhongmou Hong Yang Residence (中牟弘陽府)	119,924	51,191	—	267,135	318,326	95%
Chongqing	Chongqing Jieshi Xiao Feng Jiang Nan 141 mou Project (重慶界石曉風江南 141畝項目)	94,061	—	—	207,622	207,622	30%
Chongqing	Beibei Utopia (formerly: Beibei Project) (北碚樾景臺(原名稱: 北碚項目))	109,540	—	—	188,186	188,186	47%
Chongqing	Bishan Sunrise Joy Residence (formerly: Bishan 295) (璧山昕悅府(原名稱: 璧山295))	106,259	17,538	—	164,230	181,768	45%
Chongqing	Chongqing Babin Road Glistening River (formerly: Babin Road Project) (重慶巴濱路一曲晴江 (原名稱: 巴濱路項目))	66,926	—	—	148,658	148,658	48%
Chongqing	Taojia Times Billow(formerly: Cypress View • Seattle) (陶家時光瀾庭(原名稱: 柏景•西雅圖))	89,273	19,120	—	70,889	90,009	100%
Chongqing	Chongqing Jieshi Xiao Feng Jiang Nan 71 mou Project (重慶界石曉風江南 71畝項目)	47,039	—	—	82,054	82,054	30%
Chongqing	Chongqing Central Park Sunrise Joy Court (formerly: Central Park) (重慶中央公園 昕悅棠(原名稱: 中央公園))	39,636	—	—	67,991	67,991	95%
Chongqing	Shapingba District Dayangshi Group Subregion C No. C11-1/03 (沙坪壩區大楊石組 團C分區C11-1/03號)	8,749	16,925	—	—	16,925	46%
Chongqing	Guan Yin Tang (觀音塘)	14,785	—	—	6,249	6,249	49%
Changzhou	Phoenix East Phoenix One (formerly: Phoenix East Project) (鳳凰東錦鳳合鳴 (原名稱: 鳳凰東項目))	115,615	—	32,018	227,218	259,236	49%
Changzhou	Sanmao Longyun Tiancheng (formerly: Sanmao Land Lot) (三毛龍運天城(原名稱: 三毛地塊))	108,486	—	—	238,588	238,588	31%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Changzhou	Changzhou Jintan Huaxi Yuanzhu Garden (常州金壇花溪源著花園)	129,243	—	—	218,469	218,469	35%
Changzhou	Changzhou Hong Yang 1936 (formerly: Sang Ma Land Lot CD) (常州弘陽1936 (原名稱: 桑麻CD地塊))	156,115	22,208	119,323	38,191	179,722	70%
Changzhou	Shang Mao Yun Feng (商貿雲峯)	50,921	—	—	154,465	154,465	57%
Changzhou	Changzhou Yaoguan Yuhushanguan Garden (常州遙觀昱湖上觀花苑)	58,093	—	—	111,451	111,451	57%
Changzhou	Changzhou Hong Yang Plaza (常州弘陽廣場)	43,590	—	89,866	—	89,866	100%
Changzhou	Xi Xia Shu Yun Xi (西夏墅雲禧)	36,712	—	—	78,631	78,631	35%
Changzhou	The Bund No.1 Garden (外灘一號花園)	126,695	—	—	34,329	34,329	85%
Changzhou	Golden Seal and Heaven Shire (金璽天郡)	88,719	22,690	—	9,731	32,421	50%
Changzhou	Emperor Looks at the First Court (君望甲第)	67,225	2,829	—	16,604	19,433	40%
Changzhou	Sang Ma Land Lot A (桑麻A地塊)	44,524	—	11,690	—	11,690	70%
Changzhou	Hong Yang Upper City Phase I — III (弘陽上城一 — 三期)	111,700	8,654	—	—	8,654	100%
Haimen	Jianghai Road The One World (formerly: Jianghai Road Zuo An Gong Yuan) (江海路水 岸觀瀾苑(原名稱: 江海路左 岸公元))	75,028	—	—	122,193	122,193	32%
Jiangyin	Xinqiao Leiden Town (formerly: Jing Garden of Superior Class) (新橋萊頓小鎮(原名 稱: 上品環苑))	203,609	—	—	346,858	346,858	20%
Jiangyin	Yunting Tangyue Jinyuan (formerly: Yunting Primary School Project) (雲亭棠樾錦 園(原名稱: 雲亭小學項目))	92,953	—	—	200,204	200,204	48%
Jiangyin	Sunrise Joy Residence (昕悅府)	138,902	30,000	—	13,643	43,643	100%
Nantong	Nantong Gaotie Xincheng Honored Palace (formerly: Pingchao Gaotie Xincheng) (南通高鐵新城時光峯匯 (原名稱: 平潮高鐵新城))	84,022	—	—	184,218	184,218	29%
Nantong	Nantong Antai Road Project (南通安泰路項目)	53,761	—	—	116,056	116,056	30%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Nantong	Nantong Fuxing Road Guanjianghai (formerly: Nantong Fuxing Road Project) (南通富興路觀江海 原名稱: 南通富興路項目))	69,966	—	—	115,140	115,140	20%
Nantong	Zisheng Road Junlan Tianyue (資生路君蘭天悅)	40,689	—	—	85,698	85,698	42%
Nantong	Upper Joy Garden (上悅花園)	82,741	297	—	20,150	20,447	25%
Nantong	Oriental Cloud Garden (東方雲苑)	86,652	—	—	9,816	9,816	17%
Nantong	Xitong Times Billow (錫通時光樾瀾庭)	38,920	8,198	—	—	8,198	48%
Nantong	Sutong (蘇通)	47,405	2,319	—	5,805	8,124	36%
Nantong	Esteeming Virtues Garden (尚德苑)	37,348	735	—	5,572	6,307	33%
Nantong	Center Creation Metropolis Garden (中創都市花苑)	47,963	1,995	—	3,470	5,465	23%
Rugao	Wanshou Road Zi Yun Ji (formerly: Wanshou Road Project) (萬壽路紫雲集 原名稱: 萬壽路項目))	89,669	—	—	235,371	235,371	28%
Wuxi	Wuxi Qingyuan Avenue Time's Lakeside (formerly: Wuxi Qingyuan Avenue) (無錫慶源大道時光汎樾 原名稱: 無錫慶源大道))	57,962	—	—	112,537	112,537	48%
Wuxi	Yangjian Platinum Residence (formerly: Yangjian Project) (羊尖鉞悅名邸(原名稱: 羊尖項目))	63,050	—	—	109,523	109,523	38%
Wuxi	Liyuan The Art of Shine (formerly: Liyuan Project) (利源長江映(原名稱: 利源項目))	39,021	—	—	84,872	84,872	28%
Wuxi	Jade Seal (formerly: Wuxi Yangshan) (無錫陽山悅陽九璽 原名稱: 無錫陽山))	28,166	—	—	44,427	44,427	30%
Wuxi	Huishan Chengtie Zhan Time's Garden (formerly: Huishan Chengtie Zhan) (惠山城鐵站時光玖境 原名稱: 惠山城鐵站))	15,017	—	—	41,717	41,717	25%
Wuxi	Sunrise Joy Court (昕悅棠)	85,122	1,387	—	9,489	10,876	100%
Wuxi	Wuxi Sanwan Qing (無錫三萬頃)	800,000	9,122	—	—	9,122	100%
Xuzhou	Dawu Park Avenue (大吳公園大道)	213,207	—	—	613,070	613,070	51%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Xuzhou	Xuzhou Songshan Road One Sino Long (formerly: Songshan Road Project) (徐州嵩山路山河瓏胤 (原名稱: 嵩山路項目))	142,721	—	—	361,626	361,626	25%
Xuzhou	Suqian Shinsun Mansion Huayuan (formerly: Suyu Project) (宿遷祥生府花苑 (原名稱: 宿豫項目))	90,007	—	—	244,275	244,275	30%
Xuzhou	Metropolitan City in Xinyuan Avenue (新元大道大都會)	90,236	—	—	229,089	229,089	47%
Xuzhou	Dawu Shugang Road Project (大吳疏港大道項目)	65,828	—	—	182,340	182,340	48%
Xuzhou	East Lake Joy Residence in Pengzu Avenue (彭祖大道東湖悅府)	70,905	—	—	182,063	182,063	19%
Xuzhou	Xuzhou Damiao Heping Gongguan (formerly: Zhongtian Shiming Road Project) (徐州大廟和平公館 (原名稱: 中天仕名路項目))	55,614	—	—	154,856	154,856	48%
Xuzhou	Phoenix Hill Puyue Residence (鳳凰山璞樾門第)	59,770	—	—	75,733	75,733	81%
Xuzhou	Taoloushan Land Lot Project C (陶樓山C地塊項目)	24,514	—	—	67,973	67,973	50%
Xuzhou	Taoloushan Land Lot Project A (陶樓山A地塊項目)	26,358	—	—	66,677	66,677	50%
Xuzhou	Taoloushan Land Lot Project B (陶樓山B地塊項目)	25,157	—	—	63,517	63,517	50%
Xuzhou	Nine Pleasures Splendid Residence (九悅華府)	181,244	25,524	—	—	25,524	33%
Xuzhou	Xuzhou Landscape of the Peach Garden (徐州山水桃花源)	104,284	10,939	—	5,721	16,660	75%
Xuzhou	Joyful Beautiful Scenery Harmonious Residence (欣欣麗景和府)	26,646	2,187	—	2,338	4,525	33%
Haining	Longxing Road Beichen Yipin (formerly: Longxing Road Project) (隆興路北辰一品 (原名稱: 隆興路項目))	42,030	—	—	83,598	83,598	33%
Jiaxing	Youchegang Tihong Yueli (油車港題紅樾里)	37,064	—	—	102,701	102,701	43%
Ningbo	Cixi Chengdong Shangdongchen Residence (慈溪城東上東辰府)	84,775	—	—	186,447	186,447	30%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Ningbo	Ningbo Yaojiang Qingyu (formerly: Yaojiang New City Project) (寧波姚江晴雨 原名稱: 姚江新城項目)	88,930	—	—	151,617	151,617	18%
Ningbo	Chen Po Du Yong Chao Yin Residence (formerly: Chen Po Du) (陳婆渡涌潮印府 原名稱: 陳婆渡)	40,148	—	—	78,863	78,863	33%
Taizhou (台州)	Wenling Jiuzhu in Times (溫嶺時代玖著)	14,338	—	—	37,704	37,704	48%
Tongxiang	Wuzhen Joy Court (formerly: Wuzhen Longxiang Avenue Project) (烏鎮昕悅棠(原名 稱: 烏鎮龍翔大道項目))	42,811	—	—	82,706	82,706	57%
Zhuji	Zhuji Land Lot No. 2018-11 (諸暨2018-11地塊)	49,492	15,399	—	—	15,399	45%
Jinan	Jiqi Road Leisure's Mansion (formerly: Jiqi Road Project) (濟齊路君逸府(原名稱: 濟齊路項目))	34,290	—	—	91,722	91,722	43%
Nanchang	Yao Lake Times Sky Shade (瑤湖時光天樾)	102,269	—	—	223,314	223,314	63%
Nanchang	New Power Hong Yang Residence (新力弘陽府)	43,410	—	—	105,761	105,761	35%
Nanchang	Zhong Da Hong Yang (formerly: Qing Yun Pu) (中大弘陽(原名稱: 青雲譜))	29,452	9,077	—	90,079	99,156	49%
Nanchang	Nanchang Qingshan Lake Avenue Times Garden (南昌青山湖大道時光玖悅)	20,182	—	—	65,514	65,514	49%
Nanchang	Wanli (灣里)	13,717	8,109	—	2,429	10,538	95%
Danyang	Phoenix Terrace (鳳熹臺)	88,498	26,743	—	—	26,743	20%
Huai'an	Huai'an Eco-City Grand One (淮安生態新城泓著大觀)	82,734	—	—	178,190	178,190	100%
Huai'an	Heyi Road Yunhe Fenghua (合意路運河風華)	68,362	—	—	167,564	167,564	46%
Huai'an	Huai'an Fengdeng Road Jinyuefu (formerly: Huai'an Fengdeng Road) (淮安豐登路金樾府 原名稱: 淮安豐登路)	41,476	—	—	129,626	129,626	20%
Jurong	Jurong C Ziyue Residence (formerly: Land Lot No. 2018-J1-06) (句容C紫悅府(原名稱: 2018-J1-06號地塊))	72,609	10,373	—	71,134	81,507	31%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Jurong	Jurong B Project (formerly: Jurong Land Lot No. B) (句容B項目(原名稱: 句容B地塊))	38,731	—	—	74,274	74,274	18%
Suqian	Wutaishan Heyue Garden (五臺山和樾花園)	139,947	—	—	371,486	371,486	19%
Taizhou (泰州)	Wave of Swallow Garden (燕瀾花園)	56,230	12,741	—	—	12,741	99%
Yancheng	Yancheng Haikuo Road Project (鹽城海闊路項目)	100,491	—	—	267,326	267,326	17%
Yancheng	Dongjin Road Sunrise Joy Residence (東進路昕悅府)	103,847	—	—	241,025	241,025	32%
Yancheng	Yancheng Yandangshan Road Fengyue Residence (formerly: Yancheng Yandangshan Road Project) (鹽城雁蕩山路鳳樾府 (原名稱: 鹽城雁蕩山路 項目))	104,088	—	—	238,851	238,851	22%
Yancheng	Yandu Dongjin Road Project (鹽都東進路項目)	74,029	—	—	194,471	194,471	45%
Yancheng	Begonia View Residence in Yanzhen Road (鹽枕路觀棠府)	69,049	—	—	163,523	163,523	31%
Yancheng	Yancheng Wengang Road Jingyaoshangdong (formerly: Yancheng Wengang Road Project) (鹽城文港路晶耀上東 (原名稱: 鹽城文港路項目))	60,421	—	—	156,933	156,933	33%
Yangzhou	Yangzhou City Two Central Mansion (揚州二城和光昕悅)	23,234	—	—	41,660	41,660	67%
Yizheng	Yizheng 38 Yuedi Bay (儀徵38悅堤灣)	69,788	18,421	—	86,271	104,692	50%
Yizheng	Yizheng Yuelong Bay (儀徵悅龍灣)	27,589	—	—	73,240	73,240	47%
Yizheng	Yizheng 39 Yuejiang Bay (formerly: Yizheng 39) (儀徵39悅江灣(原名稱: 儀徵39))	66,358	9,067	—	42,890	51,957	48%
Zhenjiang	Xiaoniu Hill No. 2 Four Seasons Magnificence (小牛山二號四季風華)	20,536	—	—	78,525	78,525	33%
Zhenjiang	Zhoujiazhuang Project (周家莊項目)	16,168	—	—	42,463	42,463	48%
Zhenjiang	Xiaoniu Hill No. 1 Four Seasons Magnificence (小牛山一號四季風華)	28,920	—	—	31,250	31,250	31%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Anqing	Anqing Hong Yang Upper City (安慶弘陽上城)	147,547	—	73,000	244,279	317,279	95%
Bengbu	Bengbu Xin Hong (蚌埠新弘)	32,646	1,152	—	5,373	6,525	48%
Chuzhou	Jingzi Road Times Magnificence (敬梓路時光風華)	55,719	—	—	123,684	123,684	47%
Chuzhou	Times Billow (Garden In Times (Chuzhou Times Billow (時光里花園(滁州時光瀾庭)))	89,886	21,653	—	—	21,653	39%
Chuzhou	Garden with Art Atmosphere (藝境花園)	60,189	19,940	—	—	19,940	33%
Chuzhou	Glory Residence (正榮府)	80,867	12,970	—	—	12,970	30%
Chuzhou	New City Hong Yang Garden at Mingfa North (明發北站新城弘陽苑)	8,782	2,514	—	—	2,514	99%
Fuyang	Yingzhou Hong Yang Residence (潁州弘陽府)	38,297	77,142	—	4,439	81,581	45%
Huzhou	Ren Huang 58 Yan Lan Residence (formerly: Huzhou Ren Huang No. 58#) (仁皇58燕瀾府(原名稱: 湖州仁皇58#))	102,218	11,373	—	78,335	89,708	87%
Huzhou	Huzhou Southwest Development Zone Qinlan Residence (formerly: Huzhou South Taihu New District Project) (湖州西南開發區沁瀾府 (原名稱: 湖州南太湖 新區項目))	30,200	—	—	78,204	78,204	38%
Huzhou	Huzhou 2018-43 (湖州2018-43)	48,652	25,165	—	—	25,165	96%
Ma'anshan	Sunny Side of the Yangtze River Peacock City (長江熙岸孔雀城)	97,340	29,758	—	—	29,758	20%
Wuhu	Mengxi Road Shiguang Lane (夢溪路時光里)	74,135	—	—	136,371	136,371	38%
Jiangmen	Liyue Guoyue Residence (formerly: Liyue Project) (禮樂國樾府(原名稱: 禮樂項目))	30,231	—	—	81,897	81,897	31%
Hengyang	Yangliu Road Sunrise Joy Residence (楊柳路昕悅府)	36,912	—	—	120,919	120,919	95%
Xianyang	Zhonghua West Road Yulong Fu (中華西路鈺瓏府)	39,136	—	—	147,049	147,049	45%
Xiangyang	Xiangzhou Park 1873 (襄州公園1873)	93,846	—	—	260,002	260,002	48%
Xiangyang	Taiziwan Lu Yun Ting (檣子灣路雲庭)	29,569	—	—	64,209	64,209	76%
Xiangyang	Prime Watery Court (襄御瀾庭)	45,761	21,514	—	—	21,514	94%

Region	Name of Project	Area of Land (sq.m.)	Completed Total Gross Floor Area for Sale (sq.m.)	Rentable Area Held for Investment (sq.m.)	Total Gross Floor Area Under Development (sq.m.)	Total Area of Land Bank (sq.m.)	The Group's Interests
Bozhou	Verse of River and Mountain (formerly: Bozhou Land Lot No. 2017-217 (江山賦(原名 稱: 亳州2017-217號地塊))	201,216	—	—	271,048	271,048	40%
Kaifeng	Zhong Yi Hu Yan Lan Residence (formerly: Kaifeng Yan Lan Residence) (中意湖燕瀾府(原名稱: 開封燕瀾府))	63,533	206,726	—	—	206,726	44%
Meishan	Renshou In Times (仁壽時光里)	68,107	44,515	—	122,541	167,056	94%
	Other Projects	311,331	68,237	—	200,426	268,663	
Total		13,704,417	1,470,311	838,065	18,696,674	21,005,050	

### **3. Commercial Operations**

The Group's income from commercial operations for the six months ended 30 June 2021 was approximately RMB291.8 million, representing an increase of 37.1% as compared to the same period last year.

The increase was mainly due to the increase in rental income from Nanjing Hong Yang Plaza, as well as the increase in rental income from Hefei Hong Yang Plaza grandly opened during the period and Yanjiao Hong Yang Plaza and Hengyang Hong Yang Plaza grandly opened in the second half of 2020.

### **4. Hotel Operations**

The Group's income from hotel operations for the six months ended 30 June 2021 was approximately RMB22.6 million, representing an increase of 77.1% as compared to the same period last year.

The increase was mainly due to the increase in occupancy rate as the hotel industry was gradually recovering from the effects of the novel coronavirus epidemic during the period.

## **FINANCIAL REVIEW**

### **1. Revenue**

The Group's revenue for the six months ended 30 June 2021 amounted to approximately RMB12,964.5 million, representing an increase of 34.7% from approximately RMB9,623.8 million for the same period last year. The revenue mainly included income generated from property sales, commercial operations and hotel operations, of which income generated from: (i) property sales increased by 34.6% to approximately RMB12,650.1 million as compared to the same period last year, accounting for 97.6% of the total recognized revenue; (ii) commercial operations increased by 37.1% to approximately RMB291.8 million as compared to the same period last year; and (iii) hotel operations increased by 77.1% to approximately RMB22.6 million as compared to the same period last year.

Details of recognized revenue are set out as follows:

	Six months ended 30 June				
	2021		2020		Year-on-year change (%)
	Recognized Revenue (RMB'000)	Percentage of Total Recognized Revenue (%)	Recognized Revenue (RMB'000)	Percentage of Total Recognized Revenue (%)	
Property sales	12,650,071	97.6	9,398,208	97.7	34.6
Commercial operations	291,773	2.3	212,839	2.2	37.1
Hotel operations	22,608	0.1	12,765	0.1	77.1
<b>Total</b>	<b>12,964,452</b>	<b>100.0</b>	<b>9,623,812</b>	<b>100.0</b>	<b>34.7</b>

## 2. Cost of sales

The cost of sales of the Group for the six months ended 30 June 2021 was approximately RMB10,234.3 million, representing an increase of 42.4% as compared to that of approximately RMB7,189.4 million for the same period last year. The increase was primarily due to the increased number of projects delivered during the period. Several projects delivered during the period included Wuhan Yin Yue Residence (印月府) project, Foshan Hongyang Shan Xin Garden (弘陽山馨花園) project and Wuxi Sunrise Joy Court (昕悦棠) project.

## 3. Gross profit and gross profit margin

For the six months ended 30 June 2021, the Group's gross profit was approximately RMB2,730.2 million, representing an increase of 12.1% from approximately RMB2,434.4 million for the same period last year. Such increase was primarily attributable to the increased number of projects delivered during the period. For the six months ended 30 June 2021, the gross profit margin was 21.1%, a decrease from 25.3% for the same period last year. This was due to the relatively higher land costs of the property projects delivered during the period as compared to their average selling prices.

#### **4. Fair value gains on investment properties**

For the six months ended 30 June 2021, the Group recognized fair value gains on investment properties of approximately RMB87.7 million. The fair value gains on investment properties recorded were primarily due to an appreciation of the overall capital value.

#### **5. Selling and distribution expenses**

For the six months ended 30 June 2021, the Group's selling and distribution expenses amounted to approximately RMB416.7 million, representing an increase of 30.3% from approximately RMB319.7 million for the same period last year. The increase was due to the increase in marketing expenses as a result of the launch of more new property projects of the Group available for pre-sale in 2021.

#### **6. Administrative expenses**

For the six months ended 30 June 2021, the Group's administrative expenses amounted to approximately RMB403.7 million, representing a decrease of 25.7% from approximately RMB543.1 million for the same period last year. The decrease was mainly due to the Group's further development in major metropolitan areas and core cities, and the strengthened control in administrative expenses and costs.

#### **7. Share of profits and losses of joint ventures and associates**

For the six months ended 30 June 2021, the Group's share of profits and losses of joint ventures and associates was approximately RMB35.3 million, representing a decrease of 84.9% from approximately RMB232.9 million for the same period last year, mainly due to the increase in share of relevant expenses as a result from the increased number of joint ventures and associates newly held by the Group. There were still profit carried forward from several cooperation projects such as Xuzhou Nine Pleasures Splendid Residence (九悦华府) project, Nantong Zisheng Road Junlan Tianyue (君蘭天悦) project and Nanjing Land Lot No. 2017G27 project.

#### **8. Finance costs**

The finance costs of the Group during the six months ended 30 June 2021 were approximately RMB494.6 million, representing an increase of 16.3% as compared to approximately RMB425.2 million during the same period last year. The change in finance costs was mainly due to the increase in borrowings as a result of the Group's land acquisitions and expansion of property development for the Group during the reporting period.

## **9. *Income tax expense***

For the six months ended 30 June 2021, the income tax expense of the Group amounted to approximately RMB735.7 million, representing an increase of 9.8% from approximately RMB670.3 million for the same period last year. The Group's income tax expense included the payment and provision for corporate income tax and land appreciation tax net of deferred tax during the period.

During the six months ended 30 June 2021, the provision made for land appreciation tax by the Group was approximately RMB164.0 million, while that in the same period last year was approximately RMB275.7 million.

## **10. *Profit for the reporting period***

As a result of the factors described above, the Group's profit before tax increased by 10.2% to approximately RMB1,725.6 million for the six months ended 30 June 2021 from approximately RMB1,565.4 million for the same period last year. For the six months ended 30 June 2021, net profit amounted to approximately RMB990.0 million, representing an increase of 10.6% as compared with approximately RMB895.1 million for the same period last year.

For the six months ended 30 June 2021, core net profit increased by 3.5% to approximately RMB904.9 million as compared with approximately RMB874.2 million for the same period last year.

## **LIQUIDITY, FINANCE AND CAPITAL**

### **1. *Cash position***

As at 30 June 2021, the Group's cash and bank balances were approximately RMB17.58 billion (as at 31 December 2020: approximately RMB18.53 billion), of which, restricted cash amounted to RMB2.52 billion (as at 31 December 2020: RMB2.86 billion), and pledged deposits amounted to approximately RMB1.08 billion (as at 31 December 2020: RMB3.25 billion).

### **2. *Borrowings and pledged assets***

As at 30 June 2021, the Group's total borrowings (including interest-bearing bank and other borrowings and senior notes) amounted to approximately RMB33.87 billion (as at 31 December 2020: approximately RMB32.31 billion), of which, interest-bearing bank and other borrowings were approximately RMB22.02 billion (as at 31 December 2020: approximately RMB22.05 billion) and senior notes were approximately RMB11.85 billion (as at 31 December 2020: approximately RMB10.26 billion).

The Group's total borrowings were repayable as follows:

	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
Interest-bearing bank and other borrowings:		
Repayable within one year	<b>6,845,651</b>	8,766,941
Repayable in the second year	<b>6,677,189</b>	7,171,834
Repayable within two to five years	<b>7,448,921</b>	4,989,532
Repayable after five years	<b>1,050,000</b>	1,123,867
	<b><u>22,021,761</u></b>	<u>22,052,174</u>
Senior notes:		
Repayable within one year	<b>3,571,310</b>	2,671,726
Repayable in the second year	<b>4,641,623</b>	4,512,641
Repayable within two to five years	<b>3,639,406</b>	3,068,527
	<b><u>11,852,339</u></b>	<u>10,252,894</u>
Total borrowings	<b><u>33,874,100</u></b>	<u>32,305,068</u>

As at 30 June 2021, except for the borrowings in the amount of RMB12,718.3 million (as at 31 December 2020: RMB10,757.1 million) denominated in US\$ and the borrowings in the amount of RMB56.0 million (as at 31 December 2020: RMB69.3 million) denominated in HK\$, the remaining borrowings of the Group were denominated in RMB.

As at 30 June 2021, except for certain bank and other borrowings of RMB7,811,671,000 (as at 31 December 2020: RMB9,193,579,000) with fixed interest rates, all of the Group's bank and other borrowings bear interest at floating interest rates.

As at 30 June 2021, assets with an aggregate value of approximately RMB30,347.5 million (as at 31 December 2020: approximately RMB33,984.5 million) have been pledged to banks and other financial institutions to secure the credit facilities granted to the Group and its joint ventures and associates.

### **3. *Financing activities***

On 13 January 2021, the Group issued US\$350 million 7.3% 4-year senior notes. Please refer to the Company's announcement dated 7 January 2021 for further details.

On 21 May 2021, the Group issued US\$210 million 7.3% 3-year senior notes. Please refer to the Company's announcement dated 18 May 2021 for further details.

In view of the steady operating and financial performance of the Group, Lianhe Ratings Global Limited upgraded the Group's global scale long-term issuer credit rating to "BB" with stable outlook. The Group maintained its ratings assigned by various credit rating agencies during the period, Moody's maintained the Group's long-term "B2" credit rating with positive outlook, Fitch Ratings maintained the Group's long-term corporate credit rating as "B+" with stable outlook. In addition, United Credit Ratings Co., Ltd. maintained the long-term issuer credit rating of Redsun Properties (Group) Co., Ltd., a wholly-owned subsidiary of the Company, as "AA+" with stable outlook.

### **4. *Gearing ratio***

As at 30 June 2021, the Group's net gearing ratio (total borrowings less cash and bank balances divided by total equity) was approximately 53.9%, as compared to approximately 50.3% as at 31 December 2020. The Group's debt to asset ratio (total debts divided by total assets) was approximately 76.7% as at 30 June 2021 (as at 31 December 2020: approximately 77.0%). The Group's current ratio (current assets divided by current liabilities) was approximately 1.40 times as at 30 June 2021 and was approximately 1.39 times as at 31 December 2020.

As at 30 June 2021, cash to short-term debt ratio (cash and bank balances divided by short-term borrowings) was approximately 1.69 times, as compared with approximately 1.62 times as at 31 December 2020.

### **5. *Capital and property development expenditure commitments***

As at 30 June 2021, the Group had capital and property development expenditure commitments contracted but not provided for of approximately RMB15.31 billion (as at 31 December 2020: approximately RMB10.09 billion).

## 6. *Contingent liabilities*

Pursuant to the mortgage contracts, the banks require the Group to provide guarantees to purchasers in respect of their mortgage loans. Such mortgage guarantees provided to the purchasers are usually released when the title deeds of the respective properties are pledged to the banks as security to continue to support the mortgage loans, which generally takes place after the delivery of relevant properties to the purchasers. If the purchasers are in default on their mortgage loans, the Group shall be liable to repay the outstanding mortgage principal amount together with the accrued interest and penalties owed by the defaulting purchasers to the banks and the Group shall be entitled to take over the legal title and possession of the related properties.

As at 30 June 2021, the Group provided guarantees of approximately RMB13.89 billion to certain banks in respect of the mortgage loans granted to certain purchasers of the Group's properties (as at 31 December 2020: approximately RMB12.52 billion).

As at 30 June 2021, the Group provided guarantees of approximately RMB5.51 billion to certain joint ventures and associates (as at 31 December 2020: approximately RMB3.94 billion).

Save as disclosed in this results announcement, the Group had no other material contingent liabilities as at 30 June 2021.

## **CORPORATE GOVERNANCE/ OTHER INFORMATION**

### **1. *Material Acquisitions and Disposals***

On 10 June 2021, Guangzhou Hongyu Real Estate Development Co., Ltd\* (廣州市弘裕房地產開發有限公司) (“**Guangzhou Hongyu**”), an indirect wholly-owned subsidiary of the Company, entered into a cooperation development agreement (the “**Cooperation Development Agreement**”) with Guangzhou Merchants Property Development Limited\* (廣州招商房地產有限公司) (“**Guangzhou Merchants**”), Wuhan Dabenyng Commercial Management Co., Ltd.\* (武漢大本營商業管理有限公司) (“**Wuhan Dabenyng**”) and Guangzhou Zhaoying Real Estate Co., Ltd.\* (廣州招贏房地產有限責任公司) (the “**Project Company**”), pursuant to which Wuhan Dabenyng agreed to acquire an aggregate of 33% of the equity interest in the Project Company by way of transfer and contribution to the registered capital and the capital reserve of the Project Company.

As at 10 June 2021, the registered capital of the Project Company is RMB10,000,000 which is held as to 60% by Guangzhou Merchants and 40% by Guangzhou Hongyu. Upon completion of the transfer of 6% of the equity interest in the Project Company by Guangzhou Hongyu to Wuhan Dabenying, without premium, for the consideration of RMB1.00, the Project Company would be held by Guangzhou Merchants, Guangzhou Hongyu and Wuhan Dabenying as to 60%, 34% and 6%, respectively.

Pursuant to the Cooperation Development Agreement, each of Guangzhou Merchants, Guangzhou Hongyu and Wuhan Dabenying will contribute to the registered capital and the capital reserve of the Project Company in the amount of not less than RMB594,000,000, RMB612,000,000 and RMB594,000,000, respectively. Upon completion of the capital increase, (i) the registered capital of the Project Company will be increased from RMB10,000,000 to not less than RMB100,000,000, which will be held by Guangzhou Merchants, Guangzhou Hongyu and Wuhan Dabenying as to 33%, 34% and 33%, respectively; and (ii) the Project Company will become a subsidiary (instead of an associate) of the Company as Guangzhou Hongyu will control the composition of the majority of the board of directors of the Project Company.

The transaction constitutes an acquisition of the Project Company as a subsidiary of the Company, and the financial results of the Project Company will be consolidated to the consolidated financial statements of the Group.

Please refer to the announcement dated 10 June 2021 for further details.

Save as the aforesaid, there was no other material acquisition and disposal of subsidiaries, associated companies or joint ventures by the Group during the reporting period.

## **2. *Employment and Remuneration Policies***

As at 30 June 2021, the Group had 3,450 employees in total, of which 2,898 employees were engaged in the real estate development business, 426 employees were engaged in the commercial property operations and 126 employees were engaged in the hotel operations.

The emolument of the employees of the Group is mainly determined based on the prevailing market level of remuneration and the individual performance and work experience of the employees. Bonuses are also distributed based on the performance of the employees. The Group provides employees with career development opportunities and considers if their remuneration should be raised or if they should be promoted with reference to their individual performance and potential. Other benefits provided by the Group include medical benefits and specialized training schemes.

### **3. *Events after the Reporting Period***

The Group had no material event after the reporting period.

### **4. *Interim Dividend***

The Board has resolved that the Company will not declare any interim dividend for the reporting period.

### **5. *Purchase, Sale or Redemption of Any of the Company's Listed Securities***

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

### **6. *Currency Risk***

The Group primarily operates in the PRC and the majority of the Group's transactions were denominated and settled in RMB.

### **7. *Corporate Governance***

The Group is committed to implementing high standards of corporate governance to safeguard the interests of the shareholders of the Company and enhance the corporate value as well as the responsibility commitments. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as its own code of corporate governance.

To the knowledge of the Directors, the Company has complied with all applicable code provisions of the CG Code during the reporting period, and the Directors will use their best endeavors to procure the Company to continue to comply with the CG Code.

## **8. *The Model Code for Securities Transactions by Directors of Listed Issuers***

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules as its code for dealing in securities of the Company by the Directors.

After specific enquiries made to all Directors, the Directors have confirmed their compliance with the required standards set out in the Model Code throughout the reporting period.

## **9. *Review of Interim Results by the Audit Committee***

The Board has established its audit committee with written terms of reference in compliance with Rules 3.21 and 3.22 of the Listing Rules and code provision C.3 of the CG Code.

The primary duties of our audit committee are to review and monitor the Group’s financial reporting process, risk management and internal control system, to oversee the audit process, to provide recommendation and advice to the Board, and to perform other duties and responsibilities as may be assigned by the Board. Our audit committee consists of three members, including Mr. Leung Yau Wan John, Mr. Lee Kwok Tung Louis and Mr. Au Yeung Po Fung. Our audit committee is chaired by Mr. Leung Yau Wan John, who possesses appropriate professional qualifications.

Our audit committee has reviewed the Company’s unaudited condensed consolidated interim results for the six months ended 30 June 2021 and confirmed that it has complied with all applicable accounting principles, standards and requirements, and made sufficient disclosures. Our audit committee has also discussed the matters of audit and financial reporting.

**10. Publication of Interim Results and 2021 Interim Report on the Websites of The Stock Exchange of Hong Kong Limited and the Company**

This announcement is published on the website of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and the website of the Company (<http://www.rsunproperty.hk>). The interim report of the Company for the six months ended 30 June 2021 will be despatched to the Company's shareholders and posted on the above websites in due course.

On behalf of the Board  
**Redsun Properties Group Limited**  
**Zeng Huansha**  
*Chairman*

Hong Kong, 26 August 2021

*As of the date of this announcement, the executive Directors are Mr. Zeng Huansha, Mr. Yuan Chun, Mr. Zeng Junkai and Mr. Lui Wai Pang; and the independent non-executive Directors are Mr. Lee Kwok Tung Louis, Mr. Leung Yau Wan John and Mr. Au Yeung Po Fung.*