

# COUNTRY GARDEN

Holdings Company Limited

碧桂園控股有限公司



Stock Code: 2007

(Incorporated in the Cayman Islands with limited liability)



2022 INTERIM REPORT

# WHAT IS COUNTRY GARDEN?

**Country Garden is a diversified technology company that creates a happy life for the world.**

## **We are committed to robotics**

Technology is advancing from day to day. In fact, the age of robots is already here. Country Garden is committed to scientific innovation. Our team is growing by the day, particularly our team of top scientists. Today, we have over 200 thousand employees, including more than 1,000 PhDs. Their combined brainpower channels the power of science to craft better lives for all, and to make China a more technologically advanced country.

We established Bright Dream Robotics to develop smart construction systems built around construction robots, prefabrication systems, and BIM. Bright Dream Robotics is working to achieve the perfect marriage of safety, quality, speed, environmental friendliness and technology, and is leading a revolution in the construction sector. Meanwhile, Bright Dream Robotics is also developing, manufacturing, and operating robots for catering, healthcare, agriculture, and home services.

We set up Qianxi Robotics to build the world's most advanced robot restaurant. This is how we can offer our community food that is tasty, safe, nutritious, healthy, and reasonably priced and provide an entirely new dining experience to the consumers.

## **We build good housing and good communities**

Country Garden is committed to supporting China's new urbanization process. We bring true craft and care to the task of making homes that are safe, healthy, attractive, economical, practical, and long-lasting. We provide good homes, beautifully decorated; friendly green spaces for quality of life; comprehensive local amenities; and thoughtful resident services. We have brought modern living to over 1,400 towns around China, and more than 4.5 million people have chosen to make their home in a Country Garden property. We

are proud to have made an important contribution to the urbanization and modernization of our country.

## **We are active supporters of modern agriculture and rural revitalization**

We established Country Garden Agriculture to apply self-driving technologies to advance Chinese agriculture. It will help raise productivity, and improve crop yields and quality. It is our contribution to the problem of feeding the world.

We also set up Bi You Xuan, a company that helps farmers set up high-quality crop and livestock sites with direct commercial links to urban markets. It delivers a wide range of safe, tasty, reasonably priced produce straight from the field to where urban shoppers live: services bringing a better life for every Chinese family.

## **Make the world a better place for having us in it**

For us, targeted poverty alleviation programs and rural revitalization are key parts of our business. Country Garden and its founder have donated over 10 billion yuan to charitable causes. We are actively engaged in targeted poverty relief and rural revitalization projects in 57 counties across 16 different provinces. These programs have helped lift 490,000 people out of poverty. Going forward, we will consolidate the progress in poverty alleviation and make our contribution to rural rejuvenation.

Country Garden is a Fortune 500 company that has been publicly listed in Hong Kong since 2007 and is tracked as a component of the Hang Seng Index. We are also a major taxpayer with annual tax contribution of over 60 billion yuan. In Country Garden, ethics, corporate social responsibility, and transparency are vital. Going forward, we are committed to being a force for human progress.

**Country Garden — Five-star living for you.**

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# CORPORATE PROFILE



Country Garden Holdings Company Limited (stock code: 2007.HK) is one of the China's largest residential property developers that capitalizes on urbanization. With centralized management and standardization, the Group runs the businesses of property development, construction, interior decoration, property investment, and the development and management of hotels. Country Garden offers a broad range of products to cater for diverse demands, namely residential projects such as townhouses, condominiums, car parks and retail shop spaces. The Group also develops and manages hotels at some of its property projects with the aim of enhancing the properties' marketability. The Group's other businesses are robotics and modern agriculture.

Country Garden was listed on the main board of the Stock Exchange on 20 April 2007. The listing has allowed the Group to tap the international capital market for funds to sustain its healthy growth in the future. Since its listing, Country Garden has been recognized by the market for its business performance. The Group became a constituent stock of MSCI Global Standard Indices on 1 September 2007, of Hang Seng Composite Index and Hang Seng Mainland 100 on 10 September 2007, of FTSE China 50 Index on 14 September 2016, of Hang Seng China (Hong Kong-listed) 25 Index on 12 June 2017, of Hang Seng China 50 Index on 5 March 2018, and of Hang Seng China Enterprises Index on 17 June 2019. Country Garden is also a constituent stock of Hang Seng Index. All this shows that the capital market regards Country Garden as a major component of the Hong Kong stock market. This has also strengthened the Group's position in the international capital markets.

## CORPORATE PROFILE



Since its establishment, Country Garden has been benefitting from China's thriving economy. Its business presence has been extended from Guangdong province to other economically vibrant regions of the country. Country Garden had projects of property development and operation in a number of locations of strategic importance in all the provinces, municipalities and autonomous regions of the country by the end of 2021. The Group ranked 138th in Fortune Global 500 as of August 2022.

Looking ahead, Country Garden will continue to enhance and consolidate its various community-based businesses that centre around its real estate business. It will do so by means of financing and integrating community resources. Specifically, it will build businesses that can meet all the needs in the entire human life cycle. All this can unlock the value of all of the Group's businesses and serve to reinforce its market leadership.

# CORE VALUES

# 1

## Value:

A transparent company with a conscience and social responsibility



# 2

## Vision:

Country Garden is a diversified technology company that creates a happy life for the world



# 3

## Corporate Mission:

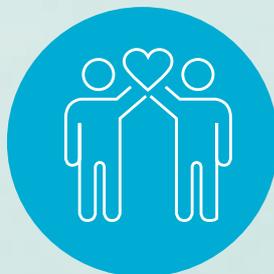
Make the world a better place for having us in it



# 4

## Corporate Spirit:

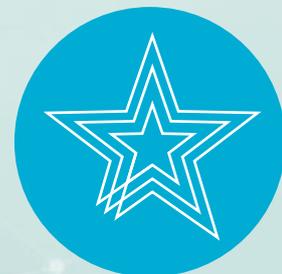
Good for people and good for society



# 5

## Brand:

Five-star living for you



## CORE VALUES

# The Country Garden

## that I dream of

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- This is an elitist company
- This is a good place for the talents
- This is a place to learn and make progress
- This is a harmonious big family
- This is a company of integrity and commitment, operating in compliance with laws and regulations
- This is a sensible company that constantly corrects itself
- This is a company of equality which rewards Excellence
- This is a company that prospers and constantly betters itself with experiences and practices
- This is a company that creates a happy life for the world
- This is a company that excels in social well being, corporate benefits and staff benefits
- This is a company that is highly recognized and appreciated by the society
- This is a company dedicates to the development of human society

YEUNG Kwok Keung

# CHAIRMAN STATEMENT



YEUNG KWOK KEUNG  
Chairman

## CHAIRMAN STATEMENT



In 2022, the property sector faced myriad challenges, including the market's weakening expectations, sluggish demand and a fall in property prices. All these exert mounting pressure on all participants in the property market, which has slid rapidly into severe depression. The harsh business environment in which only the fittest can survive means even higher requirements for businesses' competitive strength.

Nevertheless, there are often hopes in crises. China's economy has proven resilient and its strong fundamentals for long-term development remain intact. The country's new type of urbanization still has a long way to go and the desire for a good life will always remain dear to people's hearts. The real estate industry will always exist. Competitive, high-performing companies can carve out a niche in the market. Even when the market is in the doldrums, the Company sticks to its strategy, keeps enhancing its overall competitiveness throughout property projects' life cycle, determines output scientifically according to sales performance, takes an all-out effort to ensure safety, quality and punctuality when delivering every finished flat to the home buyers, and repay every debt on time. In the first half of the year, the Company delivered 250,000<sup>1</sup> flats in 1,070 batches on time, with home buyers receiving ownership certificates upon the delivery of flats at 165 property projects. All these show the Company's commitment to social responsibility and its effort on restoring confidence in the property sector.

For the six months ended 30 June 2022 (the "Period"), the Group and its joint ventures and associates together recorded approximately RMB185.10 billion in contracted sales attributable to the shareholders of the Company. Cash collected from property sales attributable to the shareholders of the Company was RMB170.29 billion with a cash collection ratio higher than 90% for seven consecutive years. During the Period, the Group recorded revenue of approximately RMB162.36 billion, net profit of approximately RMB1.91 billion and approximately RMB4.91 billion in core net profit attributable to the owners of the Company.

For the six months ended 30 June 2022, the Group had entered contracts to acquire or had already acquired a total of 3,179 property projects in mainland China. It had footholds in 298 municipal administrative regions and 1,412 counties/townships in 31 provinces/autonomous regions/municipalities with saleable resources totaling approximately RMB1,216.1 billion. When it comes to making decision about investment, the Company strictly adheres to its investment criteria. It only chooses the best of the best regarding the acquisition of property projects and acquires lands prudently and opportunely. It was building up its presence in cities where the property markets enjoy a higher degree of certainty. In the first half of the year, the Company acquired lands at a lower premium in Foshan, Zhangjiakou and Lanzhou and a total of 9

<sup>1</sup> The data includes projects which belong to the Group together with its joint ventures and associates.

## CHAIRMAN STATEMENT



property projects at a total attributable cost of RMB6.1 billion. In the future, we will continue to focus on core geographical areas and build up our business presence in cities with good relationship between supply and demand. We will acquire quality lands to build a premium land bank that provides strong support to steady growth in the Company's future financial results.

Year to date, forces beyond our control such as resurgence of the pandemic in various parts of mainland China and extreme weather, coupled with the downturn in the property sector, weighed on the Company's profitability indicators. Nevertheless, the Company still made steady progress towards long-term success and maintained a stable financial position. As at 30 June 2022, the Group had available cash of RMB147.98 billion; total interest-bearing debts decreased to RMB293.68 billion; net gearing ratio was 48.1%, which has remained low under the level of 60% for many years. The Company recorded net operating cash flow of RMB5.3 billion on the back of its good financial discipline and did not have any offshore senior note due within the year currently. We firmly believe that a good financial position gives the best support to the Company's effort to surmount the ups and downs in economic and industry cycles.

It is encouraging to see Bright Dream Robotics, founded to build houses with robotics, reap rewards from its four years of hard work. The system of technology-enabled construction has many advantages as it makes construction works safe, environmentally friendly, good in quality, faster, and more efficient. It enables the Company to undertake its own projects internally and, at the same time, to expand the external market for its construction service, thus opening up a huge market for the Company. As at the end of July 2022, 30 types of construction robots which were applied throughout the cycle of smart construction procedure had been deployed. A cumulative total of over 1,200 units of such construction robots have been delivered and applied to more than 550 construction projects in 28 provinces/autonomous regions/municipalities, and have completed a cumulative total of over 10 million sq.m. of floor area under construction. Bright Dream Robotics has now become the leader in smart construction in China after it has developed, produced and applied construction robots and other products that enables both digitalization through building information modeling (BIM) and the industrialization of new types of construction technology. The Company's robotic technology has been rated as internationally advanced in six aspects and has over 2,000 licensed patents, including nearly 1,000 patents of invention.

## CHAIRMAN STATEMENT



To integrate its resources better and increase the effort to promote the system of technology-enabled construction, we have consolidated a number of construction works units within the Group into a technology-enabled construction group. Such a group systematically provides a technology-enabled construction solution that encompasses BIM, smart construction equipment such as construction robots, prefabricated construction components and a new type of carbon fibre reinforced polymer (CFRP) plates. It also actively expands the businesses of undertaking construction works as an engineering, procurement and construction (EPC) contractor, a general contractor, a labor subcontractor and the business of undertaking property development and management projects for other parties. This enables the Group to provide high-quality products for construction and high value-added construction services. It is believed that the technology-enabled construction group will thrive, bringing good financial results to the Group and that the system of technology-enabled construction will enhance the competitiveness of the Group's mainstay business of property development.

In the business of modern agriculture, a dozen types of the Company's unmanned agricultural machines underwent trial runs successively throughout the entire procedure of agricultural production that encompassed tillage, planting, management and harvesting. While maintains good investment discipline, the Company strives to raise both the agricultural production efficiency and grain output by means of "smart farm" as a new business model and a new type of operation to

help China and the rest of the world maintain food security. Meanwhile, the Group keeps on consolidating its achievement in poverty alleviation and remains committed to such a worthwhile work as rural revitalization, thereby proactively fulfilling its social responsibility as a corporate citizen.

The Central Government is stepping up its effort to pursue the strategy of attaining carbon emission peak and carbon neutrality. Accordingly, Country Garden pushes forward with sustainability practices throughout the value chain of its business. It explores ceaselessly the ways to realize environment-friendly and sustainable development through green development, intelligentization and digitalization. Specifically, it steps up the research and development of green construction, improves measures to ensure health and safety at construction works and refines its system for risk management and control, thereby contributing to the attainment of the dual goals of carbon emission peak and carbon neutrality.

We will persevere and remain hopeful despite adversity. Country Garden keeps its feet on the ground as it works hard to get through a harsh winter and anticipates the arrival of spring.

**YEUNG Kwok Keung**  
Country Garden Holdings Company Limited  
Chairman

Foshan, Guangdong Province,  
The PRC, 30th August 2022

# BUSINESS OVERVIEW

## PROPERTY DEVELOPMENT

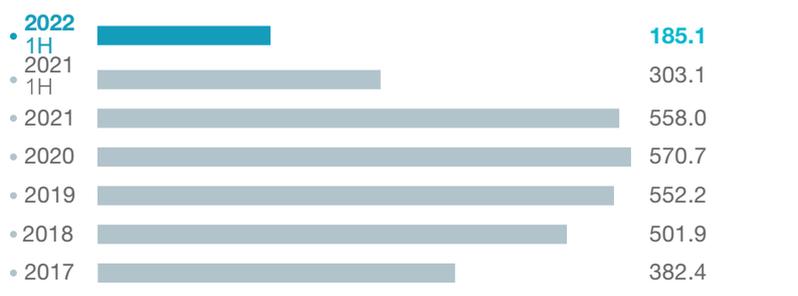
### Contracted Sales

In the first half of 2022, the Group together with its joint ventures and associates achieved contracted sales attributable to the shareholders of the Company of approximately RMB185.1 billion with contracted sales GFA attributable to the shareholders of the Company of approximately 23.48 million sq.m.

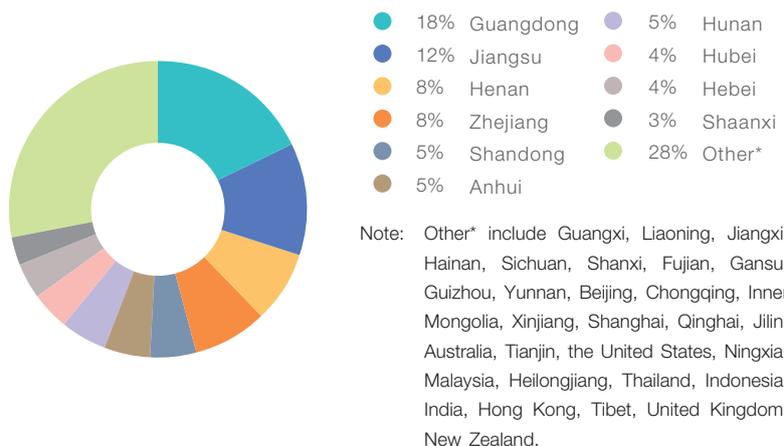
In the first half of 2022, the attributable contracted sales outside Guangdong Province was around 83% of that of the Group, reflecting the Group's efforts in geographic diversification.

In terms of tier cities, around 64% of the attributable contracted sales in Mainland China was contributed by projects located in tier 3&4 cities targeting tier 3&4 cities, around 25% was contributed by projects located in tier 2 cities targeting tier 2 cities and 11% was contributed by the others.

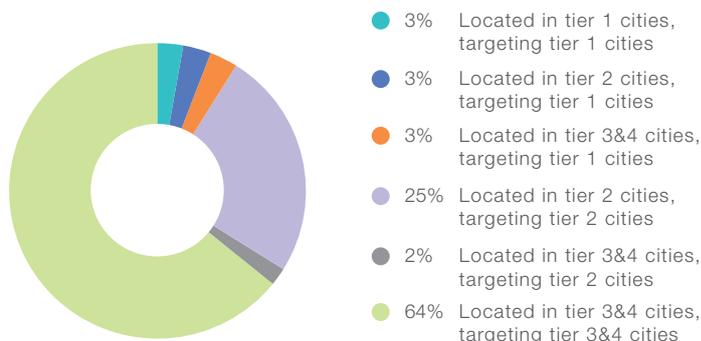
**Attributable contracted sales**  
(RMB billion)



**Geographical breakdown of contracted sales in the first half of 2022**  
(By Attributable Value)



**Contracted sales breakdown in Mainland China by city type in the first half of 2022**  
(By Attributable Value)



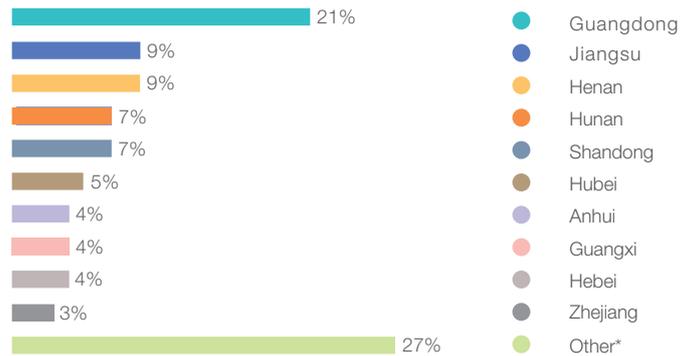
BUSINESS OVERVIEW

Landbank – Mainland China

As of 30 June 2022, the acquired attributable GFA in Mainland China together with its joint venture and associates was 233.31 million sq.m.. 79% of the landbank was located outside of Guangdong province.

Landbank breakdown by province in Mainland China

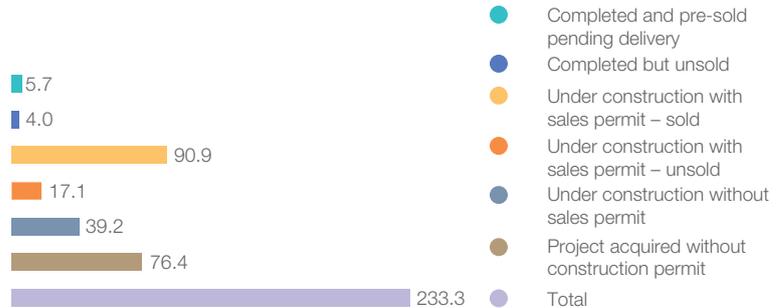
(By attributable GFA)



Other\* include Guizhou, Sichuan, Shaanxi, Liaoning, Jiangxi, Shanxi, Gansu, Hainan, Inner Mongolia, Yunnan, Xinjiang, Fujian, Chongqing, Tianjin, Qinghai, Jilin, Beijing, Shanghai, Heilongjiang, Ningxia, Tibet.

Attributable landbank GFA breakdown by development stage in Mainland China

(million sq.m.)



## BUSINESS OVERVIEW

### Project Location

As of 30 June 2022, the Group operated 3,210 projects under different development stages, 3,179 of these projects were located in Mainland China and 31 were outside Mainland China.



## BUSINESS OVERVIEW

As of 30 June 2022, the Group's

**3,179** projects  
in **Mainland**

were located as follows:



## BUSINESS OVERVIEW

Top 100 Projects of Equity Contract Sales in Mainland China in the first half of 2022<sup>(1)</sup>

Serial number	Project	City (District)	Aggregate saleable GFA for entire project sq.m.	Completed property developments <sup>(2)</sup>			
				Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	
				sq.m.	sq.m.	sq.m.	sq.m.
1	Lanzhou Country Garden (蘭州碧桂園)	Lanzhou (Chengguan)	5,627,628	2,915,735	2,892,450	5,586	
2	Country garden — jiuhuatai (碧桂園•玖華台)	Xinxiang (Changyuan)	201,176				
3	Country garden — Songhu Tianyue (碧桂園•松湖天悅)	Dongguan (Hengli)	228,903				
4	Country garden — Golden Age (碧桂園•黃金時代)	Wuhu (Jiujiang)	126,050				
5	Asian Games City (亞運城)	Guangzhou (Panyu)	1,060,311	731,036	730,741	185	
6	Country garden — Yunding (碧桂園•雲頂)	Qingyang (Xifeng)	123,066				
7	Country garden — Yunyue Bizhen (碧桂園•雲樾碧璵)	Foshan (Nanhai)	240,936				
8	Country garden — Phoenix (碧桂園•鳳凰城)	Zhongshan (South District)	977,461	478,772	478,079		
9	Country garden — Phoenix (碧桂園•鳳凰城)	Zhenjiang (Jurong)	6,910,176	4,597,973	4,208,466	228,681	
10	Shaoguan Country Garden — Sun City (韶關碧桂園•太陽城)	Shaoguan (Wujiang)	3,857,968	2,248,042	2,247,787	131	
11	Anqing Country Garden (安慶碧桂園)	Anqing (Yingjiang)	2,849,995	2,435,194	2,419,490	15,140	
12	Anning Country Garden (安寧碧桂園)	Lanzhou (Anning)	370,272				
13	Country garden — impression of Taipei (碧桂園•臺北印象)	Jincheng (Gaoping)	139,675				
14	Country garden — Century City (碧桂園•世紀城)	Maoming (Xinyi)	414,832				
15	Country Garden Phoenix (碧桂園鳳凰城)	Baoji (Weibin)	1,022,262	257,719	255,833	1,342	
16	Country garden — Tianxi (碧桂園•天璽)	Chuzhou (Nanqiao)	246,194				

## BUSINESS OVERVIEW

Completion date	Properties under development <sup>(4)</sup>				Properties for future development <sup>(4)</sup>		
	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	Estimated completion date	GFA for future development	Estimated pre-sale commencement date	Estimated completion date
	sq.m.	sq.m.			sq.m.		
24-Dec-21	802,066	674,931	29-Nov-19	3rd Quarter, 2025	1,909,827	3rd Quarter, 2023	4th Quarter, 2028
	180,193	108,564	11-Aug-21	4th Quarter, 2024	20,983	3rd Quarter, 2022	1st Quarter, 2025
	228,903	191,054	30-Oct-20	2nd Quarter, 2024			
	115,119	65,248	14-Dec-21	2nd Quarter, 2024	10,931	3rd Quarter, 2022	3rd Quarter, 2024
20-Aug-21	232,058	154,102	3-Jul-20	4th Quarter, 2024	97,217	3rd Quarter, 2022	3rd Quarter, 2025
	123,066	107,805	17-Sep-21	2nd Quarter, 2024			
	240,936	133,285	27-Oct-20	1st Quarter, 2024			
17-Dec-20	340,698	163,885	5-Feb-21	4th Quarter, 2024	157,992	4th Quarter, 2022	3rd Quarter, 2025
24-Nov-21	809,319	183,846	5-Jun-20	4th Quarter, 2025	1,502,884	1st Quarter, 2023	4th Quarter, 2028
14-May-21	480,452	342,901	21-Aug-20	4th Quarter, 2024	1,129,474	4th Quarter, 2022	4th Quarter, 2028
13-Jun-19	335,182	284,993	26-Apr-20	4th Quarter, 2024	79,619	2nd Quarter, 2023	2nd Quarter, 2025
	370,272	327,373	22-Nov-19	4th Quarter, 2023			
	115,249	88,124	29-Oct-21	4th Quarter, 2024	24,426	3rd Quarter, 2022	1st Quarter, 2025
	414,832	230,062	11-Dec-20	4th Quarter, 2024			
31-Aug-21	432,495	269,996	21-Apr-20	4th Quarter, 2024	332,048	3rd Quarter, 2022	4th Quarter, 2026
	180,616	56,347	25-Jan-22	4th Quarter, 2024	65,578	4th Quarter, 2022	4th Quarter, 2025

## BUSINESS OVERVIEW

Serial number	Project	City (District)	Aggregate saleable GFA for entire project	Completed property developments <sup>(2)</sup>			
				Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	
				sq.m.	sq.m.	sq.m.	sq.m.
17	Country garden – Shili Silver Beach Victoria Harbour (碧桂園•十裡銀灘維港灣)	Huizhou (Huidong)	890,332	575,052	538,794	1,914	
18	Country garden – Jiyang Prefecture (碧桂園•暨陽府)	Wuxi (Jiangyin)	708,654	324,417	322,280		
19	Country garden – Yunding (碧桂園•雲頂)	Taiyuan (Yingze)	434,800				
20	Country garden – Didang Lake (碧桂園•迪蕩湖)	Shaoxing (Yuecheng)	118,665				
21	Country garden – Xingyue Bay (碧桂園•星月灣)	Wenzhou (Longgang)	98,608				
22	Country garden – Fu'an Garden (碧桂園•富安花園)	Dongguan (Chang'an)	49,696				
23	Country garden – Xinghe Wanli (碧桂園•星河萬里)	Bozhou (Qiaocheng)	207,687				
24	Country garden – Fenghuang Yipin (碧桂園•鳳凰壹品)	Liaocheng (Dongchang prefecture)	152,374				
25	Country garden smart city (碧桂園智慧城市)	Changsha (Yuelu)	493,813	57,591	51,168	6,423	
26	Country garden – Binjiang Bay (碧桂園•濱江灣)	Jiangmen (Pengjiang)	227,176				
27	Country garden – fengqitai (碧桂園•鳳棲台)	Datong (Pingcheng)	403,356				
28	Urumqi Country Garden (烏魯木齊碧桂園)	Urumqi (Midong)	556,478	344,726	331,258	13,108	
29	Country garden, Yanshan Road (奔山路碧桂園)	Suzhou (Taicang)	124,934				
30	Country garden – Star gathering era (碧桂園•星薈時代)	Dalian (Jinzhou)	259,072				
31	Country garden – Golden Age (碧桂園•黃金時代)	Shangrao (Xinzhou)	255,770				
32	Country garden – Beihai sunshine (碧桂園•北海陽光)	Beihai (Haicheng)	514,749	217,252	217,175		

## BUSINESS OVERVIEW

Completion date	Properties under development <sup>(3)</sup>				Properties for future development <sup>(4)</sup>		
	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	Estimated completion date	GFA for future development	Estimated pre-sale commencement date	Estimated completion date
	sq.m.	sq.m.			sq.m.		
2-Sep-21	215,904	55,663	23-Jun-20	4th Quarter, 2023	99,376	3rd Quarter, 2022	4th Quarter, 2024
29-Sep-20	384,238	327,135	14-May-20	4th Quarter, 2023			
	208,890	139,503	26-Nov-20	4th Quarter, 2024	225,909	3rd Quarter, 2022	3rd Quarter, 2027
	118,665	90,142	20-Dec-19	1st Quarter, 2024			
	98,608	31,426	7-Dec-21	4th Quarter, 2024			
	49,696	29,873	13-Aug-21	4th Quarter, 2022			
	207,687	155,959	5-Feb-21	4th Quarter, 2024			
	113,366	42,926	17-Dec-21	4th Quarter, 2024	39,007	3rd Quarter, 2022	1st Quarter, 2025
22-Feb-22	241,920	124,521	24-Sep-20	4th Quarter, 2024	194,302	3rd Quarter, 2022	4th Quarter, 2025
	111,500	29,812	16-Dec-21	2nd Quarter, 2024	115,675	1st Quarter, 2023	4th Quarter, 2026
	403,356	199,194	30-Sep-20	3rd Quarter, 2024			
31-Dec-21	175,419	122,691	29-Jun-21	2nd Quarter, 2024	36,333	3rd Quarter, 2022	4th Quarter, 2024
	124,934	68,415	29-Jan-21	2nd Quarter, 2024			
	136,895	85,055	15-Jun-21	2nd Quarter, 2024	122,176	3rd Quarter, 2022	3rd Quarter, 2025
	172,027	98,202	16-Apr-21	4th Quarter, 2024	83,743	2nd Quarter, 2023	3rd Quarter, 2025
15-Oct-21	225,303	147,533	20-Dec-19	2nd Quarter, 2024	72,194	3rd Quarter, 2022	4th Quarter, 2024

## BUSINESS OVERVIEW

Serial number	Project	City (District)	Aggregate saleable GFA for entire project	Completed property developments <sup>(2)</sup>			
				Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	
				sq.m.	sq.m.	sq.m.	sq.m.
33	Shaoguan Country Garden (韶關碧桂園)	Shaoguan (Zhenjiang)	4,002,160	3,100,561	3,093,402	6,526	
34	Country garden — Longyuetai (碧桂園•瓏玥台)	Yichun (Yuanzhou)	247,898				
35	Country garden — Puyue Tiancheng (碧桂園•璞玥天成)	Fuyang (Yingzhou)	90,428				
36	Country garden — Baiyue Fenghua (碧桂園•柏悅風華)	Changzhou (Liyang)	66,281				
37	Country garden — Xinghui (碧桂園•星匯)	Zaozhuang (Shizhong)	151,510				
38	Country garden — Xinghui (碧桂園•星匯)	Liaocheng (Dongchang prefecture)	273,675				
39	Country garden — Dongcheng Yipin (碧桂園•東城壹品)	Zhaoqing (fourth meeting)	239,622				
40	Country garden — Impression Beijiang (碧桂園•印象北江)	Foshan (Sanshui)	94,577				
41	Country garden — Riverside Era (碧桂園•濱江時代)	Meizhou (Fengshun)	639,594				
42	Shishi Country Garden (石獅碧桂園)	Quanzhou (Shishi)	225,793	115,718	115,307		
43	Country garden new energy residence (碧桂園新能源公館)	Yangzhou (Guangling)	169,772	95,909	95,724		
44	Country garden — 28 light years (碧桂園•28光年)	Foshan (Shunde)	97,871				
45	Country garden — Huiyue terrace (碧桂園•匯悅台)	Huizhou (Boluo)	197,715				
46	Country garden — Tianzuan (碧桂園•天鑽)	Maoming (Maonan)	66,468				
47	Country garden — Binjiang Tianyuan (碧桂園•濱江天元)	Jiangmen (Pengjiang)	96,056				
48	Country garden — Binjiang Mansion (碧桂園•濱江府)	Huizhou (Boluo)	380,607	190,976	181,874	93	

## BUSINESS OVERVIEW

Completion date	Properties under development <sup>(3)</sup>				Properties for future development <sup>(4)</sup>		
	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	Estimated completion date	GFA for future development	Estimated pre-sale commencement date	Estimated completion date
	sq.m.	sq.m.			sq.m.		
29-Nov-21	396,371	283,037	30-Nov-20	4th Quarter, 2024	505,227	1st Quarter, 2023	4th Quarter, 2027
	235,826	138,888	19-Mar-21	3rd Quarter, 2024	12,072	3rd Quarter, 2022	4th Quarter, 2024
	90,428	56,045	29-Apr-21	4th Quarter, 2023			
	66,281	52,783	23-Apr-21	4th Quarter, 2023			
	96,118	76,943	19-Jul-21	3rd Quarter, 2024	55,393	3rd Quarter, 2022	2nd Quarter, 2025
	270,490	133,984	18-Jun-21	4th Quarter, 2024	3,185	3rd Quarter, 2022	4th Quarter, 2024
	128,731	46,455	26-Nov-21	4th Quarter, 2024	110,891	4th Quarter, 2022	4th Quarter, 2025
	91,046	65,945	25-Jun-21	4th Quarter, 2023	3,531	3rd Quarter, 2022	4th Quarter, 2023
	310,256	219,919	10-Jun-20	3rd Quarter, 2024	329,338	1st Quarter, 2023	4th Quarter, 2026
19-Oct-21	110,075	104,541	21-Jun-18	4th Quarter, 2023			
10-Dec-21	73,863	69,011	11-Sep-20	3rd Quarter, 2023			
	97,871	90,595	11-Nov-20	4th Quarter, 2022			
	197,715	40,685	27-Aug-21	4th Quarter, 2023			
	66,468	54,332	30-Apr-21	4th Quarter, 2023			
	96,056	64,618	18-Dec-20	4th Quarter, 2023			
9-Jul-21	189,631	81,750	11-Sep-20	4th Quarter, 2024			

## BUSINESS OVERVIEW

Serial number	Project	City (District)	Aggregate saleable GFA for entire project	Completed property developments <sup>(2)</sup>			
				Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	
			sq.m.	sq.m.	sq.m.	sq.m.	
49	Country garden – Fengjing (碧桂園•峰境)	Heze (Juye)	144,666				
50	Wenxian Country Garden (溫縣碧桂園)	Jiaozuo (Wenxian county)	450,861				
51	Yiyang Country Garden (益陽碧桂園)	Yiyang (Heshan)	1,346,783	1,134,208	1,133,895	222	
52	Country garden – Changqiao Jiangshan (碧桂園•長橋江山)	Chongqing (Beibei)	257,322	70,441	69,115	1,326	
53	Country garden – Yonghua Mansion (碧桂園•雍華府)	Handan (Fuxing)	225,314				
54	Country garden – Phoenix Xingyue (碧桂園•鳳凰星樾)	Dezhou (Qingyun)	114,831				
55	Country garden, Linhu Avenue, FenHu (汾湖臨滬大道碧桂園)	Suzhou (Wujiang)	72,139	40,533	38,321	2,212	
56	Country garden – Chama ancient town (碧桂園•茶馬古鎮)	Guiyang (Qingzhen)	1,027,279	483,237	454,311	24,632	
57	Datong Country Garden (大同碧桂園)	Datong (Pingcheng)	166,064	166,064	152,815	1,298	
58	Country garden – Four seasons Peak View (碧桂園•四季峰景)	Foshan (Sanshui)	70,177				
59	Country garden – Tianhe elegant garden (碧桂園•天和雅園)	Suzhou (Taicang)	39,906				
60	Country garden – Jiangyu City (碧桂園•江嶼城)	Jiujiang (Xiushui)	337,308				
61	Country garden – Metropolis star (碧桂園•都薈星辰)	Bozhou (Mengcheng)	237,877				
62	Country garden – Phoenix (碧桂園•鳳凰城)	Qiannan (Longli)	1,076,779	102,247	100,823	496	

## BUSINESS OVERVIEW

Completion date	Properties under development <sup>(3)</sup>				Properties for future development <sup>(4)</sup>		
	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	Estimated completion date	GFA for future development	Estimated pre-sale commencement date	Estimated completion date
	sq.m.	sq.m.			sq.m.		
	144,666	115,278	27-May-21	4th Quarter, 2023			
	287,125	179,543	28-Apr-21	4th Quarter, 2024	163,736	1st Quarter, 2023	2nd Quarter, 2026
27-May-21	212,575	141,715	15-Dec-19	4th Quarter, 2023			
1-Dec-21	137,160	95,787	24-Sep-20	4th Quarter, 2024	49,722	3rd Quarter, 2022	2nd Quarter, 2025
	225,314	103,557	30-Oct-20	4th Quarter, 2024			
	91,339	37,895	14-Oct-21	4th Quarter, 2024	23,492	3rd Quarter, 2022	1st Quarter, 2025
3-Nov-20	31,606		12-Jul-19	4th Quarter, 2022			
17-Dec-21	134,426	55,281	24-Nov-19	2nd Quarter, 2024	409,615	4th Quarter, 2022	4th Quarter, 2027
16-Sep-21							
	70,177	58,516	21-May-21	4th Quarter, 2023			
	39,906	10,795	26-Oct-21	4th Quarter, 2023			
	231,194	116,722	4-Jun-21	2nd Quarter, 2024	106,114	4th Quarter, 2022	1st Quarter, 2026
	237,877	185,792	1-Sep-20	2nd Quarter, 2024			
27-Apr-22	468,509	285,620	30-Jun-19	4th Quarter, 2024	506,022	3rd Quarter, 2022	4th Quarter, 2027

## BUSINESS OVERVIEW

Serial number	Project	City (District)	Aggregate saleable GFA for entire project	Completed property developments <sup>(2)</sup>			
				Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	
			sq.m.	sq.m.	sq.m.	sq.m.	
63	Country garden by Zang Longyuan (碧桂園•藏龍原著)	Enshi (Enshi)	229,795				
64	Country garden — Famous family in prosperous times (碧桂園•盛世名門)	Huizhou (Boluo)	269,988				
65	Country garden — City Light (碧桂園•城市之光)	Liuzhou (Yufeng)	223,115	97,744	97,208	142	
66	Country garden — Sanya Hui (碧桂園•三亞荟)	Sanya (Jiyang)	66,782	14,293	14,234		
67	Kunming Longsheng Prefecture (昆明隆盛府)	Kunming (Xishan)	179,472				
68	Country garden — Jiuzhang (碧桂園•玖彰)	Anyang (Wenfeng)	158,608				
69	Taishan Country Garden (臺山碧桂園)	Jiangmen (Taishan)	2,428,122	1,768,835	1,768,835		
70	Country garden — Taoli Oriental (碧桂園•桃李東方)	Qingdao (Pingdu)	122,852				
71	Country garden — Xingyue City (碧桂園•星悅城)	Xinxiang (Changyuan)	91,431				
72	Country Garden Phoenix heaven (碧桂園鳳凰天域)	Baotou (Qingshan)	166,833				
73	Country garden — Royal time (碧桂園•禦時光)	Shenyang (Tiexi)	50,173				
74	Country garden — Spring city image (碧桂園•春城映象)	Kunming (Wuhua)	240,483	104,955	54,619	49,647	
75	Country garden Xinghe Lanwan (碧桂園星河嵐灣)	Bengbu (Huaiyuan)	256,985				
76	Country garden — Phoenix Villa (碧桂園•鳳凰山莊)	Yantai (Laishan)	617,553	241,001	234,474	1,582	
77	Country garden — Lake yuelanting (碧桂園•湖悅蘭庭)	Nanyang (Dengzhou)	100,579				
78	Country garden — Jiangwan No.1 (碧桂園•江灣壹號)	Fuzhou (Guangchang)	92,099				

## BUSINESS OVERVIEW

Completion date	Properties under development <sup>(3)</sup>				Properties for future development <sup>(4)</sup>		
	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	Estimated completion date	GFA for future development	Estimated pre-sale commencement date	Estimated completion date
	sq.m.	sq.m.			sq.m.		
	188,953	101,505	23-Apr-21	2nd Quarter, 2024	40,842	1st Quarter, 2023	4th Quarter, 2024
	122,463	53,142	27-Apr-21	4th Quarter, 2023	147,525	3rd Quarter, 2022	3rd Quarter, 2025
9-Nov-21	125,372	96,001	27-Aug-19	4th Quarter, 2022			
28-Jun-19	52,489	48,641	29-Jun-20	4th Quarter, 2023			
	40,774	33,955	20-Mar-20	1st Quarter, 2023	138,698	4th Quarter, 2022	2nd Quarter, 2025
	134,775	74,350	27-May-21	4th Quarter, 2023	23,833	3rd Quarter, 2022	4th Quarter, 2024
28-Jun-20	264,880	201,705	8-May-20	4th Quarter, 2023	394,408	1st Quarter, 2023	4th Quarter, 2026
	122,852	102,004	3-Mar-21	2nd Quarter, 2024			
	91,431	34,335	3-Dec-21	4th Quarter, 2024			
	166,833	155,733	18-Oct-19	4th Quarter, 2023			
	27,622	19,040	23-Aug-21	2nd Quarter, 2023	22,551	4th Quarter, 2022	2nd Quarter, 2026
30-Dec-21	135,529	120,264	3-Jan-20	3rd Quarter, 2023			
	256,985	152,166	22-Apr-20	3rd Quarter, 2024			
17-Dec-21	180,486	131,042	21-Nov-19	2nd Quarter, 2023	196,066	2nd Quarter, 2023	2nd Quarter, 2026
	100,579	84,657	18-Jun-21	4th Quarter, 2023			
	75,374	46,971	30-Sep-21	4th Quarter, 2023	16,725	3rd Quarter, 2022	2nd Quarter, 2024

## BUSINESS OVERVIEW

Serial number	Project	City (District)	Aggregate saleable GFA for entire project	Completed property developments <sup>(2)</sup>			
				Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	
			sq.m.	sq.m.	sq.m.	sq.m.	
79	Country garden – University Mingzhu (碧桂園•大學銘築)	Liaocheng (Gaotang)	120,620				
80	Country garden – Nanshan yard (碧桂園•南山院子)	Jiujiang (Lianxi)	63,186				
81	Country garden – Shili jiangwan (碧桂園•十裡江灣)	Shangrao (Guangfeng)	104,277				
82	Country garden – Yunding (碧桂園•雲頂)	Shenyang (Hunnan)	588,632				
83	Country garden – Tianyue (碧桂園•天悅)	Luoyang (Old town)	169,666				
84	Country garden – Yunlu Jiuli (碧桂園•雲麓九裡)	Liaocheng (Dongchangfu)	169,506				
85	Pingnan Country Garden (平南碧桂園)	Guigang (Pingnan)	151,664				
86	Country garden – Jiang lanyue (碧桂園•江蘭樾)	Shaoguan (Wengyuan)	265,443				
87	Country garden – Wanjin Tangwan (碧桂園•萬錦棠灣)	Changsha (Liuyang)	208,961				
88	Country garden – Tianzhu (碧桂園•天著)	Qingyuan (Qingcheng)	343,116				
89	Country garden – Yingbin Mansion (碧桂園•迎賓府)	Cangzhou (canal)	117,597				
90	Country garden – Jiangshan Fu (碧桂園•江山賦)	Yibin (Economic Development Zone)	251,550				
91	Country garden – Xitang (碧桂園•西棠)	Shenyang (Tiexi)	42,744				
92	Country garden – Hot Spring City (碧桂園•溫泉城)	Xianning (Xian'an)	1,491,284	905,260	904,649	189	

## BUSINESS OVERVIEW

Completion date	Properties under development <sup>(3)</sup>				Properties for future development <sup>(4)</sup>		
	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	Estimated completion date	GFA for future development	Estimated pre-sale commencement date	Estimated completion date
	sq.m.	sq.m.			sq.m.		
	120,620	106,395	3-Feb-21	3rd Quarter, 2024			
	56,862	30,264	17-Dec-21	2nd Quarter, 2024	6,324	3rd Quarter, 2022	3rd Quarter, 2024
	94,493	42,955	30-Jul-21	4th Quarter, 2023	9,784	3rd Quarter, 2022	1st Quarter, 2024
	126,298	41,903	19-May-21	4th Quarter, 2024	462,334	1st Quarter, 2023	4th Quarter, 2027
	169,666	55,405	23-Jul-21	4th Quarter, 2024			
	131,458	52,697	31-May-21	4th Quarter, 2023	38,048	3rd Quarter, 2022	3rd Quarter, 2024
	151,664	124,839	9-Feb-21	4th Quarter, 2023			
	265,443	178,141	27-Sep-20	2nd Quarter, 2024			
	196,222	132,579	29-Sep-20	1st Quarter, 2024	12,738	3rd Quarter, 2022	4th Quarter, 2024
	163,319	71,183	16-Apr-21	4th Quarter, 2024	179,797	1st Quarter, 2023	3rd Quarter, 2026
	117,597	50,734	30-Jul-21	2nd Quarter, 2024			
	246,542	180,931	27-May-20	2nd Quarter, 2024	5,007	3rd Quarter, 2022	3rd Quarter, 2024
	42,744	26,566	4-Jun-21	3rd Quarter, 2023			
16-Nov-21	170,426	95,207	7-Feb-21	2nd Quarter, 2024	415,598	4th Quarter, 2022	4th Quarter, 2027

## BUSINESS OVERVIEW

Serial number	Project	City (District)	Aggregate saleable GFA for entire project	Completed property developments <sup>(2)</sup>			
				Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	
			sq.m.	sq.m.	sq.m.	sq.m.	
93	Country garden — the land of the sky (碧桂園•天空之境)	Tai'an (Dongping)	111,642				
94	Country garden — Yunding water bank (碧桂園•雲頂水岸)	Yancheng (Dongtai)	136,097				
95	Xingan League Country Garden (興安盟碧桂園)	Xing'an League (Horqin Right Front Banner)	1,189,153	820,080	816,199	3,881	
96	Country garden — Baiyue Mansion (碧桂園•鉞悅府)	Guangzhou (Conghua)	43,143				
97	Country garden — Feili Lanting (碧桂園•翡麗瀾庭)	Linyi (Lanshan)	195,343				
98	Country garden — Star Diamond (碧桂園•星鑽)	Yichun (Yuanzhou)	216,544				
99	Country garden — Jade heaven (碧桂園•翡翠天境)	Xi'an (Yan Liang)	166,534				
100	Country garden — City Light (碧桂園•城市之光)	Zhanjiang (Suixi)	171,085				

## Notes:

- (1) All the GFAs displayed in this section are attributable to the owners of the Company.
- (2) Based on the measurement reports from relevant government departments.
- (3) Based on the actual measurements by the project management department of the Group.
- (4) "GFA for future development" for each project is the GFA expected to be built.

## BUSINESS OVERVIEW

Completion date	Properties under development <sup>(3)</sup>				Properties for future development <sup>(4)</sup>		
	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	Estimated completion date	GFA for future development	Estimated pre-sale commencement date	Estimated completion date
	sq.m.	sq.m.			sq.m.		
	82,077	31,304	29-Oct-21	4th Quarter, 2024	29,564	4th Quarter, 2022	4th Quarter, 2025
	136,097	23,409	5-Nov-21	3rd Quarter, 2024			
25-Oct-21	309,602	212,023	9-Jun-20	4th Quarter, 2024	59,471	4th Quarter, 2022	4th Quarter, 2024
	43,143	20,916	14-Oct-21	4th Quarter, 2023			
	194,823	174,346	14-Sep-20	4th Quarter, 2024	520	3rd Quarter, 2022	4th Quarter, 2024
	116,811	32,517	27-Jan-22	4th Quarter, 2024	99,733	4th Quarter, 2022	2nd Quarter, 2026
	91,196	59,248	29-Jun-21	4th Quarter, 2023	75,337	3rd Quarter, 2022	1st Quarter, 2026
	170,731	77,186	12-Jun-21	4th Quarter, 2024	354	3rd Quarter, 2022	4th Quarter, 2024

## BUSINESS OVERVIEW

Landbank GFA breakdown by location in Mainland China<sup>(1)</sup>

Province/ Location	Aggregate saleable GFA  sq.m.	Completed property developments <sup>(2)</sup>			Properties under development <sup>(3)</sup>		Properties for future development <sup>(4)</sup>
		Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Total saleable GFA under development	Total saleable GFA pre-sold	GFA for future development
		sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.
Guangdong	144,136,100	97,763,928	95,502,973	1,413,033	23,887,889	11,516,763	22,484,283
Jiangsu	54,605,634	33,697,706	32,651,514	486,239	15,617,734	9,265,276	5,290,194
Anhui	38,810,732	29,546,990	29,046,387	329,257	7,764,689	5,577,798	1,499,053
Hunan	35,152,353	19,065,914	18,104,299	636,857	9,848,733	6,464,101	6,237,706
Henan	33,373,460	13,010,852	12,277,735	601,567	15,989,503	10,988,636	4,373,105
Shandong	28,302,629	12,740,690	12,277,347	254,982	10,641,640	7,023,378	4,920,299
Hubei	26,928,764	16,490,043	16,002,947	310,141	6,246,251	3,622,100	4,192,470
Guangxi	20,342,689	12,067,263	11,667,172	375,985	5,995,680	4,594,072	2,279,746
Zhejiang	18,250,568	12,346,754	11,734,062	370,293	5,625,597	3,547,174	278,217
Guizhou	16,250,942	10,331,814	10,006,773	154,512	2,417,496	1,358,018	3,501,632
Hebei	15,345,013	5,926,907	5,773,407	15,545	7,085,658	4,286,594	2,332,448
Liaoning	14,976,597	9,239,566	9,050,976	86,157	3,689,406	2,204,036	2,047,625
Sichuan	14,394,579	8,344,683	8,173,463	106,322	4,618,287	3,018,394	1,431,609
Shaanxi	10,688,885	4,806,537	4,669,010	100,476	4,012,233	2,484,665	1,870,115
Jiangxi	10,408,652	5,695,475	5,613,164	66,836	3,832,623	2,573,348	880,554
Gansu	9,104,917	4,474,474	4,418,035	17,197	2,343,489	1,861,626	2,286,954
Fujian	9,073,610	6,923,263	6,667,466	100,157	1,841,022	1,150,646	309,325
Hainan	8,793,876	4,567,190	4,296,009	24,289	2,311,898	683,193	1,914,788
Shanxi	6,217,543	1,472,130	1,428,848	4,902	3,426,627	2,104,399	1,318,786
Chongqing	6,154,295	4,335,130	4,273,994	16,856	1,291,165	810,735	528,000
Inner Mongolia	6,088,618	2,384,015	2,363,138	3,881	1,502,857	992,308	2,201,746
Yunnan	5,730,987	2,810,777	2,666,110	99,749	2,037,989	1,461,559	882,221
Tianjin	4,121,470	2,603,894	2,442,257	93,444	514,794	345,930	1,002,782
Xinjiang	3,237,916	738,215	716,473	16,771	1,186,952	791,945	1,312,749
Qinghai	1,868,413	882,177	871,380	942	884,549	643,930	101,687
Jilin	1,447,625	561,775	555,346	1,559	762,037	497,947	123,813

## BUSINESS OVERVIEW

Province/ Location	Aggregate saleable GFA	Completed property developments <sup>(2)</sup>			Properties under development <sup>(3)</sup>		Properties for future development <sup>(4)</sup>
		Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Total saleable GFA under development	Total saleable GFA pre-sold	GFA for future development
	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.
Ningxia	1,306,851	782,967	781,360	459	498,547	399,350	25,337
Shanghai	1,231,056	625,959	575,285	2,584	441,979	180,835	163,118
Heilongjiang	1,077,543	501,132	494,977	253	576,411	269,182	0
Beijing	1,053,133	224,821	194,303	624	253,875	61,653	574,437
Tibet	169,592	38,233	37,989	0	131,359	118,540	0
Total	548,645,042	325,001,274	315,334,199	5,691,869	147,278,969	90,898,131	76,364,799

Note:

- (1) All the GFAs displayed in this section are attributable to the owners of the Company.
- (2) Based on the measurement reports from relevant government departments.
- (3) Based on the actual measurements by the project management department of the Group.
- (4) GFA for future development for each project is the GFA expected to be built.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### Revenue

The Group's revenue was primarily derived from two business segments as follows: Property development and Construction. Revenue of the Group decreased by 30.9% to approximately RMB162,363 million for the first half of ("1H") 2022 from approximately RMB234,930 million for the corresponding period in 2021. 96.3% of the Group's revenue was generated from the sales of properties (1H 2021: 97.0%), and 3.7% from Construction and Others segments (1H 2021: 3.0%).

### Property Development

Since the continued impact of COVID-19 has caused the slowdown in the progress of GFA delivered, revenue generated from property development decreased by 31.4% to approximately RMB156,373 million for the first half of 2022 from approximately RMB227,899 million for the corresponding period in 2021. The recognised average selling price of property delivered (value-added taxes excluded) was approximately RMB7,458 per sq.m. for the first half of 2022.

### Construction

Construction revenue from external parties decreased by 19.2% to approximately RMB3,336 million for the first half of 2022 from approximately RMB4,130 million for the corresponding period in 2021, primarily resulting from the decreased construction volume that impacted by the COVID-19.

### Others

Others segment mainly includes property investment, hotel operation, smart construction and modern agriculture businesses. Revenue from external parties of others segment decreased by 8.5% to approximately RMB2,654 million for the six months ended 30 June 2022 from approximately RMB2,901 million for the corresponding period in 2021.

### Selling and marketing costs and Administrative expenses

Benefited by the well control of cost and the improvement of organization efficiency, the Group's selling and marketing costs and administrative expenses amounted to approximately RMB8,860 million for the six months ended 30 June 2022. It accounted for 5.5% of the revenue for the first half of 2022, with a decreased of 0.4 percentage points compared with the corresponding period in 2021.

### Finance Costs – Net

The Group recorded net finance costs of approximately RMB3,541 million for the first half of 2022 (1H 2021: net finance income of approximately RMB1,903 million).

During the period, the Group recorded post-hedging net foreign exchange losses of approximately RMB4,482 million (1H 2021: net foreign exchange gains of approximately RMB831 million), interest income of approximately RMB914 million (1H 2021: approximately RMB1,350 million), and gains on repurchase of senior notes of approximately RMB27 million (1H 2021: early redemption costs of senior notes of approximately RMB278 million). Interest expenses, amounting to approximately RMB8,877 million (1H 2021: approximately RMB9,811 million), was fully capitalised on qualifying assets. Interest expenses decreased primarily due to the decrease of total debts.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Profit and Core Net Profit Attributable to Owners of the Company

For the first half of 2022, the profit attributable to owners of the Company was approximately RMB612 million (1H 2021: approximately RMB14,996 million).

After deduction of effects such as fair value changes and net foreign exchange gains/losses, the core net profit attributable to owners of the Company for the first half of 2022 was approximately RMB4,910 million (1H 2021: approximately RMB15,216 million).

### Liquidity, Financial and Capital Resources

#### Cash position

As at 30 June 2022, the Group's available cash (equals to the sum of cash and cash equivalents and restricted cash) amounted to approximately RMB147,976 million (31 December 2021: approximately RMB181,300 million), including approximately RMB123,483 million in cash and cash equivalents and approximately RMB24,493 million in restricted cash.

Restricted cash mainly represented unreleased guarantee deposits for construction of pre-sale properties placed in designated bank accounts as at 30 June 2022, and will be released in accordance with certain construction progress.

As at 30 June 2022, 96.1% (31 December 2021: 96.9%) of the Group's available cash was denominated in Renminbi and 3.9% (31 December 2021: 3.1%) was denominated in other currencies (mainly US dollars, HK dollars and Malaysian Ringgit).

#### Debt Composition

As at 30 June 2022, the Group's bank and other borrowings, senior notes, corporate bonds and convertible bonds amounted to approximately RMB181,200 million, RMB73,086 million, RMB33,955 million and RMB5,436 million respectively (31 December 2021: approximately RMB206,525 million, RMB75,069 million, RMB34,160 million and RMB2,168 million respectively).

For bank and other borrowings, approximately RMB52,973 million, RMB123,981 million and RMB4,246 million will be repayable within 1 year, between 1 and 5 years and beyond 5 years respectively (31 December 2021: approximately RMB64,382 million, RMB139,005 million and RMB3,138 million respectively). As at 30 June 2022 and 31 December 2021, the majority of the bank and other borrowings were secured by certain properties, right-of-use assets, equipment and the equity interests of the Group companies, and/or guaranteed by the Group.

The Group strictly manages the debt scale. As at 30 June 2022, the total debts decreased to approximately RMB293,677 million, from approximately RMB317,922 million as at 31 December 2021.

#### Net Gearing Ratio

Net gearing ratio is measured by the net debt (representing bank and other borrowings, senior notes, corporate bonds and convertible bonds, net of available cash, which equals to the sum of cash and cash equivalents and restricted cash) over total equity. The Group's net gearing ratio slightly increased from approximately 45.4% as at 31 December 2021 to approximately 48.1% as at 30 June 2022.

#### Key Risk Factors and Uncertainties

The following lists out the key risks and uncertainties the Group is facing. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below.

## MANAGEMENT DISCUSSION AND ANALYSIS

### ***Risks Pertaining to the Property Market and Operation***

The Group's businesses and prospects are mainly in line with rely on the performance of the property market in mainland China. The property market in mainland China is affected by a number of factors, including the changes in social, political, economic and legal environment, as well as changes in government's policies on finance, economy, financing, industry and environment protection. The Group is also affected by changes in economic conditions, consumer sentiment, consumption expenditure, and consumption preferences. Therefore, the Group continues to implement its strategies to develop and strengthen its market penetration in different regions, reducing its reliance on specific markets. Meanwhile, the Group's operation is subject to a number of specific risk factors to property development, property investment and property related businesses, such as irresponsible behaviors of our buyers, tenants and business partners, inadequacies or failures of internal processes, human or system errors or other external factors which may have various degrees of negative impact on the results of operations.

### ***Interest Rate Risk***

The Group's bank and other borrowings mainly bear floating rates. As at 30 June 2022, the weighted average borrowing cost of the Group's total debt was 5.31%, increased by 11 basic points as compared with that as at 31 December 2021, mainly because of the increase of floating interest rate of certain borrowings denominated in foreign currencies under the background of the US's raise of interest rates. The Group has implemented certain interest rate management which includes, among others, close monitoring of interest rate movements, refinancing on existing banking facilities and entering into new banking facilities when good pricing opportunities arise.

### ***Foreign Exchange Risk***

The Group's business is mainly denominated in Renminbi. Foreign exchange risk mainly arises from the outstanding foreign currency borrowings (mainly denominated in US dollars and HK dollars). Since 2015, the Group has adopted foreign currency hedging instruments to achieve better management over foreign exchange risk. The objective of the hedges is to minimise the volatility of the RMB cost of highly probable forecast repayments of foreign debts. The Group's risk management policy is to partially hedge the forecasted foreign currency cash flows, subject to availability of appropriate hedging instruments and cost of hedging. The Group uses a combination of foreign exchange forward contracts, foreign currency option contracts and foreign exchange structured derivatives and cross currency swaps to hedge its exposure to foreign exchange risk.

### ***Guarantees***

As at 30 June 2022, the Group had provided guarantees in respect of mortgage facilities for certain property buyers amounting to approximately RMB402,672 million (31 December 2021: approximately RMB383,217 million).

Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible for repaying the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks, and the Group is entitled to take over the legal title and possession of the related properties. The guarantees were to be discharged upon the earlier of: (i) issuance of the real estate ownership certificate which are generally available within three months after the buyers take possession of the relevant properties; and (ii) the satisfaction of mortgage loans by the property buyers.

The Group considers that in case of default in payments by property buyers, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty, therefore, no provision has been made in the financial statements for the guarantees.

## MANAGEMENT DISCUSSION AND ANALYSIS

In addition, as at 30 June 2022, the Group had provided guarantees amounting to approximately RMB34,701 million (31 December 2021: approximately RMB43,221 million) for certain liabilities of the joint ventures, associates and other related parties of the Group.

### Employees and Remuneration Policy

Human resource has always been the most valuable resource of the Group. As at 30 June 2022, the Group had approximately 78,533 full-time employees.

The remuneration package of the employees includes salary, bonus and other cash subsidies. Employees are rewarded on a performance related basis, together with reference to the profitability of the Group, remuneration benchmarks in the industry, and prevailing market conditions within the general framework of the Group's salary and bonus system. The Group is subject to social insurance contribution plans or other pension schemes organised by the regional governments and is required to pay on behalf of the employees a monthly social insurance premium covering pension insurance, medical insurance, unemployment insurance and housing fund or to contribute regularly to other mandatory provident fund schemes on behalf of the employees. As at the date of this report, there were no significant labor disputes which adversely affect or are likely to have an adverse effect on the operations of the Group.

In order to achieve sustainable development and corporate core advantage, the Group is establishing a "Corporate University". Employees from different levels and different fields can all have opportunities to receive training, including Leadership Development Program, New Staff Campaign and On-the-job Training. All the projects are aimed at enabling employees to become senior management and inter-disciplinary talent and form a perfect HR training system of the Group.

In order to adapt itself to the fast growing and ever changing market, the Group came up with the partnership scheme, aligning the interests of employees with that of the Group. Not only could this profit and loss sharing program help lower operational cost and increase profit and returns, but also make employees better understand the Company's culture of "home experience", and allow them to further develop together with the Group.

The Group has approved and/or adopted certain share option scheme and employee incentive scheme, details can be referred in the sections headed "SHARE OPTION SCHEME" and "EMPLOYEE INCENTIVE SCHEME" in "CORPORATE GOVERNANCE AND OTHER INFORMATION" of this report.

### Forward Looking

Since this year, the market has experienced a rapid decline and the industry is facing enormous challenges. The government aims to maintain healthy and stable development of the real estate industry, stabilize land prices, housing prices and market expectations, adhere to 'housing is for living, not for speculation', and implement a long-term mechanism. The Group firmly believes the industry will gradually return to a long-term healthy cycle. China's new type of urbanization still has a long way to go, the desire for a good living will always remain in people's hearts and the real estate market will always exist. The Group will devote itself to do the right thing and continue to improve its overall competitiveness through the cycle.

## MANAGEMENT DISCUSSION AND ANALYSIS

To better create value for shareholders, the Group will further focus on its brand awareness and reputation and strengthen our competitive edge in established markets. During this year, the Group has established the Science and Technology Construction Group (STCG), aiming to accelerate the industrialization, digitization and intelligentization of the traditional operating modes of construction industry. The STCG consolidates existing functional units and restructures the project planning process within manageable radius in order to deliver a systematic smart construction solutions that best suit with the construction market. With the implement of such advanced construction technologies and new ways of organizing and managing construction, the Group seeks new opportunities in expanding the business of providing property development services and management services for other parties.

To embrace the challenges and opportunities mentioned above, the Group continues to adopt prudent financial policies and risk control measures, ensure the quality and safety of the buildings, apply a more prudent strategy on new land acquisition, strengthen its contracted sales and cash collection to strengthen operating cash flows and ensure good investment return.

In conjunction with our property development and construction business, the Group has incurred research and development expenses to approximately RMB974 million in the first half of 2022 and established our diversified business covering smart construction and modern agriculture. The way forward, we will rely more on the application of artificial intelligence to solve the aging problem of workforce in the construction, industry workforce and the increasing consumer demand for sustainable environment and food safety. At the same time, the Group engages to the call from the government to solve housing problems for residents, and to foster the progress of the construction of affordable housing. The advantages of our STCG can be fully utilized by providing development and management services for the construction of affordable rental housing. The Group will continue to provide an integrated platform covering the needs of various stages in life for our clients.

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board and the management of the Company are committed to the principles of good corporate governance consistent with prudent management and enhancement of shareholder value. These principles emphasise transparency, accountability and independence.

During the six months ended 30 June 2022, the Company has applied the principles and has complied with the code provisions of the Corporate Governance Code, save and except for the code provision F.2.2 of Part 2 of the Corporate Governance Code as the Chairman of the Board (who was also the chairman of the Nomination Committee, Corporate Governance Committee, Environmental, Social and Governance Committee and Executive Committee of the Company) was unable to attend the 2022 AGM as he had other important engagement.

## BOARD OF DIRECTORS

The composition of the Board as at the date of this interim report is set out below:

### Executive Directors

Mr. YEUNG Kwok Keung (*Chairman*)

Ms. YANG Huiyan (*Co-Chairman*)

Mr. MO Bin (*President*)

Ms. YANG Ziyang

Mr. YANG Zhicheng

Mr. SONG Jun

Mr. SU Baiyuan

### Non-executive Director

Mr. CHEN Chong

### Independent Non-executive Directors

Mr. LAI Ming, Joseph

Mr. SHEK Lai Him, Abraham

Mr. TONG Wui Tung

Mr. HUANG Hongyan

Mr. TO Yau Kwok

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### AUDIT COMMITTEE

The Audit Committee assists the Board in providing an independent review of the effectiveness of the financial reporting process, risk management and internal control systems of the Group, overseeing the audit process and performing other duties and responsibilities as may be assigned by the Board from time to time. The members of the Audit Committee are all independent non-executive Directors, namely Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham, Mr. TONG Wui Tung and Mr. HUANG Hongyan. Mr. LAI Ming, Joseph is the chairman of the Audit Committee.

The Audit Committee has reviewed with the management of the Company the accounting policies and practices adopted by the Group and discussed, among other things, internal control, risk management and financial reporting matters including a review of the unaudited interim financial information of the Group for the six months ended 30 June 2022. In addition, the independent auditor of the Company, PricewaterhouseCoopers, has reviewed the unaudited interim financial information of the Group for the six months ended 30 June 2022 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.

### CHANGES SINCE DATE OF 2021 ANNUAL REPORT

Pursuant to rule 13.51B(1) of the Listing Rules, the changes to information required to be disclosed by the Directors pursuant to paragraphs (a) to (e) and (g) of rule 13.51(2) between the date of the Company’s 2021 annual report and up to the date of this report are set out below:

#### 1. Directors’ other directorships held in public companies the securities of which are listed on any securities market in Hong Kong or overseas and other major appointments and professional qualifications

Directors’ Information	Appointment (effective date)	Cessation (effective date)
Mr. SHEK Lai Him, Abraham		
<ul style="list-style-type: none"> <li>• Golden Financial Holdings Limited (Stock Code: 530)               <ul style="list-style-type: none"> <li>– vice chairman</li> <li>– chairman of the board</li> </ul> </li> </ul>	— 6 June 2022	6 June 2022 —
<ul style="list-style-type: none"> <li>• Juris Doctor degree at The City University of Hong Kong</li> </ul>	1 June 2022	—

## CORPORATE GOVERNANCE AND OTHER INFORMATION

**2. Directors' service agreement and remuneration**

Each of the following Directors has entered into director's service supplemental agreement with the Company on 31 March 2022 and 7 September 2022. Under the supplemental agreements, the latest annual salary as a Director has been adjusted as follows (with effect from 7 September 2022):

Director	Annual Salary Before Adjustment RMB million	Annual Salary After Adjustment RMB million
Mr. YEUNG Kwok Keung	10	0.3
Mr. MO Bin	15	3
Ms. YANG Ziyi	10	2
Mr. YANG Zhicheng	4	1
Mr. SONG Jun	4	1
Mr. SU Baiyuan	4	1

The Remuneration Committee and the Board will consider the possibility of further adjusting the annual salary of the relevant Directors when appropriate according to the market situation and the Company's performance.

**COMPLIANCE WITH THE MODEL CODE**

The Company has adopted the Model Code as the code of conduct for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standard regarding securities transactions set out therein throughout the six months ended 30 June 2022. No incident of non-compliance was noted by the Company to date in 2022. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

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

As at 30 June 2022, the Directors and chief executive of the Company had the following interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

**Long positions in the Shares, underlying Shares and debentures of the Company**

Name of Directors	Capacity	Number of Shares held	Number of underlying Shares held under equity derivatives	Total	Percentage to total issued Shares as at 30 June 2022	Amount of debentures held
Mr. YEUNG Kwok Keung	Interest of controlled corporation	—	—	—	—	USD580,000,000 <sup>1</sup>
Ms. YANG Huiyan	Interest of controlled corporation	14,179,076,995 <sup>2</sup>	—	14,179,076,995	61.23%	—
Mr. MO Bin	Beneficial owner	86,591,006	—	86,591,006	0.37%	USD30,000,000
Ms. YANG Ziying	Interest of controlled corporation	—	—	—	—	USD18,000,000 <sup>3</sup>
Mr. YANG Zhicheng	Beneficial owner	1,338,799	7,627,990 <sup>4</sup>	8,966,789	0.03%	—
Mr. SONG Jun	Beneficial owner	108,310	6,781,150 <sup>4</sup>	6,889,460	0.02%	—
Mr. SU Baiyuan	Beneficial owner	480,331	3,060,126 <sup>4</sup>	3,540,457	—	—
	Interest of spouse	462,209 <sup>5</sup>	—	462,209	—	—
				4,002,666	0.01%	—
Mr. CHEN Chong	Interest of spouse	14,179,076,995 <sup>6</sup>	—	14,179,076,995	61.23%	—
Mr. LAI Ming, Joseph	Beneficial owner	1,112,522	—	1,112,522	0.01%	—
Mr. SHEK Lai Him, Abraham	Beneficial owner	1,176,178	—	1,176,178	0.01%	—
Mr. TONG Wui Tung	Beneficial owner	1,014,786	—	1,014,786	0.01%	—

Notes:

- The amount of debentures represents the debentures held by Fine Nation Group Limited in which Mr. YEUNG Kwok Keung beneficially owns the entire issued share capital.
- These Shares represent Shares held by Concrete Win Limited in which Ms. YANG Huiyan beneficially owns the entire issued share capital.
- The amount of debentures represents the debentures held by Shiny Dragon Assets Limited in which Ms. YANG Ziying beneficially owns the entire issued share capital.
- The relevant interests are unlisted physically settled options granted pursuant to the Share Option Schemes. Upon exercise of the share options in accordance with the Share Option Schemes, ordinary shares of HKD0.10 each in the share capital of the Company are issuable. The share options are personal to the respective Directors. Further details of the share options are set out in the "CORPORATE GOVERNANCE AND OTHER INFORMATION — SHARE OPTION SCHEMES" of this interim report.
- These Shares represent Shares held by Ms. LIU Qing who is the spouse of Mr. SU Baiyuan.
- These Shares represent Shares held by Ms. YANG Huiyan who is the spouse of Mr. CHEN Chong.

Save as disclosed above, during the six months ended 30 June 2022, none of the Directors, their spouse or children under the age of 18 had any rights to subscribe for equity or debt securities of the Company, nor has any of them exercised such rights.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

## INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 30 June 2022, according to the register kept by the Company under Section 336 of the SFO, the following companies and persons, other than the Directors and chief executive of the Company, had long positions of 5% or more in the Shares and underlying Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

## Long positions in the Shares

Name of Shareholders	Capacity	Number of ordinary Shares held	Percentage of total issued Shares <sup>1</sup> as at 30 June 2022
Concrete Win Limited	Beneficial owner	14,179,076,995 <sup>2</sup>	61.23%
Ping An Insurance (Group) Company of China, Ltd.	Interest of controlled corporation	1,797,751,000 <sup>3</sup>	7.76% <sup>3</sup>
Ping An Life Insurance Company of China, Ltd.	Beneficial owner	1,797,751,000 <sup>3,4</sup>	7.76% <sup>3,4</sup>

Notes:

- As at 30 June 2022, the total number of the issued Shares is 23,155,402,514 Shares.
- These Shares are held by Concrete Win Limited, the entire issued share capital of which is beneficially owned by Ms. YANG Huiyan.
- Ping An Insurance (Group) Company of China, Ltd. is a joint stock limited company incorporated in the PRC, the H shares of which are listed on the main board of the Stock Exchange (Stock Code: 2318) and the A shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601318). Ping An Insurance (Group) Company of China, Ltd. is deemed to be interested in the 1,797,751,000 Shares (managed by its indirectly wholly-owned subsidiary, Ping An of China Asset Management (Hong Kong) Company Limited as investment manager), the 1,797,751,000 Shares were beneficially owned by its 99.51% owned subsidiary, Ping An Life Insurance Company of China, Ltd.. Disclosure of the number of ordinary Shares held is made pursuant to the last Disclosure of Interests notice as of 30 June 2022 (date of relevant event: 12 August 2021).
- These Shares are beneficially owned by Ping An Life Insurance Company of China, Ltd.. Disclosure of the number of ordinary Shares held is made pursuant to the last Disclosure of Interests notice as of 30 June 2022 (date of relevant event: 12 August 2021).

Save as disclosed above, the Company has not been notified by any other person (other than the Directors and chief executive of the Company) who had an interest or short positions of 5% or more in the Shares and underlying Shares as of 30 June 2022 which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

## SHARE OPTION SCHEMES

On 20 March 2007, the 2007 Share Option Scheme was approved and adopted by the then Shareholders for a period of 10 years commencing on the adoption date. The 2007 Share Option Scheme has expired on 19 March 2017.

In view of the expiry of the 2007 Share Option Scheme on 19 March 2017, the 2017 Share Option Scheme was approved and adopted by the Shareholders at the 2017 AGM for a period of 10 years commencing on the adoption date and ending on 17 May 2027. Subject to the terms and conditions of the 2017 Share Option Scheme, the Board may, at its discretion, grant share options to any eligible person to subscribe for the Shares within the validity period of the scheme.

During the six months ended 30 June 2022, share options for 6,955,657 Shares with a fair value on the grant date of approximately HKD34 million were granted to eligible person in accordance with the terms of the 2017 Share Option Scheme.

**(a) During the six months ended 30 June 2022, details of movements in the share options under the 2007 Share Option Scheme are as follows:**

Category and name of grantees	Options to subscribe for Shares					Outstanding at 30 June 2022	Exercise price per Share HKD	Date of grant	Exercisable period
	Outstanding at 1 January 2022	Granted during the period <sup>1</sup>	Exercised during the period	Cancelled during the period	Lapsed during the period				
<b>Directors</b>									
Mr. YANG Zhicheng	1,515,933	—	—	—	—	1,515,933	4.773	13.12.2013	13.12.2018–12.12.2023
	691,708	—	—	—	—	691,708	3.332	16.03.2016	16.03.2021–15.03.2026
	525,597	—	—	—	—	525,597	3.106	11.05.2016	11.05.2021–10.05.2026
Mr. SONG Jun	628,177	—	—	—	—	628,177	3.332	16.03.2016	16.03.2021–15.03.2026
	1,074,264	—	—	—	—	1,074,264	3.106	11.05.2016	11.05.2021–10.05.2026
	816,050	—	—	—	—	816,050	3.740	19.08.2016	19.08.2021–18.08.2026
Sub-total	5,251,729	—	—	—	—	5,251,729			
<b>Employees of the Group</b>	261,248	—	—	—	—	261,248	4.773	13.12.2013	13.12.2018–12.12.2023
Sub-total	261,248	—	—	—	—	261,248			
<b>Other participant<sup>2</sup></b>	186,342	—	—	—	—	186,342	3.332	16.03.2016	16.03.2021–15.03.2026
Sub-total	186,342	—	—	—	—	186,342			
<b>Total</b>	5,699,319	—	—	—	—	5,699,319			

Notes:

- During the six months ended 30 June 2022, no share options were granted by the Company in accordance with the terms of the 2007 Share Option Scheme.
- The "other participant" is a former Director.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

(b) During the six months ended 30 June 2022, details of movements in the share options under the 2017 Share Option Scheme are as follows:

Category and name of grantees	Options to subscribe for Shares					Outstanding at 30 June 2022	Exercise price per Share HKD	Date of grant <sup>2</sup>	Exercisable period
	Outstanding at 1 January 2022	Granted during the period <sup>1</sup>	Exercised during the period	Cancelled during the period	Lapsed during the period				
<b>Directors</b>									
Mr. YANG Zhicheng	484,454	—	—	—	—	484,454	8.250	22.05.2017	22.05.2022–21.05.2027
	495,084	—	—	—	—	495,084	10.100	24.08.2017	24.08.2022–23.08.2027
	205,255	—	—	—	—	205,255	12.980	08.12.2017	08.12.2022–07.12.2027
	434,145	—	—	—	—	434,145	9.654	06.12.2018	06.12.2023–05.12.2028
	348,158	—	—	—	—	348,158	12.044	25.03.2019	25.03.2024–24.03.2029
	429,995	—	—	—	—	429,995	12.408	09.05.2019	09.05.2024–08.05.2029
	744,899	—	—	—	—	744,899	9.834	23.08.2019	23.08.2024–22.08.2029
	432,848	—	—	—	—	432,848	11.092	05.12.2019	05.12.2024–04.12.2029
	237,303	—	—	—	—	237,303	10.040	12.05.2020	12.05.2025–11.05.2030
	189,361	—	—	—	—	189,361	10.160	24.07.2020	24.07.2025–23.07.2030
	248,853	—	—	—	—	248,853	10.332	03.12.2020	03.12.2025–02.12.2030
	644,397	—	—	—	—	644,397	9.730	26.03.2021	26.03.2026–25.03.2031
	Mr. SONG Jun	1,157,991	—	—	—	—	1,157,991	8.250	22.05.2017
483,325		—	—	—	—	483,325	10.100	24.08.2017	24.08.2022–23.08.2027
454,562		—	—	—	—	454,562	12.980	08.12.2017	08.12.2022–07.12.2027
421,667		—	—	—	—	421,667	16.460	21.03.2018	21.03.2023–20.03.2028
258,092		—	—	—	—	258,092	16.280	10.05.2018	10.05.2023–09.05.2028
202,300		—	—	—	—	202,300	12.240	22.08.2018	22.08.2023–21.08.2028
185,762		—	—	—	—	185,762	9.654	06.12.2018	06.12.2023–05.12.2028
66,723		—	—	—	—	66,723	12.044	25.03.2019	25.03.2024–24.03.2029
294,537		—	—	—	—	294,537	9.834	23.08.2019	23.08.2024–22.08.2029
206,292		—	—	—	—	206,292	11.092	05.12.2019	05.12.2024–04.12.2029
109,619		—	—	—	—	109,619	10.040	12.05.2020	12.05.2025–11.05.2030
291,254		—	—	—	—	291,254	10.160	24.07.2020	24.07.2025–23.07.2030
130,535		—	—	—	—	130,535	10.332	03.12.2020	03.12.2025–02.12.2030
Mr. SU Baiyuan	1,135,435	—	—	—	—	1,135,435	8.250	22.05.2017	22.05.2022–21.05.2027
	526,868	—	—	—	—	526,868	16.460	21.03.2018	21.03.2023–20.03.2028
	320,165	—	—	—	—	320,165	12.408	09.05.2019	09.05.2024–08.05.2029
	176,545	—	—	—	—	176,545	10.040	12.05.2020	12.05.2025–11.05.2030
	901,113	—	—	—	—	901,113	9.730	26.03.2021	26.03.2026–25.03.2031
Sub-total	12,217,537	—	—	—	—	12,217,537			
<b>Employee of the Group</b>	6,955,657	—	—	—	—	6,955,657	9.600	08.06.2021	08.06.2021–07.06.2031
	—	6,955,657	6,955,657 <sup>3</sup>	—	—	—	4.830	17.05.2022	17.05.2022–16.05.2032
Sub-total	6,955,657	6,955,657	6,955,657	—	—	6,955,657			
<b>Other participant<sup>4</sup></b>	117,526	—	55,911 <sup>3</sup>	—	—	61,615	8.250	22.05.2017	22.05.2022–21.05.2027
Sub-total	117,526	—	55,911	—	—	61,615			
<b>Total</b>	19,290,720	6,955,657	7,011,568	—	—	19,234,809			

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### Notes:

1. During the six months ended 30 June 2022, share options of 6,955,657 Shares were granted to eligible person in accordance with the terms of the 2017 Share Option Scheme.
2. The closing price of the Shares immediately before the date of grant of 17 May 2022 was HKD4.88.
3. The weighted average closing price of these Shares immediately before 2 June 2022 and 7 June 2022 (the date on which the relevant share options were exercised) was HKD4.79.
4. The "other participant" is a former Director.
5. The total value of the share options granted under the 2017 Share Option Scheme are not fully recognized in the financial statements of the Company until they are vested. The Directors consider that it is not appropriate to disclose the value of the share options granted to the participants during the period, since any valuation of such share options would be subject to a number of assumptions that would be subjective and uncertain.

### EMPLOYEE INCENTIVE SCHEME

The trust deed in respect of the Employee Incentive Scheme for rewarding the contribution of the senior management and employees of the Group which excludes any connected persons of the Company, together with the scheme rules, were approved by the Board. The purpose of the Employee Incentive Scheme is to provide the participants with an opportunity to hold a personal stake in the Company so as to motivate such participants and to enhance their performance and efficiency. The trustee of the Employee Incentive Scheme is Power Great Enterprises Limited ("**Power Great**"), a wholly-owned subsidiary of the Company.

During the six months ended 30 June 2022, Power Great had not purchased any Share from the market, and had not acquired any Share by any other way in accordance with the Employee Incentive Scheme. During the six months ended 30 June 2022, no Shares were granted under the Employee Incentive Scheme. As at 30 June 2022, the total number of Shares in relation to share awards that were granted under the Employee Incentive Scheme was 165,668,396 Shares (being the net number after deduction of the exercised and lapsed share awards). As at 30 June 2022, the cumulative total number of Shares held by Power Great under the Employee Incentive Scheme was 280,370,795 Shares (including Shares which had been granted to relevant employees with the registration and transfer procedures yet to be completed) (31 December 2021: 289,205,333 Shares).

The Board will continue to monitor the Employee Incentive Scheme for motivating the senior management and employees of the Group and consider when it may be appropriate and/or desirable to modify or replace the Employee Incentive Scheme with and/or adopt any other incentive scheme.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### **ADJUSTMENT TO CONVERSION PRICE AND PARTIAL REPURCHASE OF CONVERTIBLE BONDS, ADJUSTMENT TO STRIKE PRICE OF WRITTEN CALL OPTIONS AND ISSUE OF HKD3,900 MILLION 4.95% CONVERTIBLE BONDS DUE 2026**

On 21 November 2018, the Company, Smart Insight International Limited (the “**Issuer**”, a wholly-owned subsidiary of the Company), J.P. Morgan Securities plc, Goldman Sachs (Asia) L.L.C and The Hongkong and Shanghai Banking Corporation Limited (the “**Joint Lead Managers**”) entered into an agreement, under which the Joint Lead Managers agreed to subscribe for the 4.50% secured guaranteed convertible bonds due 2023 to be issued by the Issuer in the aggregate principal amount of HKD7,830 million (the “**2023 Convertible Bonds**”). On 5 December 2018, the Issuer issued the 2023 Convertible Bonds in the principal amount of HKD7,830 million. The 2023 Convertible Bonds are listed on Singapore Exchange Securities Trading Limited (“**SGX**”). Based on the total outstanding principal amount of the 2023 Convertible Bonds of HKD3,000 million as at the date of this report, the 2023 Convertible Bonds may be converted into the maximum number of 293,829,578 Shares at the latest modified conversion price of HKD10.21 per Share during the conversion period under the terms of the 2023 Convertible Bonds.

On 21 November 2018, the Issuer entered into call option transaction(s) involving the sale of call option(s) by the Issuer to J.P. Morgan Securities plc and Goldman Sachs International or their respective affiliates with the initial strike price of HKD17.908 (the “**Written Call Option(s)**”). As at the date of this report, the strike price of the Written Call Options had been adjusted to the latest modified strike price of HKD14.53 per Written Call Option and its total number had been adjusted from 286,532,935 to 293,804,662 Written Call Options. The Written Call Options are exercisable only on their expiration dates ranging from 14 September 2023 to 24 November 2023. The maximum number of Shares that may be issued upon physical settlement of the Written Call Options is 293,804,662 Shares as at the date of this report.

Please refer to the announcements of the Company dated 21 November 2018, 22 November 2018, 12 December 2018, 24 May 2019, 3 June 2019, 12 September 2019, 1 June 2020, 15 September 2020, 2 June 2021, 13 September 2021 and 6 June 2022, and the circular of the Company dated 11 April 2019 for further details.

On 20 January 2022, the Company, the Issuer and UBS AG Hong Kong Branch (the “**Sole Bookrunner**”) entered into an agreement, under which the Sole Bookrunner agreed to subscribe for the 4.95% secured guaranteed convertible bonds due 2026 to be issued by the Issuer in the aggregate principal amount of HKD3,900 million (the “**2026 Convertible Bonds**”). On 28 January 2022, the Issuer issued the 2026 Convertible Bonds in the principal amount of HKD3,900 million. The 2026 Convertible Bonds are listed on SGX. Based on the total outstanding principal amount of the 2026 Convertible Bonds of HKD3,900 million as at the date of this report, the 2026 Convertible Bonds may be converted into the maximum number of 492,424,242 Shares at the latest modified conversion price of HKD7.92 per Share during the conversion period under the terms of the 2026 Convertible Bonds. The initial conversion price of HKD8.10 per Share was determined with reference to the prevailing market price of the Shares (the market price per Share on 20 January 2022 was HKD6.96). The net proceeds from the issue of the 2026 Convertible Bonds was approximately HKD3,861 million. In accordance with the intentions previously disclosed by the Company, the net proceeds were applied as to (1) partial repurchase of 4.75% senior notes due July 2022 and 4.75% senior notes due January 2023 with principal amount of USD30.6 million; (2) USD209.2 million equivalent of principal repayment of the Company’s offshore indebtedness; and (3) USD255.2 million equivalent of interest and coupon payment of the Company’s existing offshore indebtedness.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

Please refer to the announcements of the Company dated 21 January 2022 and 6 June 2022 for further details.

Details of convertible bonds are set out in note 18 to the “NOTES TO THE INTERIM FINANCIAL INFORMATION” in this report.

### PLACING

In order to raise capital for the Company while broadening its Shareholders and capital base, on 27 July 2022, the Company and UBS AG Hong Kong Branch (the “**Placing Agent**”) entered into a placing agreement (the “**Placing Agreement**”), under which the Company conditionally agreed to appoint the Placing Agent and the Placing Agent conditionally agreed to act as agent for the Company and to procure placees to subscribe for an aggregate of 870,000,000 Shares at a price of HKD3.25 per Share (the “**Placing Price**”) (the “**Placing**”). The Placing Price was determined on an arm’s length basis between the Company and the Placing Agent and with reference to the market condition and the prevailing market price of the Shares (the market price per Share on 27 July 2022 was HKD3.16). On 3 August 2022, all conditions set out in the Placing Agreement have been fulfilled and the Placing has been completed. A total of 870,000,000 Shares having an aggregate nominal value of HKD87,000,000 have been successfully placed by the Placing Agent to not less than six professional, institutional and/or other investors at the Placing Price. The net proceeds from the Placing was approximately HKD2,790.7 million. The net price per Placing Share was approximately HKD3.21. In accordance with the intentions previously disclosed by the Company, the Company intends to apply the net proceeds for refinancing existing offshore indebtedness, general working capital and future development purposes. Please refer to the announcements of the Company dated 27 July 2022 and 3 August 2022 for further details.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, bought back, sold or redeemed any of the Shares during the six months ended 30 June 2022.

During the six months ended 30 June 2022, the Company had partially repurchased the following senior notes from the open market on SGX in the cumulative total principal amount of USD42,620,000, of which the aggregate principal amount of USD36,600,000 of the senior notes had been cancelled:

1. an aggregate principal amount of USD22,620,000 of the 4.75% senior notes due July 2022 (ISIN: XS1637076164) (the “**July 2022 Notes**”);
2. an aggregate principal amount of USD15,000,000 of the 4.75% senior notes due January 2023 (ISIN: XS1751178499); and
3. an aggregate principal amount of USD5,000,000 of the 7.25% senior notes due April 2026 (ISIN: XS1974522937).

For further details, please refer to the announcements of the Company dated 17 January 2022, 4 February 2022, 3 March 2022, 13 March 2022 and 2 May 2022.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

In addition, on 27 January 2022, the 7.125% senior notes due January 2022 in an aggregate principal amount of USD425 million (ISIN: XS1880450140) issued by the Company and listed on the SGX has matured. The Company has repaid the outstanding amount of the notes in full with accrued interest. Following such repayment, no such notes were outstanding, and such notes have been cancelled and delisted from the SGX. For further details, please refer to announcement of the Company dated 27 January 2022.

On 15 June 2022, the Company made an offer to purchase for cash of the July 2022 Notes at a purchase price of USD1,000 per USD1,000 principal amount of the July 2022 Notes. The July 2022 Notes purchased pursuant to the offer will be cancelled and delisted from the SGX and the aggregate principal amount of the July 2022 Notes which remains outstanding is USD272,447,000 after completion of the offer. For further details, please refer to the announcements of the Company dated 15 June 2022, 23 June 2022 and 26 June 2022. The July 2022 Notes have been repaid in full upon maturity and there are no other offshore senior notes that are due to mature by the end of 2022.

For details of purchase, sale or redemption by the Company or any of its subsidiaries of its listed securities (other than Shares) during the six months ended 30 June 2022, please also refer to notes 16 and 17 to the “NOTES TO THE INTERIM FINANCIAL INFORMATION” in this report.

### DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

On 28 December 2018, the Company, as the borrower, entered into a facility agreement (the “**2018 Facility Agreement**”) with, inter alia, various banks and financial institutions as lenders (the “**2018 Lenders**”), Industrial and Commercial Bank of China (Asia) Limited as the facility agent and The Hongkong and Shanghai Banking Corporation Limited and Industrial and Commercial Bank of China (Asia) Limited as the mandated lead arrangers and bookrunners and coordinators, pursuant to which the 2018 Lenders have agreed to make available a dual tranche transferable term loan facility denominated in HKD and USD in an amount of HKD3,970 million (increased from HKD3,470 million to HKD3,970 million with effect from 19 March 2019 as allowed by the term of the 2018 Facility Agreement) and USD560.5 million (increased from USD486 million to USD560.5 million with effect from 15 January 2019 as allowed by the term of the 2018 Facility Agreement), respectively (collectively, the “**2018 Loans**”) to the Company for the terms of 36 months commencing from the date of the 2018 Facility Agreement for the Tranche A1 Facility (as defined in the 2018 Facility Agreement) and Tranche A2 Facility (as defined in the 2018 Facility Agreement) and 24 months commencing from the date of the 2018 Facility Agreement for the Tranche B1 Facility (as defined in the 2018 Facility Agreement) and Tranche B2 Facility (as defined in the 2018 Facility Agreement). The 2018 Lenders may at their discretion extend the 2018 Loans upon the borrower’s written request in accordance with the 2018 Facility Agreement. On 28 December 2021, the Company and the 2018 Lenders have agreed to extend a majority of the 2018 Loans for one year. The 2018 Loans obtained under the 2018 Facility Agreement shall be applied by the Company for refinancing any existing indebtedness of the Group. Pursuant to the terms of the 2018 Facility Agreement, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2018 Facility Agreement.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

On 23 July 2019, the Company, as the borrower, entered into a facility agreement (the “**2019 Facility Agreement**”) with various financial institutions as original lenders (the “**2019 Original Lenders**”), and Bank of China (Hong Kong) Limited as the facility agent, pursuant to which the 2019 Original Lenders have agreed to make available a dual tranche transferable term loan facilities with a greenshoe option denominated in HKD and USD in an amount of HKD4,300 million and USD826 million (increased from USD626 million to USD826 million with effect from 23 October 2019 as allowed by the term of the 2019 Facility Agreement), respectively (collectively, the “**2019 Loans**”) to the Company for a term of 48 months commencing from the date of the 2019 Facility Agreement. The 2019 Loans obtained under the 2019 Facility Agreement shall be applied by the Company for refinancing any other existing offshore financial indebtedness owed by the Company or any member of the Group and financing costs and expenses to be incurred under the 2019 Facility Agreement. Pursuant to the terms of the 2019 Facility Agreement, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2019 Facility Agreement.

On 21 October 2020, the Company, as the borrower, entered into a facility agreement (the “**2020 Facility Agreement**”) with various financial institutions as original lenders (the “**2020 Original Lenders**”), and Bank of China (Hong Kong) Limited as the facility agent, pursuant to which the 2020 Original Lenders have agreed to make available a dual tranche term loan facilities with a lender accession option denominated in HKD and USD in an amount of HKD8,133.3 million and USD453 million, respectively (collectively, the “**2020 Loans**”) to the Company for a term of 48 months commencing from the date of the 2020 Facility Agreement. The 2020 Loans obtained under the 2020 Facility Agreement shall be applied by the Company for refinancing in full the loan made available to the Company pursuant to a facility agreement dated 8 December 2016; and refinancing any other existing offshore financial indebtedness of the Group and financing costs and expenses to be incurred under the 2020 Facility Agreement. Pursuant to the terms of the 2020 Facility Agreement, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2020 Facility Agreement.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

On 22 July 2021, the Company, as the borrower, entered into a facility agreement (the “**2021 Facility Agreement**”) with various financial institutions as original lenders (the “**2021 Original Lenders**”), pursuant to which the 2021 Original Lenders have agreed to make available a dual tranche term loan facilities denominated in HKD and USD in an amount of HKD6,076 million and USD559 million, respectively (collectively, the “**2021 Loans**”) to the Company for a term of 48 months commencing from the date of the 2021 Facility Agreement. The 2021 Loans obtained under the 2021 Facility Agreement shall be applied by the Company for refinancing in full the loan made available to the Company pursuant to a facility agreement dated 17 October 2017; and refinancing any other existing offshore financial indebtedness of the Group and financing costs and expenses to be incurred under the 2021 Facility Agreement. Pursuant to the terms of the 2021 Facility Agreement, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2021 Facility Agreement.

# INFORMATION FOR SHAREHOLDERS

## **INTERIM DIVIDEND**

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2022 (2021 interim dividend: RMB20.98 cents per Share).

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited 30 June 2022 RMB million	Audited 31 December 2021 RMB million
<b>Non-current assets</b>			
Property, plant and equipment	7	26,034	27,099
Investment properties	7	14,779	16,302
Intangible assets		1,393	1,370
Right-of-use assets		4,995	4,985
Properties under development	8	33,291	48,146
Investments in joint ventures	9	48,473	49,664
Investments in associates	10	21,999	23,177
Financial assets at fair value through other comprehensive income		10,342	9,894
Derivative financial instruments		48	320
Trade and other receivables	11	13,013	13,414
Deferred income tax assets		40,896	40,057
		<b>215,263</b>	234,428
<b>Current assets</b>			
Properties under development	8	1,003,589	1,008,146
Completed properties held for sale		53,112	46,354
Inventories		9,239	9,689
Trade and other receivables	11	394,850	406,798
Contract assets and contract acquisition costs	12	23,560	23,602
Prepaid income tax		32,758	23,823
Restricted cash	13	24,493	34,346
Cash and cash equivalents	13	123,483	146,954
Financial assets at fair value through profit or loss	14	11,120	14,207
Derivative financial instruments		12	18
		<b>1,676,216</b>	1,713,937
<b>Current liabilities</b>			
Contract liabilities		731,922	709,255
Trade and other payables	15	498,020	550,591
Current income tax liabilities		33,654	39,160
Senior notes	16	6,977	8,283
Corporate bonds	17	12,825	6,345
Convertible bonds	18	78	8
Bank and other borrowings	19	52,973	64,382
Lease liabilities		106	186
Derivative financial instruments		161	695
Dividend payable	26	2,343	—
		<b>1,339,059</b>	1,378,905
<b>Net current assets</b>		<b>337,157</b>	335,032
<b>Total assets less current liabilities</b>		<b>552,420</b>	569,460

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited 30 June 2022 RMB million	Audited 31 December 2021 RMB million
<b>Non-current liabilities</b>			
Senior notes	16	66,109	66,786
Corporate bonds	17	21,130	27,815
Convertible bonds	18	5,358	2,160
Bank and other borrowings	19	128,227	142,143
Lease liabilities		492	506
Deferred government grants		168	216
Deferred income tax liabilities		27,316	28,123
Derivative financial instruments		604	1,084
		<b>249,404</b>	268,833
<b>Equity attributable to owners of the Company</b>			
Share capital and premium	20	38,852	38,787
Other reserves	21	22,378	22,691
Retained earnings	21	136,232	137,258
		<b>197,462</b>	198,736
<b>Non-controlling interests</b>		<b>105,554</b>	101,891
<b>Total equity</b>		<b>303,016</b>	300,627
<b>Total equity and non-current liabilities</b>		<b>552,420</b>	569,460

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

# INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Unaudited Six months ended 30 June	
		2022 RMB million	2021 RMB million
<b>Revenue</b>	6	<b>162,363</b>	234,930
Cost of sales	23	<b>(145,153)</b>	(188,646)
<b>Gross profit</b>		<b>17,210</b>	46,284
Other income and gains — net	22	<b>66</b>	1,739
Losses arising from changes in fair value of and transfers to investment properties	7	<b>(96)</b>	(48)
Selling and marketing costs	23	<b>(4,575)</b>	(7,700)
Administrative expenses	23	<b>(4,285)</b>	(6,213)
Research and development expenses	23	<b>(974)</b>	(1,291)
Net impairment losses on financial and contract assets		<b>(302)</b>	(551)
<b>Operating profit</b>		<b>7,044</b>	32,220
Finance income	24	<b>941</b>	2,181
Finance costs	24	<b>(4,482)</b>	(278)
Finance (costs)/income — net	24	<b>(3,541)</b>	1,903
Share of results of joint ventures and associates	9, 10	<b>1,855</b>	3,122
<b>Profit before income tax</b>		<b>5,358</b>	37,245
Income tax expenses	25	<b>(3,451)</b>	(14,825)
<b>Profit for the period</b>		<b>1,907</b>	22,420
<b>Profit attributable to:</b>			
— Owners of the Company		<b>612</b>	14,996
— Non-controlling interests		<b>1,295</b>	7,424
		<b>1,907</b>	22,420
<b>Earnings per share attributable to owners of the Company (expressed in RMB yuan per share)</b>			
Basic	27	<b>0.03</b>	0.69
Diluted	27	<b>0.03</b>	0.68

The above interim condensed consolidated income statement should be read in conjunction with the accompanying notes.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited	
	Six months ended 30 June 2022	2021
	RMB million	RMB million
<b>Profit for the period</b>	<b>1,907</b>	22,420
<b>Other comprehensive income</b>		
Items that will not be reclassified to profit or loss:		
– Changes in fair value of financial assets at fair value through other comprehensive income	<b>394</b>	372
– Revaluation gains on investment properties upon transfers from right-of-use assets	<b>—</b>	27
Items that may be reclassified to profit or loss:		
– Deferred gains on cash flow hedges	<b>7</b>	4
– Deferred costs of hedging	<b>(684)</b>	(53)
– Currency translation differences	<b>280</b>	(416)
<b>Total other comprehensive loss for the period, net of tax</b>	<b>(3)</b>	(66)
<b>Total comprehensive income for the period</b>	<b>1,904</b>	22,354
<b>Total comprehensive income attributable to:</b>		
– Owners of the Company	<b>610</b>	14,926
– Non-controlling interests	<b>1,294</b>	7,428
	<b>1,904</b>	22,354

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited					
	Attributable to owners of the Company			Total RMB million	Non-controlling interests RMB million	Total equity RMB million
	Share capital and premium RMB million (note 20)	Other reserves RMB million (note 21)	Retained earnings RMB million (note 21)			
<b>Balance at 1 January 2022</b>	<b>38,787</b>	<b>22,691</b>	<b>137,258</b>	<b>198,736</b>	<b>101,891</b>	<b>300,627</b>
<b>Comprehensive income for the six months ended 30 June 2022</b>						
Profit for the period	—	—	612	612	1,295	1,907
Other comprehensive income	—	(2)	—	(2)	(1)	(3)
<b>Total comprehensive income for the six months ended 30 June 2022</b>	<b>—</b>	<b>(2)</b>	<b>612</b>	<b>610</b>	<b>1,294</b>	<b>1,904</b>
<b>Transactions with owners in their capacity as owners</b>						
Capital injections from non-controlling interests	—	—	—	—	5,539	5,539
Dividend	—	—	(2,343)	(2,343)	(870)	(3,213)
Employee share schemes						
— Value of employee services	—	144	—	144	—	144
— Exercise of employee share schemes	65	(35)	—	30	—	30
Equity component of convertible bonds issued (note 18)	—	291	—	291	—	291
Non-controlling interests arising from business combinations (note 31)	—	—	—	—	369	369
Disposals of subsidiaries (note 30)	—	(123)	123	—	(790)	(790)
Changes in ownership interests in subsidiaries without change of control (note 29)	—	197	—	197	(1,879)	(1,682)
<b>Total transactions with owners</b>	<b>65</b>	<b>474</b>	<b>(2,220)</b>	<b>(1,681)</b>	<b>2,369</b>	<b>688</b>
<b>Other transaction</b>						
Partial cancellation of written call options	—	(785)	582	(203)	—	(203)
<b>Balance at 30 June 2022</b>	<b>38,852</b>	<b>22,378</b>	<b>136,232</b>	<b>197,462</b>	<b>105,554</b>	<b>303,016</b>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited					
	Attributable to owners of the Company			Total RMB million	Non-controlling interests RMB million	Total equity RMB million
	Share capital and premium RMB million (note 20)	Other reserves RMB million (note 21)	Retained earnings RMB million (note 21)			
<b>Balance at 1 January 2021</b>	31,495	17,457	126,150	175,102	81,901	257,003
<b>Comprehensive income for the six months ended 30 June 2021</b>						
Profit for the period	—	—	14,996	14,996	7,424	22,420
Other comprehensive income	—	(1,601)	1,531	(70)	4	(66)
<b>Total comprehensive income for the six months ended 30 June 2021</b>	—	(1,601)	16,527	14,926	7,428	22,354
<b>Transactions with owners in their capacity as owners</b>						
Capital injections from non-controlling interests	—	—	—	—	4,758	4,758
Dividend	—	—	(5,508)	(5,508)	(1,632)	(7,140)
Employee share schemes						
— Value of employee services	—	207	—	207	—	207
— Exercise of employee share schemes	116	(20)	—	96	—	96
Non-controlling interests arising from business combinations	—	—	—	—	191	191
Disposals of subsidiaries	—	(31)	31	—	(685)	(685)
Changes in ownership interests in subsidiaries without change of control	—	(292)	—	(292)	1,234	942
<b>Total transactions with owners</b>	116	(136)	(5,477)	(5,497)	3,866	(1,631)
<b>Other transaction</b>						
Partial cancellation of written call options	—	(53)	3	(50)	—	(50)
<b>Balance at 30 June 2021</b>	31,611	15,667	137,203	184,481	93,195	277,676

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	Unaudited	
		Six months ended 30 June	
		2022	2021
		RMB million	RMB million
<b>Cash flows from operating activities</b>			
Cash generated from operations		29,865	47,308
Income tax paid		(16,127)	(27,596)
Interest paid		(8,485)	(9,333)
<b>Net cash generated from operating activities</b>		<b>5,253</b>	10,379
<b>Cash flows from investing activities</b>			
Net cash inflow on business combinations	31	1,238	1,879
Proceeds from disposals of property, plant and equipment		519	128
Net cash inflow on disposals of subsidiaries	30	7	667
Purchases of property, plant and equipment		(599)	(1,169)
Payments for investment properties		—	(199)
Purchases of intangible assets		(160)	(203)
Purchases of right-of-use assets		(123)	(16)
Net increase in payments related to investments in joint ventures		(1,990)	(3,014)
Net increase in payments related to investments in associates		(25)	(186)
Dividend income from joint ventures and associates	9, 10	1,541	1,929
Net increase in deposits and advances related to equity transactions		(725)	(746)
Payments for financial assets at fair value through other comprehensive income		(10)	(1,572)
Proceeds from disposals of financial assets at fair value through other comprehensive income		—	2,268
Payments for financial assets at fair value through profit or loss		(1,445)	(9,515)
Proceeds from disposals of financial assets at fair value through profit or loss		4,729	1,970
Interest received		914	1,350
<b>Net cash generated from/(used in) investing activities</b>		<b>3,871</b>	(6,429)

## INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	Unaudited	
		2022	2021
		RMB million	RMB million
<b>Cash flows from financing activities</b>			
Capital injections from non-controlling interests		5,539	4,758
Net cash (outflow)/inflow on transactions with non-controlling interests	29	(1,682)	942
Issue of senior notes	16	—	10,970
Redemption and repayment of senior notes		(5,709)	(8,885)
Issue of corporate bonds	17	749	6,476
Issue of convertible bonds	18	3,161	—
Repayment of corporate bonds	17	(1,196)	(9,265)
Settlement of derivative financial instruments		(673)	(596)
Payments for principal portion of leases		(55)	(106)
Dividends paid to non-controlling interests		(870)	(1,632)
Proceeds from bank and other borrowings		26,100	69,622
Repayments of bank and other borrowings		(57,970)	(75,386)
<b>Net cash used in financing activities</b>		<b>(32,606)</b>	<b>(3,102)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(23,482)</b>	<b>848</b>
Cash and cash equivalents at the beginning of the period		146,954	167,153
Exchange gains/(losses) on cash and cash equivalents		11	(80)
<b>Cash and cash equivalents at the end of the period</b>		<b>123,483</b>	<b>167,921</b>

The above interim condensed consolidated cash flow statement should be read in conjunction with the accompanying notes.

# NOTES TO THE INTERIM FINANCIAL INFORMATION

## 1 General information

Country Garden Holdings Company Limited (the “Company”) was incorporated in the Cayman Islands on 10 November 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111 Cayman Islands. The Company is engaged in investment holding and its subsidiaries (collectively, the “Group”) are principally engaged in the property development, construction, property investment and hotel operation.

The parent undertaking of the Company is Concrete Win Limited, whose registered office address is Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands.

The shares of the Company are listed on Stock Exchange.

This interim financial information is presented in Renminbi (“RMB”), unless otherwise stated, and was approved by the Board of Directors of the Company for issue on 30 August 2022. This interim financial information has not been audited.

Due to the outbreak of the coronavirus disease 2019 (“COVID-19”) and the Omicron variant, control measures in different cities such as temporary lockdowns of certain cities had been carried out in this period. This has created unfavourable impact to the operating performance of the Group, including but not limited to the delays caused to construction and delivery of property units, temporary suspension of property sales activities. The directors of the company will continue to monitor the situation of COVID-19 and assess the impact to the operating performance and financial position of the Group.

## 2 Basis of preparation

This interim financial information for the six months ended 30 June 2022 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, ‘Interim Financial Reporting’. This interim financial information should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2021 (“2021 Financial Statements”), which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and disclosure requirements under the Hong Kong Companies Ordinance, and any public announcements made by the Company during the interim reporting period.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

### 2 Basis of preparation *(Continued)*

Due to the volatility of the property market in the PRC and the unfavourable impact on the presale performance during the period and subsequent to the period end date, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern for at least 12 months from 30 June 2022, taking into consideration a number of plans and measures:

- The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties held for sale, and to speed up the collection of sales proceeds and other receivables;
- The Group will continue to seek for new debt financing and bank borrowings at costs acceptable to the Group to finance the settlement of its existing financial obligations and future operating and capital expenditures;
- The Group does not have any significant capital commitments as at 30 June 2022. The Group will not commit on significant capital expenditures and land acquisitions before securing the necessary funding; and
- The Group will continue to take active measures to control selling and marketing costs and administrative expenses.

The directors of the Company have reviewed the Group's cash flow projections, which covers a period of twelve months from 30 June 2022. The directors of the Company are of the opinion that, taking into account the anticipated cash flows generated from the Group's operations as well as the possible changes in its operating performance, the Group's existing and future plan of land acquisitions, the continued availability of the Group's bank and other borrowings as well as the Group's ability to raise new financing under the prevailing rules and regulations, the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the coming twelve months from 30 June 2022. Accordingly, these condensed consolidated financial statements have been prepared on a going concern basis.

### 3 Significant accounting policies

The accounting policies applied are consistent with those of the 2021 Financial Statements as described therein, except for the estimation of income tax and the adoption of amended standards.

Amendments to existing standards that are effective for the financial year beginning on 1 January 2022 and adopted by the Group for this period either do not have a material impact or are not relevant to the Group.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**3 Significant accounting policies** *(Continued)*

New and revised standards and amendments to existing standards that have been issued and relevant to the Group but are not effective for the financial year beginning on 1 January 2022 and have not been early adopted:

		<b>Effective for the financial year beginning on or after</b>
Amendments to HKAS 1	Classification of liabilities as current or non-current	1 January 2023
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of accounting policies	1 January 2023
Amendments to HKAS 8	Definition of accounting estimates	1 January 2023
Amendments to HKAS 12	Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
Hong Kong Interpretation 5 (2020)	Presentation of financial statements — classification by the borrower of a term loan that contains a repayment on demand clause	1 January 2023
HKFRS 17 and amendments to HKFRS 17	Insurance contracts	1 January 2023
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

None of these is expected to have a significant impact on the Group's accounting policies except for HKFRS 17. The Group will assess the impact of HKFRS 17 on the Group's accounting policies.

**4 Judgements and estimates**

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

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the 2021 Financial Statements.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

### 5 Financial risk management

#### 5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (mainly included foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the 2021 Financial Statements.

There have been no significant changes in any risk management policies since the last year end.

#### 5.2 Liquidity risk

The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity grouping based on the remaining period at the date of the statement of financial position to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows and included interest, if applicable.

	Less than 1 year RMB million	Between 1 and 2 years RMB million	Between 2 and 5 years RMB million	Over 5 years RMB million	Total RMB million
<b>Unaudited</b>					
<b>At 30 June 2022</b>					
Senior notes	9,582	13,900	47,404	16,578	87,464
Corporate bonds	13,481	21,439	809	—	35,729
Convertible bonds	281	6,124	—	—	6,405
Bank and other borrowings	62,413	81,314	52,139	4,466	200,332
Trade and other payables (excluding other taxes payable and salaries payable)	435,748	—	—	—	435,748
Lease liabilities	241	150	231	38	660
Derivative financial instruments	161	201	403	—	765
Dividend payable	2,343	—	—	—	2,343
<b>Total</b>	<b>524,250</b>	<b>123,128</b>	<b>100,986</b>	<b>21,082</b>	<b>769,446</b>

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 5 Financial risk management (Continued)

## 5.2 Liquidity risk (Continued)

	Less than 1 year RMB million	Between 1 and 2 years RMB million	Between 2 and 5 years RMB million	Over 5 years RMB million	Total RMB million
<b>Audited</b>					
<b>At 31 December 2021</b>					
Senior notes	10,902	7,405	52,725	19,638	90,670
Corporate bonds	7,249	25,330	3,921	157	36,657
Convertible bonds	110	2,563	—	—	2,673
Bank and other borrowings	74,827	91,160	57,976	3,297	227,260
Trade and other payables (excluding other taxes payable and salaries payable)	491,833	—	—	—	491,833
Lease liabilities	334	181	286	145	946
Derivative financial instruments	695	527	557	—	1,779
<b>Total</b>	<b>585,950</b>	<b>127,166</b>	<b>115,465</b>	<b>23,237</b>	<b>851,818</b>

## 5.3 Fair value estimation

The table below analyses financial instruments carried or presented at fair value, by level of the inputs to valuation techniques used to measure fair value. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs) (level 3).

	Level 1 RMB million	Level 2 RMB million	Level 3 RMB million	Total RMB million
<b>At 30 June 2022</b>				
<b>Assets</b>				
Financial assets at fair value through other comprehensive income ("FVOCI")	34	—	10,308	10,342
Derivative financial instruments	—	60	—	60
Financial assets at fair value through profit or loss ("FVTPL")	202	1,187	9,731	11,120
<b>Total</b>	<b>236</b>	<b>1,247</b>	<b>20,039</b>	<b>21,522</b>
<b>Liabilities</b>				
Derivative financial instruments	—	765	—	765

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 5 Financial risk management (Continued)

## 5.3 Fair value estimation (Continued)

	Level 1 RMB million	Level 2 RMB million	Level 3 RMB million	Total RMB million
<b>At 31 December 2021</b>				
<b>Assets</b>				
Financial assets at FVOCI	70	—	9,824	9,894
Derivative financial instruments	—	338	—	338
Financial assets at FVTPL	242	4,471	9,494	14,207
<b>Total</b>	<b>312</b>	<b>4,809</b>	<b>19,318</b>	<b>24,439</b>
<b>Liabilities</b>				
Derivative financial instruments	—	1,779	—	1,779

The following table presents the changes in level 3 financial instruments for the period ended 30 June 2022 and 2021:

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
<b>At 1 January</b>	<b>19,318</b>	4,610
Additions	5	4,428
Fair value changes	716	680
Disposals	—	(34)
Transfer to level 1	—	(608)
<b>At 30 June</b>	<b>20,039</b>	9,076

- (a) There is no material unrealised gain or loss recognised in profit or loss in the current period (2021: no material unrealised gain or loss) attributable to balances held at the end of the reporting period.

There were no changes in valuation techniques during the period.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

### 6 Revenue and segment information

The executive directors of the Company review the Group's internal reporting in order to assess segment performance and allocate resources. The executive directors of the Company have determined the operating segments based on these reports.

The executive directors of the Company assessed the performance and operations of the Group and concluded that the Group only has two reportable segments — Property development and Construction. The Others segment mainly includes property investment, hotel operation, smart construction and modern agriculture businesses, which are individually and collectively insignificant for segment reporting purposes.

The executive directors of the Company assess the performance of the operating segments based on a measure of operating profit, adjusted by excluding fair value changes on derivative financial instruments and including share of results of joint ventures and associates.

Segment assets consist primarily of property, plant and equipment, intangible assets, right-of-use assets, investment properties, financial assets at FVOCI, financial assets at FVTPL, properties under development, investments in joint ventures, investments in associates, completed properties held for sale, inventories, receivables, prepaid income tax, contract assets and contract acquisition costs and operating cash. They exclude derivative financial instruments and deferred income tax assets. Segment liabilities consist primarily of operating liabilities. They exclude current income tax liabilities, senior notes, corporate bonds, convertible bonds, bank and other borrowings, dividend payable, derivative financial instruments and deferred income tax liabilities.

Capital expenditure mainly comprises additions to property, plant and equipment, investment properties, intangible assets and right-of-use assets, excluding those arising from business combinations.

Revenue consists of the following:

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
Sales of properties	156,373	227,899
Rendering of construction services	3,336	4,130
Rental income	425	374
Others	2,229	2,527
	<b>162,363</b>	234,930

Sales between segments are carried out according to the terms and conditions agreed by the respective segments' management.

The Group's revenue is mainly attributable to the market in Mainland China and over 90% of the Group's non-current assets are located in Mainland China. No geographical information is therefore presented.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**6 Revenue and segment information** (Continued)

The Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue.

The segment information provided to the executive directors of the Company for the reportable segments is as follows:

	Property development RMB million	Construction RMB million	Others RMB million	Total RMB million
<b>Six months ended 30 June 2022</b>				
Revenue from contracts with customers	156,373	18,899	11,275	186,547
— Recognised at a point in time	125,516	—	10,446	135,962
— Recognised over time	30,857	18,899	829	50,585
Revenue from other source: rental income	—	—	425	425
Segment revenue	156,373	18,899	11,700	186,972
Inter-segment revenue	—	(15,563)	(9,046)	(24,609)
Revenue from external customers	156,373	3,336	2,654	162,363
Share of results of joint ventures and associates	1,893	—	(38)	1,855
Losses arising from changes in fair value of and transfers to investment properties	—	—	(96)	(96)
Depreciation and amortisation expenses of property, plant and equipment, intangible assets and right-of-use assets	366	27	810	1,203
Net impairment losses on financial and contract assets	278	5	19	302
Segment results	9,634	110	(939)	8,805
<b>At 30 June 2022</b>				
Total segment assets after elimination of inter-segment balances	1,704,200	30,592	115,731	1,850,523
Investments in joint ventures and associates	69,479	—	993	70,472
Capital expenditure	242	43	672	957
Total segment liabilities after elimination of inter-segment balances	1,123,586	29,246	77,876	1,230,708

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 6 Revenue and segment information (Continued)

	Property development RMB million	Construction RMB million	Others RMB million	Total RMB million
<b>Six months ended 30 June 2021</b>				
Revenue from contracts with customers	227,899	25,950	11,279	265,128
— Recognised at a point in time	183,714	—	10,408	194,122
— Recognised over time	44,185	25,950	871	71,006
Revenue from other source: rental income	—	—	374	374
Segment revenue	227,899	25,950	11,653	265,502
Inter-segment revenue	—	(21,820)	(8,752)	(30,572)
Revenue from external customers	227,899	4,130	2,901	234,930
Share of results of joint ventures and associates	3,141	—	(19)	3,122
Losses arising from changes in fair value of and transfers to investment properties	—	—	(48)	(48)
Depreciation and amortisation expenses of property, plant and equipment, intangible assets and right-of-use assets	297	20	926	1,243
Net impairment losses on financial and contract assets	508	9	34	551
Segment results	35,478	237	(347)	35,368
<b>At 31 December 2021</b>				
Total segment assets after elimination of inter-segment balances	1,758,089	31,271	118,610	1,907,970
Investments in joint ventures and associates	71,170	—	1,671	72,841
Capital expenditure	536	102	4,324	4,962
Total segment liabilities after elimination of inter-segment balances	1,151,286	29,857	79,611	1,260,754

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**6 Revenue and segment information** (Continued)

Reportable segment results are reconciled to profit before income tax as follows:

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
Total segment results	<b>8,805</b>	35,368
Changes in fair value of derivative financial instruments	<b>94</b>	(26)
Finance (costs)/income — net	<b>(3,541)</b>	1,903
Profit before income tax	<b>5,358</b>	37,245

Reportable segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

	30 June	31 December
	2022	2021
	RMB million	RMB million
Total segment assets after elimination of inter-segment balances	<b>1,850,523</b>	1,907,970
Derivative financial instruments	<b>60</b>	338
Deferred income tax assets	<b>40,896</b>	40,057
<b>Total assets</b>	<b>1,891,479</b>	1,948,365
Total segment liabilities after elimination of inter-segment balances	<b>1,230,708</b>	1,260,754
Current income tax liabilities	<b>33,654</b>	39,160
Senior notes	<b>73,086</b>	75,069
Corporate bonds	<b>33,955</b>	34,160
Convertible bonds	<b>5,436</b>	2,168
Bank and other borrowings	<b>181,200</b>	206,525
Derivative financial instruments	<b>765</b>	1,779
Dividend payable	<b>2,343</b>	—
Deferred income tax liabilities	<b>27,316</b>	28,123
<b>Total liabilities</b>	<b>1,588,463</b>	1,647,738

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 7 Property, plant and equipment and investment properties

	Property, plant and equipment RMB million	Investment properties RMB million
<b>Six months ended 30 June 2022</b>		
<b>Opening net book amount at 1 January 2022</b>	<b>27,099</b>	<b>16,302</b>
Acquisition of subsidiaries (note 31)	25	—
Other additions	599	—
Transfer from properties under development and completed properties held for sale	—	378
Revaluation losses upon transfer from properties under development and completed properties held for sale	—	(47)
Fair value changes	—	(49)
Transfer to properties under development	—	(1,401)
Disposals of subsidiaries	(187)	(404)
Other disposals	(574)	—
Depreciation	(985)	—
Exchange differences	57	—
<b>Closing net book amount at 30 June 2022</b>	<b>26,034</b>	<b>14,779</b>
Losses arising from changes in fair value of and transfer to investment properties represent:		
— revaluation losses upon transfer from properties under development and completed properties held for sale		(47)
— fair value changes		(49)
		<b>(96)</b>

The Group's investment properties were valued at transfer or business acquisition dates, and at 30 June 2022 and 31 December 2021 by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent and professionally qualified valuer who hold recognised relevant professional qualifications and has recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates the highest and best use.

There were no changes to the valuation techniques during the period.

The Group's policy is to recognise change of fair value hierarchy levels as of the date of event or change in circumstances that caused the change. At 30 June 2022 and 31 December 2021, the Group only had investment properties measured at level 3 valuation.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 8 Properties under development

	30 June 2022 RMB million	31 December 2021 RMB million
Properties under development expected to be completed and delivered:		
— Within one operating cycle included under current assets	1,003,589	1,008,146
— Beyond one operating cycle included under non-current assets	33,291	48,146
	<b>1,036,880</b>	1,056,292
Amounts comprise:		
— Construction costs including depreciation and staff cost capitalised	481,619	498,873
— Land costs	527,191	533,094
— Borrowing costs capitalised	28,070	24,325
	<b>1,036,880</b>	1,056,292

One operating cycle of the Group's property development generally ranges from one to two years.

At 30 June 2022, properties under development included the costs to fulfil those contracts, the revenue of which is recognised over time, amounting to RMB18,340 million (31 December 2021: RMB20,023 million).

During the six months ended 30 June 2022, write-downs of properties under development and completed properties held for sale to net realisable value amounted to RMB7,313 million (six months ended 30 June 2021: RMB4,671 million). These were recognised as an expense and included in "cost of sales" in the consolidated income statement.

The capitalisation rate used to determine the amount of interest on general borrowings incurred eligible for capitalisation for the six months ended 30 June 2022 was 5.63% per annum (six months ended 30 June 2021: 5.76% per annum). Most of the properties under development are located in Mainland China.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 9 Investments in joint ventures

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
<b>At 1 January</b>	<b>49,664</b>	41,011
Additions	401	5,620
Disposals	(1,294)	(686)
Dividends	(1,011)	(519)
Share of results	713	1,258
— Gains arising from negative goodwill	—	22
— Others	713	1,236
<b>At 30 June</b>	<b>48,473</b>	46,684

The balance comprises the following:

	30 June	31 December
	2022	2021
	RMB million	RMB million
Unlisted investments		
— Share of net assets	48,047	49,232
— Notional goodwill	426	432
	<b>48,473</b>	49,664

Additions during the period mainly included the acquisitions of shares in a number of property development companies and the investments in a number of newly established property development companies together with certain third parties. None of these acquisitions was individually significant to the Group.

The negative goodwill was mainly resulted from the fact that the joint ventures partners intended to cooperate with the Group to resolve liquidity issues or bring in industry expertise.

As at 30 June 2022, certain borrowings of joint ventures were guaranteed by the Group and/or secured by the Group's certain interests in joint ventures with an aggregate carrying value of RMB3,761 million (31 December 2021: RMB4,753 million).

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 10 Investments in associates

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
<b>At 1 January</b>	<b>23,177</b>	22,430
Additions	—	194
Disposals	(1,790)	(1,155)
Dividends	(530)	(1,410)
Share of results	1,142	1,864
<b>At 30 June</b>	<b>21,999</b>	21,923

None of the acquisition during the period was individually significant to the Group.

As at 30 June 2022, certain borrowings of associates were guaranteed by the Group and/or secured by the Group's certain interests in associates with an aggregate carrying value of RMB606 million (31 December 2021: RMB244 million).

## 11 Trade and other receivables

	30 June	31 December
	2022	2021
	RMB million	RMB million
Included in current assets		
— Trade receivables — net (note (a))	33,766	35,984
— Other receivables — net (note (b))	308,083	297,246
— Prepayments for land (note (c))	19,385	36,131
— Other prepayments (note (d))	33,616	37,437
	<b>394,850</b>	406,798
Included in non-current assets		
— Deposits for acquisitions of companies (note (e))	13,013	13,414
	<b>407,863</b>	420,212

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**11 Trade and other receivables** *(Continued)*

(a) Details of trade receivables are as follows:

	<b>30 June 2022</b>	31 December 2021
	<b>RMB million</b>	RMB million
Trade receivables	<b>34,039</b>	36,212
Less: allowance for impairment	<b>(273)</b>	(228)
Trade receivables — net	<b>33,766</b>	35,984

Trade receivables mainly arise from sales of properties. Property buyers are generally granted credit terms of 1 to 6 months. The ageing analysis of trade receivables based on property delivery date is as follows:

	<b>30 June 2022</b>	31 December 2021
	<b>RMB million</b>	RMB million
Within 90 days	<b>27,750</b>	30,395
Over 90 days and within 180 days	<b>3,074</b>	2,657
Over 180 days and within 365 days	<b>2,640</b>	2,554
Over 365 days	<b>575</b>	606
	<b>34,039</b>	36,212

As at 30 June 2022 and 31 December 2021, trade receivables were mainly denominated in RMB.

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of buyers. Trade receivables were collateralised by the titles of the properties sold.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**11 Trade and other receivables** *(Continued)*

(b) Details of other receivables are as follows:

	<b>30 June 2022</b>	31 December 2021
	<b>RMB million</b>	RMB million
Amounts due from joint ventures, associates and other related parties	<b>116,362</b>	119,356
Land auction and other deposits	<b>13,225</b>	14,407
Others (i)	<b>185,180</b>	169,910
	<b>314,767</b>	303,673
Less: allowance for impairment	<b>(6,684)</b>	(6,427)
Other receivables — net	<b>308,083</b>	297,246

- (i) These receivables mainly included current accounts due from the other shareholders of certain subsidiaries, joint ventures and associates of the Group, which are mainly interest-free, unsecured and repayable according to contract terms.
- (c) Prepayments for land are related to prepaid land acquisition costs while relevant land use right certificates have not been obtained as at 30 June 2022.
- (d) Other prepayments mainly included prepaid value-added taxes and prepayments for purchases of construction materials and services.
- (e) Amounts represent deposits paid for acquisitions of certain property development companies which have not been completed as at the end of the reporting period.

**12 Contract assets and contract acquisition costs**

Details of contract assets and contract acquisition costs are as follows:

	<b>30 June 2022</b>	31 December 2021
	<b>RMB million</b>	RMB million
Contract assets related to sales of properties	<b>6,776</b>	7,060
Contract assets related to construction services	<b>6,885</b>	5,630
Contract acquisition costs	<b>9,899</b>	10,912
Total contract assets and contract acquisition costs	<b>23,560</b>	23,602

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 13 Cash and cash equivalents

	30 June 2022 RMB million	31 December 2021 RMB million
Cash at banks and in hand (note (b))	147,976	181,300
Less: restricted cash (note (a))	(24,493)	(34,346)
	<b>123,483</b>	146,954

(a) The balance mainly represented unreleased guarantee deposits for construction of pre-sale properties denominated in RMB and Ringgit Malaysia (“RM”) placed in designated bank accounts as at 30 June 2022 and at 31 December 2021, and will be released in accordance with certain construction progress milestones. As at 30 June 2022, other than the unreleased guarantee deposits for construction of pre-sale properties included in restricted cash, the balance of the remaining guarantee deposits for construction of pre-sale properties of approximately RMB46,215 million was included in cash and cash equivalents (31 December 2021: RMB55,145 million).

(b) Cash and bank deposits are denominated in the following currencies:

	30 June 2022 RMB million	31 December 2021 RMB million
RMB	142,252	175,603
HKD	668	585
USD	1,770	1,706
RM	2,043	2,128
Other currencies	1,243	1,278
	<b>147,976</b>	181,300

The conversion of RMB and RM denominated balances into other currencies and the remittance of bank balances and cash out of the PRC and Malaysia are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC and Malaysian governments.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**14 Financial assets at fair value through profit or loss**

	<b>30 June 2022</b>	31 December 2021
	<b>RMB million</b>	RMB million
Listed equity securities (note (a))	<b>202</b>	242
Unlisted equity investments (note (a))	<b>9,731</b>	9,494
Wealth management products (note (b))	<b>1,187</b>	4,471
	<b>11,120</b>	14,207

(a) The investments mainly represent listed and unlisted equity investments in various industries. The fair values of these investments were determined mainly based on direct comparison approach by making reference to quoted market price, recent transaction prices of similar deals or valuation reports.

(b) Wealth management products are mainly investments in financial products issued by financial institutions. The carrying values of these investments approximated their fair values as at 30 June 2022 and 31 December 2021.

**15 Trade and other payables**

	<b>30 June 2022</b>	31 December 2021
	<b>RMB million</b>	RMB million
Trade payables (note (a))	<b>247,434</b>	285,122
Other payables (note (b))	<b>188,314</b>	206,711
Other taxes payable (note (c))	<b>55,538</b>	49,760
Salaries payable	<b>6,734</b>	8,998
	<b>498,020</b>	550,591

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**15 Trade and other payables (Continued)**

- (a) The ageing analysis of trade payables based on the date of the liability recognition on accrual basis is as follows:

	<b>30 June 2022</b>	31 December 2021
	<b>RMB million</b>	RMB million
Within 365 days	<b>244,183</b>	280,940
Over 365 days	<b>3,251</b>	4,182
	<b>247,434</b>	285,122

- (b) Other payables mainly included deposits from property buyers and current accounts due to certain joint ventures, associates and other shareholders of certain subsidiaries, joint ventures and associates of the Group and outstanding considerations to acquire certain subsidiaries, joint ventures and associates. These amounts are mainly interest-free, unsecured and repayable according to contract terms.
- (c) Other taxes payable mainly included output value-added taxes related to receipt in advance from customers amounted to approximately RMB72,039 million (31 December 2021: RMB69,163 million), value-added taxes payable and other taxes.

**16 Senior notes**

	<b>Six months ended 30 June 2022</b>	2021
	<b>RMB million</b>	RMB million
At 1 January	<b>75,069</b>	73,410
Additions	<b>—</b>	10,970
Repurchase/early redemption (note (a))	<b>(3,132)</b>	(7,657)
Repayment upon maturity (note (a))	<b>(2,604)</b>	(950)
Interest expenses	<b>1,962</b>	2,142
Coupon interest paid	<b>(2,010)</b>	(2,118)
Exchange differences	<b>3,801</b>	(839)
At 30 June	<b>73,086</b>	74,958
Less: current portion included in current liabilities	<b>(6,977)</b>	(3,941)
Included in non-current liabilities	<b>66,109</b>	71,017

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 16 Senior notes (Continued)

- (a) During the period, the Group has repaid senior notes on maturity and repurchased senior notes as follows:

Name of notes	Par value million	Interest rate	Issue date	Term of the notes
Repaid during the period on maturity:				
2022 Notes II	USD411	7.125%	27 September 2018	3.5 years
Repurchased during the period:				
2022 Notes (note (i))	USD439	4.750%	25 July 2017	5 years
2023 Notes III (note (ii))	USD15	4.750%	17 January 2018	5 years
2026 Notes II (note (iii))	USD5	7.250%	8 April 2019	7 years

- (i) During 17 January 2022 and 24 June 2022, the outstanding 2022 Notes were partially repurchased in the open market. The total repurchase price including accrued interest paid by the Company was approximately USD445.53 million. The excess of the carrying amount over the repurchase price of the 2022 Notes amounting to USD446.81 million (equivalent to approximately RMB2,923.7 million), which is approximately USD1.28 million (equivalent to approximately RMB8.4 million), was credited to profit or loss under 'finance (costs)/income — net'.
- (ii) During 2 March 2022 and 14 March 2022, the outstanding 2023 Notes III were partially repurchased in the open market. The total repurchase price including accrued interest paid by the Company was approximately USD11.93 million. The excess of the carrying amount over the repurchase price of the 2023 Notes III amounting to USD14.81 million (equivalent to approximately RMB95.3 million), which is approximately USD2.88 million (equivalent to approximately RMB18.5 million), was credited to profit or loss under 'finance (costs)/income — net'.
- (iii) On 5 January 2022, the outstanding 2026 Notes II were partially repurchased in the open market. The total repurchase price including accrued interest paid by the Company was approximately USD5.04 million. The excess of the carrying amount over the repurchase price of the 2026 Notes II amounting to USD5.06 million (equivalent to approximately RMB32.3 million), which is approximately USD0.02 million (equivalent to approximately RMB0.1 million), was credited to profit or loss under 'finance (costs)/income — net'.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**16 Senior notes (Continued)**

- (b) As at 30 June 2022, all senior notes are listed on the SGX, and contain various early redemption options.

Early redemption options exercisable by the Group are regarded as embedded derivatives not closely related to the host contract. The directors of the Company consider that the fair value of the above early redemption options was insignificant on initial recognition date and at 30 June 2022 and 31 December 2021.

**17 Corporate bonds**

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
At 1 January	34,160	40,480
Additions (note (a))	749	6,476
Repayment	(1,196)	(9,265)
Interest expenses	790	961
Coupon interest paid	(543)	(653)
Exchange differences	(5)	(85)
At 30 June	33,955	37,914
Less: current portion included in current liabilities	(12,825)	(18,022)
Included in non-current liabilities	21,130	19,892

- (a) During the period, corporate bonds newly issued by the Group were listed as follows:

Name of bonds	Par value RMB million	Interest rate	Issue date	Term of the bonds
RMB corporate bonds of Country Garden Property issued in 2022 - tranche I*	500	4.50%	24 May 2022	1 year
RM private corporate bonds of Malaysia Country Garden issued in 2022 - tranche XII	151	5.00%	18 March 2022	1 year
RM private corporate bonds of Malaysia Country Garden issued in 2022 - tranche XIII	98	5.40%	9 June 2022	1 year

\* The corporate bonds are listed on the Shenzhen Stock Exchange.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**17 Corporate bonds** *(Continued)*

- (b) Certain corporate bonds issued by the Group contain a debt component, put options and coupon rate adjustment options. Debt component represents the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate at that time applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the embedded derivatives.

The directors of the Company consider that the fair values of the above put options and coupon rate adjustment options were insignificant on initial recognition date and at 30 June 2022 and 31 December 2021.

**18 Convertible bonds**

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
Liability component as at 1 January	2,168	5,272
Additions (note(a))	2,870	—
Interest expenses	221	297
Coupon interest paid	(57)	(139)
Exchange differences	234	(61)
Liability component as at 30 June	5,436	5,369
Less: current portion included in current liabilities	(78)	(19)
Included in non-current liabilities	5,358	5,350

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**18 Convertible bonds** *(Continued)*

- (a) On 20 January 2022, the Group entered into a subscription agreement for HKD-settled convertible bonds in an aggregate principal amount of HKD3,900 million (equivalent to approximately RMB3,191 million) due on 28 July 2026 (the “2026 Convertible Bonds”), with an initial conversion price of HKD8.1 per share. The conversion price was subsequently modified to HKD7.92 per share as a result of payment of dividend and distribution in specie. On 28 January 2022 (the “Issue Date”), the issuance of the convertible bonds was completed. The net proceeds from the issuance of the convertible bonds were approximately RMB3,161 million, net of transaction cost of approximately RMB30 million. The initial value of the liability component of approximately RMB2,870 million and the equity conversion component of approximately RMB291 million were determined at the Issue Date. The liability component is subsequently stated at amortised cost until conversion or maturity of the bond. The residual amount, representing the value of the equity conversion component, is accounted for as a conversion option reserve included in other reserves.

The 2026 Convertible Bonds recognised are calculated as follows:

	RMB million
Face value of the convertible bonds on the Issue Date	3,191
Transaction costs	(30)
Net proceeds	3,161
Less: equity component	(291)
Liability component on initial recognition	2,870
Exchange differences	132
Interest expenses	95
Liability component at 30 June 2022	3,097

Interest expenses on the liability component of the 2026 convertible bonds are calculated using the effective interest method, applying the effective interest rate of 7.78% per annum.

Up to 30 June 2022, there has been no conversion or redemption of the 2026 convertible bonds.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 19 Bank and other borrowings

	30 June 2022 RMB million	31 December 2021 RMB million
Included in non-current liabilities:		
– Secured	129,710	144,788
– Unsecured	44,427	50,195
Less: current portion of non-current liabilities	(45,910)	(52,840)
	<b>128,227</b>	142,143
Included in current liabilities:		
– Secured	2,002	4,401
– Unsecured	5,061	7,141
Current portion of non-current liabilities	45,910	52,840
	<b>52,973</b>	64,382
<b>Total bank and other borrowings</b>	<b>181,200</b>	206,525

The Group's borrowings as at 30 June 2022 of RMB131,712 million (31 December 2021: RMB149,189 million) were secured by the Group's certain properties, right-of-use assets and equipment of the Group with total carrying values of RMB97,149 million (31 December 2021: RMB103,354 million), and/or equity investment interests.

The weighted average effective interest rate was 5.90% per annum for the six months ended 30 June 2022 (six months ended 30 June 2021: 5.81% per annum).

The carrying amounts of the bank and other borrowings approximated their fair values as these borrowings are mainly floating-rate borrowings.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**19 Bank and other borrowings (Continued)**

The carrying amounts of the bank and other borrowings are denominated in the following currencies:

	<b>30 June 2022</b>	31 December 2021
	<b>RMB million</b>	RMB million
RMB	<b>139,803</b>	161,301
HKD	<b>20,541</b>	20,258
USD	<b>16,291</b>	20,228
RM	<b>2,664</b>	3,176
Others	<b>1,901</b>	1,562
	<b>181,200</b>	206,525

**20 Share capital and premium**

	Number of ordinary shares million	Nominal value of ordinary shares HKD million	Equivalent nominal value of ordinary shares RMB million	Share premium RMB million	Total RMB million	Treasury shares RMB million	Group total RMB million
<b>Authorised</b>							
At 1 January 2021, 30 June 2021, 1 January 2022 and 30 June 2022, HKD0.10 per share	100,000	10,000					
<b>Issued and fully paid</b>							
At 1 January 2021	22,035	2,203	2,067	31,687	33,754	(2,259)	31,495
Exercise of employee share schemes	13	1	1	63	64	52	116
At 30 June 2021	22,048	2,204	2,068	31,750	33,818	(2,207)	31,611
<b>Issued and fully paid</b>							
At 1 January 2022	<b>23,148</b>	<b>2,314</b>	<b>2,159</b>	<b>38,928</b>	<b>41,087</b>	<b>(2,300)</b>	<b>38,787</b>
Exercise of employee share schemes	<b>7</b>	<b>1</b>	<b>1</b>	<b>(9)</b>	<b>(8)</b>	<b>73</b>	<b>65</b>
At 30 June 2022	<b>23,155</b>	<b>2,315</b>	<b>2,160</b>	<b>38,919</b>	<b>41,079</b>	<b>(2,227)</b>	<b>38,852</b>

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 21 Other reserves and retained earnings

	Merger reserve	Statutory reserve	Share option reserve	FVOCI reserve	Currency translation reserve	Revaluation reserve	Cash flow hedge reserve	Deferred costs of hedging reserve	Others	Total other reserves	Retained earnings	Total
	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million
Balance at 1 January 2022	(150)	24,741	1,875	50	(2,304)	889	(120)	453	(2,743)	22,691	137,258	159,949
Profit for the period	-	-	-	-	-	-	-	-	-	-	612	612
2021 final dividend (note 26)	-	-	-	-	-	-	-	-	-	-	(2,343)	(2,343)
Employee share schemes												
– Value of employee services	-	-	144	-	-	-	-	-	-	144	-	144
– Exercise of employee share schemes	-	-	(35)	-	-	-	-	-	-	(35)	-	(35)
Equity component of convertible bonds issued (note 18)	-	-	-	-	-	-	-	-	291	291	-	291
Changes in fair value of financial assets at FVOCI	-	-	-	394	-	-	-	-	-	394	-	394
Partial cancellation of written call options	-	-	-	-	-	-	-	-	(785)	(785)	582	(203)
Changes in ownership interests in subsidiaries without change of control (note 29)	-	-	-	-	-	-	-	-	197	197	-	197
Currency translation differences	-	-	-	-	281	-	-	-	-	281	-	281
Disposals of subsidiaries	-	(123)	-	-	-	-	-	-	-	(123)	123	-
Deferred gains on cash flow hedges	-	-	-	-	-	-	7	-	-	7	-	7
Deferred costs of hedging	-	-	-	-	-	-	-	(684)	-	(684)	-	(684)
Balance at 30 June 2022	(150)	24,618	1,984	444	(2,023)	889	(113)	(231)	(3,040)	22,378	136,232	158,610

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 21 Other reserves and retained earnings (Continued)

	Merger reserve	Statutory reserve	Share option reserve	FVOCI reserve	Currency translation reserve	Revaluation reserve	Cash flow hedge reserve	Deferred costs of hedging reserve	Others	Total other reserves	Retained earnings	Total
	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million
Balance at 1 January 2021	(150)	17,699	1,424	1,088	(1,752)	869	(130)	686	(2,277)	17,457	126,150	143,607
Profit for the period	—	—	—	—	—	—	—	—	—	—	14,996	14,996
2020 final dividend	—	—	—	—	—	—	—	—	—	—	(5,508)	(5,508)
Revaluation gains on investment properties upon transfers from right-of-use assets	—	—	—	—	—	27	—	—	—	27	—	27
Employee share schemes												
– Value of employee services	—	—	207	—	—	—	—	—	—	207	—	207
– Exercise of employee share schemes	—	—	(20)	—	—	—	—	—	—	(20)	—	(20)
Changes in fair value of financial assets at FVOCI	—	—	—	372	—	—	—	—	—	372	—	372
Disposals of financial assets at FVOCI	—	—	—	(1,531)	—	—	—	—	—	(1,531)	1,531	—
Partial cancellation of written call options	—	—	—	—	—	—	—	—	(53)	(53)	3	(50)
Changes in ownership interests in subsidiaries without change of control	—	—	—	—	—	—	—	—	(292)	(292)	—	(292)
Currency translation differences	—	—	—	—	(420)	—	—	—	—	(420)	—	(420)
Disposals of subsidiaries	—	(31)	—	—	—	—	—	—	—	(31)	31	—
Deferred gains on cash flow hedges	—	—	—	—	—	—	4	—	—	4	—	4
Deferred costs of hedging	—	—	—	—	—	—	—	(53)	—	(53)	—	(53)
Balance at 30 June 2021	(150)	17,668	1,611	(71)	(2,172)	896	(126)	633	(2,622)	15,667	137,203	152,870

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 22 Other income and gains – net

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
Other income		
– Management and other related service income	206	494
– Forfeiture income	179	105
– Government subsidy income	161	182
	546	781
Other (losses)/gains		
– Gains arising from negative goodwill (note 31)	71	131
– (Losses)/gains on disposals of subsidiaries (note 30)	(1,348)	259
– Losses on disposals of property, plant and equipment	(55)	(14)
– Changes in fair value of financial assets at FVTPL	197	1,091
– Changes in fair value of derivative financial instruments	94	(26)
– Others	561	(483)
	(480)	958
Total other income and gains – net	66	1,739

## 23 Expenses by nature

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
Cost of property sold and construction services	143,297	186,463
Employee benefit expenses	5,529	7,953
Sales commission to agents	1,224	1,968
Depreciation of property, plant and equipment	925	972
Property management and other services expenses	870	966
Other taxes and levies	820	1,365
Advertising and promotion costs	565	2,040
Donations	152	277
Depreciation of right-of-use assets	141	142
Amortisation of intangible assets	137	129
Others	1,327	1,575
Total cost of sales, selling and marketing costs, administrative expenses and research and development expenses	154,987	203,850

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 24 Finance (costs)/income – net

	Six months ended 30 June	
	2022 RMB million	2021 RMB million
Finance income:		
– Interest income on bank deposits and others	914	1,350
– Gains on repurchase of senior notes	27	–
– Net foreign exchange gains	–	831
	941	2,181
Finance costs:		
– Interest expenses for bank borrowings, senior notes, corporate bonds and others	(8,864)	(9,791)
– Interest expenses for lease liabilities	(13)	(20)
	(8,877)	(9,811)
Less: amounts capitalised on qualifying assets	8,877	9,811
	–	–
– Net foreign exchange losses	(4,482)	–
– Early redemption costs of senior notes	–	(278)
	(4,482)	(278)
Finance (costs)/income – net	(3,541)	1,903

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 25 Income tax expenses

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
Current income tax		
– Corporate income tax	3,048	12,865
– Land appreciation tax (note (c))	2,373	7,392
	5,421	20,257
Deferred income tax	(1,970)	(5,432)
	3,451	14,825

- (a) Hong Kong profits tax has been provided at the rate of 16.5% (2021:16.5%) on the estimated assessable profits of the Group's subsidiaries in Hong Kong.
- (b) The Mainland China corporate income tax is 25%.
- (c) Mainland China land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land and all property development expenditures.
- (d) Withholding income tax is provided for dividend distributed and undistributed profit of the Mainland China subsidiaries of the Group. The relevant overseas holding companies have successfully obtained endorsement from various Mainland China tax bureaus to enjoy the treaty benefit of 5% withholding income tax rate on dividends received from the Mainland China subsidiaries of the Group. Accordingly, withholding income tax has been provided at 5% of the dividends to be distributed by the Mainland China subsidiaries of the Group.

## 26 Dividends

On 30 August 2022, the Board has resolved not to declare an interim dividend for the six months ended 30 June 2022 (2021 interim dividend: RMB20.98 cents per share, totalling RMB4,716 million).

The final dividend in respect of 2021 of RMB10.12 cents (equivalent to HKD11.89 cents) per share, totalling RMB2,343 million approved at the annual general meeting of the Company on 26 May 2022 has been paid partly in new shares of the Company and partly in cash in August 2022.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**27 Earnings per share****(a) Basic**

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held as treasury shares.

	Six months ended 30 June	
	2022	2021
Profit attributable to owners of the Company (RMB million)	612	14,996
Weighted average number of ordinary shares in issue (million)	22,862	21,763
Earnings per share — Basic (RMB yuan per share)	0.03	0.69

**(b) Diluted**

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company had four categories of dilutive potential ordinary shares: share options, awarded shares, written call options and convertible bonds. For the share options, awarded shares and written call options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options, awarded shares and written call options. The convertible bonds are assumed to have been converted into ordinary shares. Interest savings on convertible bonds are adjusted to the extent of the amount charged to the profit attributable to owners of the Company, if applicable. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options, awarded shares, written call options and conversion of convertible bonds. For the six months ended 30 June 2022, the convertible bonds and written call options were excluded from the computation of diluted earnings per share as they are anti-dilutive (For the six months ended 30 June 2021: written call options were excluded from the computation of diluted earnings per share).

## NOTES TO THE INTERIM FINANCIAL INFORMATION

## 27 Earnings per share (Continued)

## (b) Diluted (Continued)

	Six months ended 30 June	
	2022	2021
Profit attributable to owners of the Company (RMB million)	612	14,996
Interest expense on convertible bonds (RMB million)	N/A	301
Profit attributable to owners of the Company used to determine diluted earnings per share (RMB million)	612	15,297
Weighted average number of ordinary shares in issue (million)	22,862	21,763
Adjustments — share options, awarded shares and convertible bonds (million)	27	725
Weighted average number of ordinary shares for diluted earnings per share (million)	22,889	22,488
Earnings per share — Diluted (RMB yuan per share)	0.03	0.68

On 27 July 2022, the Company issued 870,000,000 new ordinary shares through share placement at HKD3.25 per share, the impact on basic earnings per share and diluted earnings per share for the six months ended 30 June 2021 and 2022 are immaterial.

## 28 Guarantees

	30 June 2022 RMB million	31 December 2021 RMB million
Guarantees in respect of mortgage facilities for certain property buyers (note (a))	402,672	383,217
Guarantees to joint ventures, associates and other related parties in respect of liabilities (note (b))	34,701	43,221
	437,373	426,438

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**28 Guarantees** *(Continued)*

- (a) These represented the guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain property buyers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks and the Group is entitled to retain the legal title and take over the possession of the related properties. The above guarantees are to be discharged upon the earlier of (i) issuance of the real estate ownership certificates which are generally available within three months after the buyers taking possession of the relevant properties; and (ii) the satisfaction of mortgaged loans by the property buyers.

The Group considers that in case of default in payments by property buyers, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty and therefore no provision has been made in this interim financial information for the guarantees.

- (b) These mainly represented the maximum exposure of the guarantees provided for the borrowings of certain joint ventures and associates.

**29 Transactions with non-controlling interests**

The aggregate effects of transactions with non-controlling interests on the equity attributable to owners of the Company for the six months ended 30 June 2022 are as follows:

	<b>Six months ended 30 June 2022 RMB million</b>
Changes in equity attributable to owners of the Company arising from:	
– Acquisitions of additional interests in subsidiaries (note (a))	<b>183</b>
– Disposals of interests in subsidiaries without loss of control (note (b))	<b>11</b>
– Deemed disposal of interests in subsidiaries without loss of control (note (c))	<b>3</b>
	<b>197</b>

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**29 Transactions with non-controlling interests** *(Continued)*

- (a) The Group acquired additional equity interests of certain subsidiaries from the respective non-controlling interests for a total cash consideration of RMB2,150 million.

The following table summarises the effect of these acquisitions:

	Six months ended 30 June 2022 RMB million
Total carrying amounts of non-controlling interests acquired	2,333
Total consideration	(2,150)
Total difference recognised within equity	183

- (b) The Group disposed of certain equity interests of certain subsidiaries for a total cash consideration of RMB468 million.

The following table summarises the effect of these disposals:

	Six months ended 30 June 2022 RMB million
Total carrying amounts disposed to non-controlling interests	(457)
Proceeds from disposals	468
Total difference recognised within equity	11

- (c) Certain third parties injected capital which resulted in passive dilution of interests in certain subsidiaries without loss of control. The Group recognised an increase in equity and a decrease in non-controlling interests of RMB3 million.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**30 Disposals of subsidiaries**

During the period, the Group disposed of interests in a number of subsidiaries to certain third parties. Details of the disposals are as follows:

	RMB million
Disposal considerations	
– Cash received	1,006
– Outstanding and included in other receivables	176
– Fair value of investments in joint ventures and associates upon transfers from subsidiaries	270
	1,452
Less :	
– Total net assets of subsidiaries disposed of	(3,590)
– Non-controlling interests disposed of	790
	(1,348)
Losses on disposals (note 22)	(1,348)
Cash proceeds from disposals, net of cash disposed of	
– Cash considerations received	1,006
– Less: cash and cash equivalents in the subsidiaries disposed of	(999)
	7
Net cash inflow on disposals	7

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**31 Business combinations**

Business combinations during the period mainly included the acquisitions of interest in various property development companies and acquisitions of additional interests in the joint ventures and associates which were further recognised as the Group's subsidiaries. The directors of the Company consider that none of these subsidiaries acquired during the period was significant to the Group and thus the individual financial information of these subsidiaries on the acquisition dates was not disclosed.

The acquired companies' principal activities are property development and construction. The combined financial information of these acquired companies on the acquisition dates is summarised as follows:

	RMB million
<b>Total consideration</b>	
— Cash	2,459
— Fair value of investments in joint ventures and associates held before business combinations	2,059
	<b>4,518</b>
<b>Total recognised amounts of identifiable assets acquired and liabilities assumed</b>	
Cash and cash equivalents	3,697
Restricted cash	547
Property, plant and equipment	25
Properties under development and completed properties held for sale	41,796
Prepaid income tax	1,679
Contract assets and contract acquisition costs	264
Trade and other receivables	12,187
Deferred income tax assets	384
Bank and other borrowings	(5,201)
Trade and other payables	(7,956)
Contract liabilities	(38,462)
Current income tax liabilities	(3,245)
Deferred income tax liabilities	(757)
	<b>4,958</b>
Total identifiable net assets	4,958
Non-controlling interests	(369)
Negative goodwill	(71)
	<b>4,518</b>
Inflow of cash to acquire business, net of cash acquired	
— Cash considerations	(2,459)
— Cash and cash equivalents in the subsidiaries acquired	3,697
	<b>1,238</b>
Net cash inflow on business combinations	1,238

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**31 Business combinations** (Continued)

Gains arising from negative goodwill were mainly due to the fact that the sellers had the intention to exit from their investments in these acquired businesses due to various operational reasons or other shareholders intended to cooperate with a leading property developer in the PRC to resolve liquidity issues or bring in industry expertise.

The acquired businesses contributed total revenues of RMB5,750 million and net profit of RMB61 million to the Group for the period from their respective acquisition dates to 30 June 2022. Had these companies been consolidated from 1 January 2022, the interim condensed consolidated income statement for the six months ended 30 June 2022 would show pro-forma revenue of RMB162,363 million and profit for the period of RMB1,891 million.

**32 Related party transactions****(a) Ultimate controlling shareholder**

The Company is ultimately controlled by Ms. Yang Huiyan (the "Ultimate Controlling Shareholder").

**(b) Transactions with related parties**

Saved as disclosed in other notes above, the Group had the following significant transactions with related parties during the period:

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
(i) Entities controlled, jointly controlled or significantly influenced by certain shareholders, certain directors and/or their close family members:		
Purchase of design service	1,195	2,249
Construction service income	9	9
Purchase of property management and related services	870	966
Property lease income	41	6
Other transactions	184	204
(ii) Joint ventures:		
Provision of guarantee in respect of borrowings	31,149	52,157
Construction service income	2,912	4,138
Other transactions	918	673
(iii) Associates:		
Provision of guarantee in respect of borrowings	3,552	8,054
Construction service income	211	655
Other transactions	235	767

The prices for the above transactions were determined in accordance with the terms of the underlying agreements.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

**32 Related party transactions (Continued)****(c) Key management compensation**

Key management includes directors and chief executive officer of the Company.

	Six months ended 30 June	
	2022	2021
	RMB million	RMB million
Salaries, bonus, share-based compensation expenses and other employee benefits	136	159

**(d) Balances with related parties**

Saved as disclosed in other notes above, the Group had the following significant balances with its related parties:

	30 June	31 December
	2022	2021
	RMB million	RMB million
(i) Entities controlled, jointly controlled or significantly influenced by certain shareholders, certain directors and/or their close family members:		
Trade and other receivables	2,232	1,943
Contract assets and contract acquisition costs	32	23
Trade and other payables	2,626	3,795
Bank and other borrowing	1,340	1,275
(ii) Joint ventures:		
Trade and other receivables	99,625	99,881
Contract assets and contract acquisition costs	3,335	3,449
Trade and other payables	54,500	54,939
(iii) Associates:		
Trade and other receivables	21,680	24,609
Contract assets and contract acquisition costs	847	937
Trade and other payables	17,533	23,221

The above balances due from/to related parties are mainly interest free or at interest rate agreed by both parties, unsecured and to be settled according to the contract terms.

## NOTES TO THE INTERIM FINANCIAL INFORMATION

### **32 Related party transactions** *(Continued)*

#### **(e) Senior notes**

As at 30 June 2022, senior notes with principal amount of USD580 million (equivalent to approximately RMB3,893 million) (31 December 2021: USD585 million, equivalent to approximately RMB3,730 million) and USD30 million (equivalent to approximately RMB201 million) (31 December 2021: USD30 million, equivalent to approximately RMB191 million) and USD18 million (equivalent to approximately RMB121 million) (31 December 2021: USD18 million, equivalent to approximately RMB115 million) were held by Mr. YEUNG Kwok Keung, Mr. MO Bin and Ms. YANG Ziyang respectively.

### **33 Subsequent event**

On 27 July 2022, the Company issued 870,000,000 new ordinary shares through share placement to independent third parties at HKD3.25 per share for total consideration of HKD2,827.5 million (equivalent to approximately RMB2,442.6 million). All conditions set out in the placing agreement have been fulfilled and that the placing has been completed on 3 August 2022.

# CORPORATE INFORMATION

## DIRECTORS

### Executive Directors

Mr. YEUNG Kwok Keung (*Chairman*)  
 Ms. YANG Huiyan (*Co-Chairman*)  
 Mr. MO Bin (*President*)  
 Ms. YANG Ziyang  
 Mr. YANG Zhicheng  
 Mr. SONG Jun  
 Mr. SU Baiyuan

### Non-executive Director

Mr. CHEN Chong

### Independent Non-executive Directors

Mr. LAI Ming, Joseph  
 Mr. SHEK Lai Him, Abraham  
 Mr. TONG Wui Tung  
 Mr. HUANG Hongyan  
 Mr. TO Yau Kwok

### CHIEF FINANCIAL OFFICER

Ms. WU Bijun

### JOINT COMPANY SECRETARIES

Mr. LEUNG Chong Shun  
 Mr. LUO Jie

### AUTHORIZED REPRESENTATIVES

Ms. YANG Huiyan  
 Mr. MO Bin  
 Ms. MA Shichao (*alternate to Ms. YANG Huiyan*)  
 (appointed on 18 March 2022)  
 Mr. LUO Jie (*alternate to Mr. MO Bin*)  
 Mr. LI Chengran (*alternate to Ms. YANG Huiyan*)  
 (resigned on 18 March 2022)

### AUDIT COMMITTEE

Mr. LAI Ming, Joseph (*Chairman*)  
 Mr. SHEK Lai Him, Abraham  
 Mr. TONG Wui Tung  
 Mr. HUANG Hongyan

## REMUNERATION COMMITTEE

Mr. TONG Wui Tung (*Chairman*)  
 Mr. YEUNG Kwok Keung  
 Mr. MO Bin  
 Mr. LAI Ming, Joseph  
 Mr. SHEK Lai Him, Abraham  
 Mr. HUANG Hongyan

## NOMINATION COMMITTEE

Mr. YEUNG Kwok Keung (*Chairman*)  
 Mr. LAI Ming, Joseph  
 Mr. TONG Wui Tung  
 Mr. HUANG Hongyan

## CORPORATE GOVERNANCE COMMITTEE

Mr. YEUNG Kwok Keung (*Chairman*)  
 Ms. YANG Huiyan  
 Mr. MO Bin

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Mr. YEUNG Kwok Keung (*Chairman*)  
 Ms. YANG Huiyan  
 Mr. MO Bin  
 Mr. LAI Ming, Joseph  
 Mr. SHEK Lai Him, Abraham  
 Mr. TONG Wui Tung

## EXECUTIVE COMMITTEE

Mr. YEUNG Kwok Keung (*Chairman*)  
 Ms. YANG Huiyan  
 Mr. MO Bin  
 Ms. YANG Ziyang  
 Mr. YANG Zhicheng

## FINANCE COMMITTEE\*

Ms. WU Bijun (*Chairman*)  
 Ms. YANG Huiyan  
 Mr. MO Bin  
 Ms. YANG Ziyang  
 Mr. YANG Zhicheng

\* Other two members are senior management of the finance centre of the Company

## CORPORATE INFORMATION

**REGISTERED OFFICE**

Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

**PRINCIPAL PLACE OF BUSINESS IN THE PRC**

Country Garden Centre  
No. 1 Country Garden Road  
Beijiao Town, Shunde District, Foshan  
Guangdong Province 528312  
The PRC

**PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

Suite 1702, 17/F.  
Dina House, Ruttonjee Centre  
11 Duddell Street  
Central, Hong Kong

**PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

Suntera (Cayman) Limited  
Suite 3204, Unit 2A, Block 3  
Building D, P.O. Box 1586  
Gardenia Court, Camana Bay  
Grand Cayman, KY1-1100  
Cayman Islands

**HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

**PRINCIPAL BANKERS****(In Alphabetical Order)**

Agricultural Bank of China Limited  
Bank of Beijing Co., Ltd.  
Bank of China (Hong Kong) Limited  
Bank of China Limited  
China CITIC Bank Corporation Limited  
China Construction Bank Corporation  
China Development Bank Corporation  
China Everbright Bank Company Limited  
China Guangfa Bank Co., Ltd.  
China Merchants Bank Co., Ltd.  
China Minsheng Banking Corp., Ltd.

China Zheshang Bank Co., Ltd.  
Chong Hing Bank Limited  
CIMB Bank Berhad  
CMB Wing Lung Bank Limited  
Hang Seng Bank Limited  
Industrial and Commercial Bank of China Limited  
Industrial Bank Co., Ltd.  
Malayan Banking Berhad  
Ping An Bank Company Limited  
Postal Savings Bank of China  
Shanghai Pudong Development Bank Co., Ltd.  
Standard Chartered Bank (Hong Kong) Limited  
The Bank of East Asia, Limited  
The Hongkong and Shanghai Banking Corporation Limited

**AUDITOR**

PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditor

**LEGAL ADVISORS****As to Hong Kong law:**

Woo Kwan Lee & Lo  
Sidley Austin  
Lu, Lai & Li  
Baker & McKenzie

**As to PRC law:**

Allbright Law Offices  
DeHeng Law Offices  
Dentons Law Firm  
Grandall Law Firm  
Guangdong GuoDing Law Firm  
King & Wood Mallesons  
TianTong Law Firm  
Yingke Law Firm

**STOCK CODES**

Stock Exchange	2007
Reuters	2007.HK
Bloomberg	2007 HK Equity

**WEBSITE**

<http://www.countrygarden.com.cn>

**FINANCIAL CALENDAR 2022**

Announcement of 2022 interim results	30 August
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# GLOSSARY

“2007 Share Option Scheme”	the share option scheme of the Company adopted on 20 March 2007 and which had expired on 19 March 2017
“2017 AGM”	the annual general meeting of the Company held on 18 May 2017
“2017 Share Option Scheme”	the share option scheme of the Company adopted on 18 May 2017
“2022 AGM”	the annual general meeting of the Company held on 26 May 2022
“attributable contracted sales”	the contracted sales of the Group’s subsidiaries, joint ventures and associates attributable to shareholders of the Company
“Audit Committee”	audit committee of the Company
“available cash”	the sum of cash and cash equivalents and restricted cash
“Board”	the board of Directors
“Bright Dream Robotics”	Guangdong Bright Dream Robotics Co., Ltd., a wholly-owned subsidiary of the Company
“Chairman” or “Chairman of the Board”	the chairman of the Board
“Chief Financial Officer”	chief financial officer of the Company
“Co-Chairman”	Co-Chairman of the Board
“Company” or “Country Garden”	Country Garden Holdings Company Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 2007)
“core net profit attributable to the owners of the Company”	realized earnings of this period attributable to owners of the Company excluding effects such as fair value changes and net foreign exchange gains/losses
“Corporate Governance Code”	Corporate Governance Code as set out in Appendix 14 to the Listing Rules
“Corporate Governance Committee”	corporate governance committee of the Company
“Country Garden Property”	Country Garden Real Estate Group Co., Ltd., a wholly-owned subsidiary of the Company

## GLOSSARY

“Director(s)”	director(s) of the Company
“Employee Incentive Scheme”	employee incentive scheme of the Group adopted on 20 December 2012
“Environmental, Social and Governance Committee”	environmental, social and governance committee of the Company
“Executive Committee”	executive committee of the Company
“Finance Committee”	finance committee of the Company
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Mainland China”	the People’s Republic of China, for the purpose of this interim report, excluding Hong Kong, Macau and Taiwan
“Malaysia Country Garden”	Country Garden Real Estate Sdn. Bhd., a wholly-owned subsidiary of the Company
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
“municipal administrative regions”	municipal administrative regions include prefecture-level cities, prefectures, autonomous prefectures, leagues, provincial-controlled divisions
“net current assets”	the value of total current assets after its current liabilities have been subtracted
“net debt”	the value of total debt net of available cash
“net gearing ratio”	a financial leverage calculated as dividing net debt by total equity
“Nomination Committee”	nomination committee of the Company
“PRC” or “China”	the People’s Republic of China

## GLOSSARY

“President”	president of the Company
“Remuneration Committee”	remuneration committee of the Company
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGX”	Singapore Exchange Securities Trading Limited
“Share Option Schemes”	2007 Share Option Scheme and 2017 Share Option Scheme
“Share(s)”	ordinary share(s) in the capital of the Company with a par value of HKD0.10 each
“Shareholder(s)”	shareholder(s) of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	US dollar, the lawful currency of the United States of America
“%”	per cent



[www.countrygarden.com.cn](http://www.countrygarden.com.cn)

