中國海外發展有限公司
CHINA OVERSEAS LAND & INVESTMENT LTD.

(incorporated in Hong Kong with limited liability)

(Stock Code: 688)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

FINANCIAL HIGHLIGHTS

1. Contracted property sales of the Group Series of Companies[1] was RMB148.38 billion and the corresponding sales area was 5.44 million sq m.

2. The Group's revenue was RMB86.94 billion.

3. The Group's revenue from commercial properties was RMB3.54 billion, an increase of 19.8% as compared to the corresponding period last year.

4. Profit attributable to owners of the Company was RMB10.31 billion. Core profit attributable to owners of the Company[2] was RMB10.64 billion.

5. Basic earnings per share was RMB0.94.

6. The Group acquired 6 land parcels in 4 Chinese mainland cities, adding a total GFA of 1.17 million sq m (attributable GFA of 1.15 million sq m) to the land reserve. At 30 June 2024, total GFA of the Group Series of Companies' land reserve was 49.05 million sq m.

7. At 30 June 2024, the Group had total debt amounted to RMB255.57 billion; bank balances and cash amounted to RMB100.24 billion. The Group's net gearing was 38.7%. The weighted average borrowing cost was 3.5%, among the lowest in the industry.

8. At 30 June 2024, equity attributable to owners of the Company amounted to RMB378.54 billion.

9. The Board declared an interim dividend of HK30 cents per share.

[1] *The Group together with its associates and joint ventures (collectively the "Group Series of Companies")*

[2] *Core profit attributable to owners of the Company represents profit attributable to owners of the Company excluding effects such as after-tax revaluation gains from investment properties and net foreign exchange gains and losses*

The board of directors (the "Board") of China Overseas Land & Investment Limited (the "Company") hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2024. Profit attributable to owners of the Company was RMB10.31 billion. Core profit attributable to owners of the Company was RMB10.64 billion. Basic earnings per share was RMB0.94. Equity attributable to owners of the Company amounted to RMB378.54 billion. The Board declared an interim dividend of HK30 cents per share for the six months ended 30 June 2024.

The unaudited consolidated results of the Group for the six months ended 30 June 2024 and the comparative figures for the corresponding period in 2023 were as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 30 June	
		2024	2023
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	*(Unaudited)*
Revenue	*3*	**86,935,427**	89,159,725
Direct operating costs		**(67,757,556)**	(69,004,646)
		19,177,871	20,155,079
Other income and gains/(losses), net		**253,112**	(13,708)
Gains arising from changes in fair value of investment properties		**12,330**	2,316,246
Selling and distribution expenses		**(2,077,918)**	(1,871,274)
Administrative expenses		**(1,306,886)**	(1,515,954)
Operating profit		**16,058,509**	19,070,389
Share of profits and losses of			
Associates		**523,253**	1,049,149
Joint ventures		**95,132**	243,889
Finance costs	*4*	**(493,133)**	(548,255)
Profit before tax		**16,183,761**	19,815,172
Income tax expenses	*5*	**(4,656,955)**	(5,603,764)
Profit for the period		**11,526,806**	14,211,408
Attributable to:			
Owners of the Company		**10,313,630**	13,489,777
Non-controlling interests		**1,213,176**	721,631
		11,526,806	14,211,408
		RMB	*RMB*
Earnings per share	*6*		
Basic and diluted		**0.94**	1.23

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Profit for the period	**11,526,806**	14,211,408
Other comprehensive income		
Items that may be reclassified to profit or loss in subsequent periods		
Exchange differences on translation of subsidiaries of the Company	**(343,407)**	117,368
Exchange differences on translation of associates	**(94,984)**	(194,712)
	(438,391)	(77,344)
Other comprehensive income for the period	**(438,391)**	(77,344)
Total comprehensive income for the period	**11,088,415**	14,134,064
Total comprehensive income attributable to:		
Owners of the Company	**9,870,592**	13,398,314
Non-controlling interests	**1,217,823**	735,750
	11,088,415	14,134,064

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**30 June 2024** *RMB'000* *(Unaudited)*	31 December 2023 *RMB'000* *(Audited)*
Non-current Assets			
Property, plant and equipment		**7,421,389**	6,903,790
Investment properties		**208,052,776**	207,746,168
Goodwill		**56,395**	56,395
Interests in associates		**22,820,921**	23,182,151
Interests in joint ventures		**23,581,390**	23,120,012
Financial assets at fair value through profit or loss		**218,173**	218,173
Other receivables		**193,380**	212,050
Deferred tax assets		**7,049,373**	7,513,453
		269,393,797	268,952,192
Current Assets			
Stock of properties and other inventories		**478,158,594**	487,640,804
Land development expenditure		**8,229,281**	8,604,923
Trade and other receivables	*8*	**9,629,092**	6,987,106
Contract assets		**815,416**	993,541
Deposits and prepayments		**12,230,688**	12,467,286
Deposits for land use rights for property development		**539,810**	204,520
Amounts due from associates		**1,718,676**	1,717,436
Amounts due from joint ventures		**7,965,220**	8,766,323
Amounts due from non-controlling shareholders		**4,393,928**	3,949,904
Tax prepaid		**19,635,474**	17,691,023
Bank balances and cash		**100,237,072**	105,629,033
		643,553,251	654,651,899
Current Liabilities			
Trade and other payables	*9*	**65,093,528**	85,684,211
Pre-sales proceeds		**110,916,113**	108,619,041
Dividend payable	*7*	**4,531,182**	-
Amounts due to fellow subsidiaries and a related company		**2,328,255**	2,565,938
Amounts due to associates		**4,752,920**	4,228,149
Amounts due to joint ventures		**3,508,290**	4,024,969
Amounts due to non-controlling shareholders		**10,433,426**	8,648,674
Lease liabilities - due within one year		**98,621**	94,230
Tax liabilities		**26,138,110**	30,867,023
Bank and other borrowings - due within one year		**16,527,389**	21,157,995
Guaranteed notes and corporate bonds - due within one year		**23,144,766**	19,810,287
		267,472,600	285,700,517
Net Current Assets		**376,080,651**	368,951,382
Total Assets Less Current Liabilities		**645,474,448**	637,903,574

	Note	30 June 2024	31 December 2023
		RMB'000	*RMB'000*
		(Unaudited)	*(Audited)*
Capital and Reserves			
Share capital	*10*	**74,035,443**	74,035,443
Reserves		**304,504,500**	298,982,385
Equity attributable to owners of the Company		**378,539,943**	373,017,828
Non-controlling interests		**22,550,364**	19,893,880
Total Equity		**401,090,307**	392,911,708
Non-current Liabilities			
Lease liabilities - due after one year		**917,948**	960,434
Bank and other borrowings - due after one year		**153,229,362**	144,139,899
Guaranteed notes and corporate bonds - due after one year		**62,672,404**	72,555,955
Deferred tax liabilities		**27,564,427**	27,335,578
		244,384,141	244,991,866
Total of Equity and Non-current Liabilities		**645,474,448**	637,903,574

Notes:

1. Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") and Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and financial assets at fair value through profit or loss, which are measured at fair values.

The financial information relating to the year ended 31 December 2023 included in this preliminary announcement of interim results for the six months ended 30 June 2024 as comparatives does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with Section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by Section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The Company's auditor has reported on the financial statements of the Group for that year. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under Sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

2. Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")

The accounting policies applied in the condensed consolidated financial statements are consistent with those of the Group's annual financial statements for the year ended 31 December 2023 as described in those annual financial statements, except for the adoption of amendments effective for the year ending 31 December 2024.

In the current interim period, the Group has applied, for the first time, the following amendments issued by the HKICPA which are relevant to the Group:

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current (the "2020 amendments")*[*]
Amendments to HKAS 1	*Non-current Liabilities with Covenants (the "2022 amendments")*[*]
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

* *As a consequence of the 2020 amendments and 2022 amendments to HKAS 1, Hong Kong Interpretation 5 Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause was revised to align the corresponding wording with no change in conclusion*

The application of the above amendments has had no material impact on the Group's results and financial position.

The Group has not early adopted the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 18	*Presentation and Disclosure in Financial Statements*[3]
HKFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to HKAS 21	*Lack of Exchangeability*[1]

1 *Effective for annual periods beginning on or after 1 January 2025*
2 *Effective for annual periods beginning on or after 1 January 2026*
3 *Effective for annual periods beginning on or after 1 January 2027*
4 *No mandatory effective date yet determined but available for early adoption*

The Group has already commenced an assessment of the impact of the above new and revised HKFRSs. So far it has assessed that the adoption of them is unlikely to have a significant impact on the condensed consolidated financial statements.

3. Revenue and results

The Group managed its business units based on their products and services, based on which information is prepared and reported to the Group's management for the purposes of resources allocation and performance assessment. The composition of the Group's reportable segments and the type of revenue are as follows:

Property development	-	property development and sales
Commercial property operations	-	property rentals, hotel and other commercial property operations
Other businesses	-	material procurement and supply chain management services, provision of construction and building design consultancy services and others

The Group has restated segment information comparative figures to conform with the current period's presentation.

Segment revenue and results

The following is an analysis of the Group's revenue and results (including share of results of associates and joint ventures) by reportable segments:

Six months ended 30 June 2024 – Unaudited

	Property development *RMB'000*	Commercial property operations *RMB'000*	Other businesses *RMB'000*	Total *RMB'000*
Revenue from contracts with customers				
- recognised at a point in time	**82,038,816**	**-**	**1,031,616**	**83,070,432**
- recognised over time	**-**	**548,803**	**327,001**	**875,804**
	82,038,816	**548,803**	**1,358,617**	**83,946,236**
Revenue from other sources				
- revenue from commercial properties	**-**	**2,989,191**	**-**	**2,989,191**
Segment revenue from external customers	**82,038,816**	**3,537,994**	**1,358,617**	**86,935,427**
Inter-segment revenue	**-**	**-**	**2,044,232**	**2,044,232**
Total segment revenue	**82,038,816**	**3,537,994**	**3,402,849**	**88,979,659**
Segment profit (including share of profits and losses of associates and joint ventures)	**14,478,427**	**1,705,929**	**71,764**	**16,256,120**

Six months ended 30 June 2023 – Unaudited

	Property development RMB'000 (Restated)	Commercial property operations RMB'000 (Restated)	Other businesses RMB'000 (Restated)	Total RMB'000 (Restated)
Revenue from contracts with customers				
- recognised at a point in time	84,789,501	-	1,187,257	85,976,758
- recognised over time	-	522,639	229,171	751,810
	84,789,501	522,639	1,416,428	86,728,568
Revenue from other sources				
- revenue from commercial properties	-	2,431,157	-	2,431,157
Segment revenue from external customers	84,789,501	2,953,796	1,416,428	89,159,725
Inter-segment revenue	-	-	3,604,812	3,604,812
Total segment revenue	84,789,501	2,953,796	5,021,240	92,764,537
Segment profit (including share of profits and losses of associates and joint ventures)	17,111,674	3,803,813	120,376	21,035,863

Reconciliation of reportable segment profit to the consolidated profit before tax

Segment profit includes profits from subsidiaries and share of profits and losses of associates and joint ventures. These represent the profit earned by each segment without allocation of interest income on bank deposits, corporate expenses, finance costs and net foreign exchange losses recognised in the condensed consolidated income statement.

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Reportable segment profit	**16,256,120**	21,035,863
Unallocated items:		
Interest income on bank deposits	**812,403**	1,097,724
Corporate expenses	**(37,919)**	(39,839)
Finance costs	**(493,133)**	(548,255)
Net foreign exchange losses recognised in the condensed consolidated income statement	**(353,710)**	(1,730,321)
Consolidated profit before tax	**16,183,761**	19,815,172

4. Finance costs

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Interest on bank and other borrowings, guaranteed notes and corporate bonds	**4,723,007**	4,904,687
Interest on amounts due to associates, joint ventures and non-controlling shareholders	**49,496**	218,503
Interest on lease liabilities and other finance costs	**97,847**	118,114
Total finance costs	**4,870,350**	5,241,304
Less: Amount capitalised	**(4,377,217)**	(4,693,049)
	493,133	548,255

5. Income tax expenses

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Current tax:		
PRC Corporate Income Tax ("CIT")	**3,002,672**	2,474,960
PRC Land Appreciation Tax ("LAT")	**893,831**	1,252,261
PRC withholding income tax	**31,758**	20,388
Hong Kong profits tax	**18,453**	26,754
Macau income tax	**2,406**	576
Others	**14,504**	12,496
	3,963,624	3,787,435
Deferred tax:		
Current period	**693,331**	1,816,329
Total	**4,656,955**	5,603,764

Under the Law of PRC on CIT (the "CIT Law") and Implementation Regulation of the CIT Law, the tax rate of PRC subsidiaries is 25% (2023: 25%).

The provision for LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

Hong Kong profits tax is calculated at 16.5% (2023: 16.5%) of the estimated assessable profit for the period.

Macau income tax is calculated at the prevailing tax rate of 12% (2023: 12%) in Macau.

6. Earnings per share

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Earnings		
Earnings for the purpose of calculation of basic and diluted earnings per share		
Profit for the period attributable to owners of the Company	**10,313,630**	13,489,777

	Six months ended 30 June	
	2024	2023
	'000	*'000*
	(Unaudited)	*(Unaudited)*
Number of shares		
Weighted average number of ordinary shares for the purpose of calculation of basic and diluted earnings per share	**10,944,884**	10,944,884

No adjustment has been made to the basic earnings per share presented for the six months ended 30 June 2024 and 2023 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share presented.

7. Dividends

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Dividends recognised as distribution during the period		
Final dividend for the year ended 31 December 2023 of HK45 cents per share (2023: final dividend for the year ended 31 December 2022 of HK40 cents per share)	**4,536,107**	3,983,938

The interim dividend of HK30 cents per share for the six months ended 30 June 2024, amounting to approximately RMB2,971,536,000 was declared by the Board. The amount of interim dividend declared, which was calculated based on the number of ordinary shares in issue at the date of approval of the condensed consolidated financial statements, has not been recognised as a dividend payable in the condensed consolidated financial statements.

8. Trade and other receivables

Proceeds receivable in respect of property development are settled in accordance with the terms stipulated in the sale and purchase agreements.

Except for the proceeds from property development and rental income which are receivable in accordance with the terms of the relevant agreements, the Group generally allows a credit period of not exceeding 60 days to its customers.

At the end of the reporting period, the ageing analysis of trade receivables, based on the date the trade receivables recognised, is as follows:

	30 June 2024	31 December 2023
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Trade receivables, aged		
0 - 30 days	**4,661,595**	2,613,405
31 - 90 days	**612,988**	423,093
Over 90 days	**1,508,216**	971,682
	6,782,799	4,008,180
Other receivables - current portion	**2,846,293**	2,978,926
	9,629,092	6,987,106

In determining the recoverability of trade receivables, management has closely monitored the credit qualities and the collectability of these receivables and considers that the expected credit risks of them are minimal in view of the track record of repayment from them, the history of cooperation with them and forward-looking information. The concentration of credit risk is limited due to the customer base being large and unrelated. The provision for trade and other receivables was insignificant at the end of the reporting period (31 December 2023: insignificant).

9. Trade and other payables

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	30 June 2024	31 December 2023
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Trade payables, aged		
0 - 30 days	**10,645,744**	33,671,880
31 - 90 days	**7,344,128**	4,014,511
Over 90 days	**27,173,670**	31,131,232
	45,163,542	68,817,623
Other payables	**13,520,357**	10,706,239
Retention payable	**6,409,629**	6,160,349
	65,093,528	85,684,211

Other payables mainly include rental and other deposits, other taxes payable and accrued charges.

10. Share capital

	Number of shares ***'000***	***HK$'000***	***RMB'000***
Issued and fully paid			
At 1 January 2023 and 30 June 2023	10,944,884	90,422,641	74,035,443
At 1 January 2024 and 30 June 2024	**10,944,884**	**90,422,641**	**74,035,443**

CHAIRMAN'S STATEMENT

In the first half of 2024, the property market continued its downward trend, with data from the National Bureau of Statistics of China showing that national new home sales fell by 25% compared to the corresponding period last year, equivalent to only 50.7% of the industry's high point in the first half of 2021.

In the midst of the market downturn, the Group has coordinated development and security, promoted stability through progress, and proactively responded to various difficulties and challenges so as to continue to create value for the shareholders. During the period, S&P Global upgraded the Group's credit rating to "A-/Stable" from "BBB+/Stable", making the Group the only Chinese property developer holding double-A in the international credit ratings, reflecting international rating agencies' full affirmation of the Group's smooth capital pipeline, sound business fundamentals, and robust ability to sustain development during an industry downturn.

In the first half of the year, the Group Series of Companies achieved contracted property sales of RMB148.38 billion, and its domestic market share increased by 0.49 percentage points to 3.15% as compared with the end of 2023. According to data from the China Index Academy, the attributable sales of the Group Series of Companies ranked No.1 in the industry in the first half of the year.

The unaudited revenue of the Group for the six months ended 30 June 2024 was RMB86.94 billion; profit attributable to owners of the Company was RMB10.31 billion; core profit attributable to owners of the Company was RMB10.64 billion. Equity attributable to owners of the Company amounted to RMB378.54 billion. The Board declared an interim dividend of HK30 cents per share for the six months ended 30 June 2024.

The Group's strategy of strongly focusing on first-tier cities has proven resilient and yielded fruitful results in the downward market. In the first half of the year, the Group achieved contracted sales of RMB74.40 billion in the four first-tier cities of Beijing, Shanghai, Guangzhou and Shenzhen, accounting for 62.7% of the Group's total contracted sales. These included the high-rise apartments of Arbour I in Shanghai, which were unveiled on 28 March and almost sold out on the same day with contracted sales of RMB19.65 billion, setting a national record for total contracted sales of a single residential project on the day of its launch. Infinite Horizons, the Group's inaugural high-end project series, debuted in Beijing, Shanghai, Shenzhen and other cities, geared towards customers aiming better housing, and reported strong sales that buck the market trend.

The Group's revenue from commercial properties grew steadily and amounted to RMB3.54 billion in the first half of the year, an increase of 19.8% as compared to the corresponding period last year.

In the first half of the year, despite the increasing market uncertainty, the Group maintained its disciplined investment focus on selecting highest-quality assets. The Group acquired 6 land parcels with a total land premium of RMB12.89 billion and the corresponding newly added saleable resources of RMB27.99 billion.

The Group sustained its financial soundness and strong cost advantage. At 30 June 2024, the Group's liability-to-asset ratio was 56.1% and net gearing was 38.7%, while it maintained its status as a "green category" enterprise. The Group had bank balances and cash of RMB100.24 billion, and continued to achieve positive operating cash flow. The Group's weighted average borrowing cost was 3.5% in the first half of the year, among the lowest in the industry. The Group's selling and distribution expenses and administrative expenses in total accounted for 3.9% of revenue, an industry-leading cost-efficiency ratio.

Looking ahead, the domestic economy and property market will continue to face multiple pressures and challenges. The Group has always positively held that there is “opportunity in crisis” and believes that the “Three Areas of Resilience” will facilitate the Group to further sharpen its competitive edge amid the industry’s major changes and to maintain steady and sustainable development at a high-quality level.

The first is the strong resilience of the Chinese economy. Although the domestic economy still faces the challenge of triple pressure from shrinking demand, disrupted supply and weakening expectations, the long-term trend of economic improvement has not changed. In the first half of the year, GDP grew 5% year-on-year, a growth rate that reflects the economy’s strong resilience, continuing the upturn and improving trend, steady progress, and providing robust support for the stabilisation of the property market.

The second resilience is the demand for better housing. People’s pursuit of a better life is the fundamental driving force for economic development. Despite significant changes in real estate supply and demand, and with the residential market as a whole shifting to a stock market, there remain structural opportunities of enormous scale in first- and second-tier major cities. The demand for better housing, on which the Group is strongly focused, remains a huge, multi-trillion-yuan market.

The third resilience is the Group’s sustainability. During the downturn and transition of the industry, the Group was strategically determined, financially sound and well-funded, with a property portfolio of premium value and extent, and rising market share in the face of headwinds, further highlighting its brand advantage in first- and second-tier major cities. The Group’s residential development business has consistently maintained industry-leading product strength and profitability, while its commercial property revenue is in a period of rapid growth. The Group has more than adequate financial capacity to cope with market volatility risks, solid resources to seize opportunities that arise from market realignment, and the resilience to develop both offensively and defensively. The Group is confident of delivering a robust and excellent operational performance to reward the trust of its shareholders.

In 2024, the Group has been established for 45 years. It has weathered many economic cycles and fluctuations in the property market, and stood firm as an industry leader. The Group will continue to adhere to its core value of “Customer-oriented, Quality Assurance and Value Creation”, and uphold its business philosophy of “Good Products, Good Services, Good Effectiveness, Good Citizen”. The Group will collaborate with its peers to facilitate the smooth transition of the real estate industry to a new development model and lead the industry with quality development in the next phase.

Finally, I would like to take this opportunity to express my sincere gratitude to our domestic and overseas customers, the shareholders and the whole community for their support and trust. I would also like to express my heartfelt gratitude to my fellow directors and all employees for their dedication and determination to pursue excellence.

China Overseas Land & Investment Limited
Yan Jianguo
Chairman and Executive Director

MANAGEMENT DISCUSSION & ANALYSIS

Overall Performance

During the period, the revenue of the Group was RMB86.94 billion. The operating profit was RMB16.06 billion. The gross profit margin was 22.1% and the net profit margin attributable to owners of the Company was 11.9%. The ratio of selling, distribution and administrative expenses to revenue was 3.9%. Profit attributable to owners of the Company was RMB10.31 billion. Core profit attributable to owners of the Company was RMB10.64 billion. Basic earnings per share was RMB0.94.

Property Development

In the first half of 2024, the contracted property sales of the Group Series of Companies was RMB148.38 billion and the corresponding sales area was 5.44 million sq m.

In the first half of 2024, the Group Series of Companies' contracted property sales and the corresponding sales area by region were as follows:

	Contracted property sales (RMB billion)	**Proportion (%)**	**Sales area ('000 sq m)**	**Proportion (%)**
Southern Region	26.78	18.0	751	13.8
Eastern Region	45.95	31.0	815	15.0
Central and Western Region	12.48	8.4	875	16.1
Northern Region	30.23	20.4	957	17.6
Hong Kong, Macau and Overseas Region	3.27	2.2	15	0.3
Sub-total for the Company and its subsidiaries	**118.71**	**80.0**	**3,413**	**62.8**
Joint ventures and associates of the Company (excluding COGO)	10.65	7.2	370	6.8
China Overseas Grand Oceans Group Limited ("COGO")	19.02	12.8	1,656	30.4
Total	**148.38**	**100**	**5,439**	**100**

The Group adheres to cash flow management as its core policy, seeking to boost sales proceeds collection. In the first half of the year, five cities had sales proceeds collections exceeding RMB5 billion: Shanghai, Beijing, Guangzhou, Shenzhen and Tianjin. Among them, sales proceeds collection in Shanghai and Beijing exceeded RMB20 billion and RMB10 billion respectively.

During the period, the Group's revenue from property development was RMB82.04 billion.

During the period, the net profit contribution to the Group from associates and joint ventures amounted to RMB0.62 billion.

The major associate, COGO, recorded contracted property sales of RMB19.02 billion, revenue of RMB21.85 billion, and profit attributable to owners of COGO of RMB0.88 billion.

During the period, the Group Series of Companies (excluding COGO) completed projects with a total GFA of 3.16 million sq m in 17 Chinese mainland cities.

The table below showed the area of projects completed by region in the first half of 2024:

City	**Total GFA ('000 sq m)**
Southern Region	
Shenzhen	346
Nanchang	176
Changsha	148
Xiamen	141
Zhuhai	64
Sub-total	**875**
Eastern Region	
Qingdao	222
Nanjing	126
Ningbo	90
Jinan	68
Suzhou	47
Sub-total	**553**
Central and Western Region	
Taiyuan	451
Chongqing	170
Wuhan	89
Guiyang	52
Sub-total	**762**
Northern Region	
Beijing	528
Tianjin	362
Shenyang	82
Sub-total	**972**
Total	**3,162**

During the period, the Group acquired 6 land parcels in 4 Chinese mainland cities, adding a total GFA of 1.17 million sq m to the land reserve (attributable GFA of 1.15 million sq m). The total land premium was RMB12.89 billion (attributable land premium of RMB12.03 billion).

The table below showed the details of land parcels added in the first half of 2024:

City	**Name of Development Project**	**Attributable Interest**	**Land Area ('000 sq m)**	**Total GFA ('000 sq m)**
Tianjin	Hexi District Project	100%	25	78
Xi'an	Hi-tech Industrial Development Zone Project	100%	18	64
Beijing	Shijngshan District Project	100%	68	316
Beijing	Haidian District Project	70%	25	70
Xi'an	Yanta District Project	100%	85	444
Jinan	Huaiyin District Project	100%	47	197
Total			**268**	**1,169**

At 30 June 2024, the Group Series of Companies (excluding COGO) had a total land reserve of 33.22 million sq m in GFA (attributable GFA of 28.86 million sq m).

During the period, total GFA of COGO's land reserve increased by 0.25 million sq m. At 30 June 2024, COGO's total land reserve was 15.83 million sq m in GFA (attributable GFA of 13.05 million sq m).

The total GFA of the Group Series of Companies' land reserve reached 49.05 million sq m.

Commercial Property Operations

The Group has always adhered to a high-quality development strategy, and is deeply engaged in urban development, focusing on creating real estate asset management platform with office buildings and shopping malls as its core, and long-term leased apartments, hotels, logistics and industrial parks, senior living and elderly care, and more as other elements. The Group's business model is uniquely robust, achieving ascendancy through steadily building strengths for high-quality development and adopting a multi-pronged approach to create development that is balanced in scale and efficiency.

During the period, revenue from the Group's commercial properties amounted to RMB3.54 billion, an increase of 19.8% as compared to the corresponding period last year, of which revenue from office buildings amounted to RMB1.76 billion; revenue from shopping malls amounted to RMB1.11 billion; revenue from long-term leased apartments amounted to RMB0.12 billion and revenue from hotels and other commercial properties amounted to RMB0.55 billion.

In the first half of 2024, the Group's office buildings business, under the downward pressure of the market, relied on the influence of its brand and its well-established commercial property asset management capabilities to maintain sound operations. During the period, newly contracted GFA was 560,000 sq m, which drove revenue to grow by 6.4%, against the prevailing trend. The Group continued to optimise the tenant mix, resulting in stable and sustainable operations.

The shopping mall business maintained rapid growth, with revenue increasing significantly by 57.6% as compared to the corresponding period last year. Operational efficiency continued to improve, with period-end occupancy reaching 96.6%. Among these properties, Zhenru Unipark MAX in Shanghai has been honoured with multiple industry awards, including the "2024 China Real Estate Commercial Management "International Consumption" Benchmarking Project (Enterprise) Award" and "LEIDEN Business Academy – 2024 Shopping Centre Innovation Leadership Award". These accolades recognised the outstanding performance of Zhenru Unipark MAX. The benchmark influence of the Group's commercial property continued to increase.

The Group's asset-light management business has successfully grown. During the period, the Group signed a total of three new contracts for the management of external commercial properties, located in the core areas of higher-tier cities such as Beijing and Shenzhen, further demonstrating the value of professional asset management services.

Other Businesses

During the period, other businesses' revenue from external and internal customers of the Group amounted to RMB3.40 billion. Other businesses' revenue from external customers was RMB1.36 billion. Among this, the external revenue from material procurement and supply chain management services amounted to RMB0.98 billion.

Liquidity, Financial Resources and Debt Structure

The Group adheres to the principle of prudent financial fund management, without breaching any of the "Three Red Lines" metrics, and maintained its status as a "green category" enterprise. The Group continues to lead the industry by various indicators. At 30 June 2024, the net current assets were RMB376.08 billion, the current ratio was 2.4 times, net gearing was 38.7%; and the bank balances and cash were RMB100.24 billion, with industry-leading liquidity. During the period, the Group's weighted average borrowing cost was 3.5%, among the lowest in the industry.

During the period, S&P Global upgraded the Group's credit rating to "A-/Stable" from "BBB+/Stable", marking the Group as the only listed Chinese property developer rated "A-" by S&P Global. With this upgrade, the Group consistently maintained its leading position in China's real estate industry in terms of the credit ratings across the three major international rating agencies.

The Group continued to leverage the advantages of its dual onshore and offshore financing platforms, actively responded to the impact of fluctuations in domestic and overseas interest rates and foreign exchange rates on the international capital markets, flexibly utilised a variety of tools, and optimised financing structure. In the first half of 2024, the Group raised funds from onshore and offshore debt financing amounting to RMB43.83 billion, and RMB46.87 billion of debt was repaid early or on schedule, with a total net debt repayment of RMB3.04 billion. The Group's overall interest-bearing debt remained stable, with various funding costs declining moderately in the first half of the year. Among these, the Group repaid early or on schedule offshore HK-dollar-denominated bank loans equivalent to RMB11.34 billion and US-dollar-denominated guaranteed notes equivalent to RMB4.99 billion, the Group will have no outstanding offshore debt due on 2024. The Group obtained various low-interest onshore bank loans totalling RMB25.06 billion, comprising development loans, operating loans and more. It also successfully issued two tranches of low-interest corporate bonds totalling RMB6.00 billion.

During the period, the Group's sales proceeds collection was RMB90.82 billion and commercial property and other operating cash collection was RMB6.87 billion. The operating cash collection amounted to RMB97.69 billion. The capital expenditure payments for the Group were RMB81.50 billion (of which RMB55.54 billion was for land costs and RMB25.96 billion was for construction expenditure). At 30 June 2024, the Group had unpaid land premiums of RMB9.90 billion.

At 30 June 2024, the Group had bank and other borrowings amounting to RMB169.75 billion while guaranteed notes and corporate bonds amounted to RMB85.82 billion. Total debt amounted to RMB255.57 billion, while bank and other borrowings and corporate bonds due to mature in the second half of the year amounted to RMB13.77 billion. The Group's total debt maturing within one year amounted to RMB39.67 billion, accounting for 15.5% of the total debt. Among the total debt, 74.8% was denominated in RMB, 14.2% was denominated in HK dollars, 10.6% was denominated in US dollars and 0.4% was denominated in pounds sterling. The fixed-rate debt accounted for 45.9% of total debt while the remainder was floating-rate debt.

At 30 June 2024, the Group's available funds amounted to RMB144.21 billion comprising bank balances and cash of RMB100.24 billion and unutilised banking facilities of RMB43.97 billion. Among the bank balances and cash, 94.2% was denominated in RMB, 4.6% was denominated in HK dollars, 0.9% was denominated in US dollars, 0.2% was denominated in pounds sterling and a small amount was denominated in other currencies, while the above bank balances and cash also included regulated pre-sales proceeds of properties of RMB24.88 billion.

In the first half of 2024, China's economy sustained a relatively high growth rate and low inflation as the global economy recovered. The Central Government implemented a policy of monetary easing and proactive fiscal measures. The global economic outlook improved somewhat, but interest rates remained high overall and the US dollar index remained strong, while the foreign exchange markets remained volatile. During the period, the Group actively reduced its non-RMB net debt exposure. The Group repaid early or on schedule offshore HK-dollar-denominated bank loans and US-dollar-denominated guaranteed notes equivalent to RMB16.33 billion in total, reducing foreign currency debt and increasing RMB financing. At 30 June 2024, the proportion of debt denominated in RMB increased to 74.8%, up 4.5 percentage points from the end of 2023. The Group's exchange rate management is mainly through natural hedging, and it has not participated in any speculative trading of derivative financial instruments, but will carefully consider whether to conduct currency and interest rate swaps at an appropriate time to hedge against corresponding risks. The Board believes that the Group's exchange rate and interest rate risks are relatively controllable.

Sustainable Development

In the first half of 2024, the Group published the 2023 Environmental, Social and Governance Report alongside the 2023 Annual Report. The ESG Report obtained independent third-party AA1000 verification from the British Standards Institution for another consecutive year, further enhancing the credibility and transparency of the report and responding to the capital market's information disclosure needs.

The Group has consistently adhered to the sustainable development path of “A Company of Four Excellences”, garnering high recognition from international authoritative agencies and capital markets for its ESG management achievements. The Group has been included in the Hang Seng Corporate Sustainability Index Series for 14 consecutive years and has been selected as a constituent of the FTSE4Good Index Series for eight years in a row. In global ESG ratings, the Group has continuously surpassed the industry average, and Sustainalytics further lowered the risk indicator of the Group, ranking it as Top 1 among Chinese mainland developers and among the top 10% globally. Domestic major ESG rating agencies have also lauded the Group with the highest industry ratings such as AAA by QuantData, AA by Wind, and A- by SynTao Green Finance. Furthermore, in the 2024 Asia Executive Team survey conducted by Institutional Investor, the Group was honoured with awards such as “Most Honoured Company”, “Best ESG”, and “Best Board of Directors” in the Asia Pacific property industry for another consecutive year, reaffirming its industry leadership and commitment to excellence.

In addressing climate change, the Group has followed the Recommendations of the Task Force on Climate-related Financial Disclosures to disclose its performance and outcomes in managing climate change since 2020. In the first half of 2024, the Group has formulated climate adaptation measures, covering mitigation, control, transfer, and acceptance. Plans are underway to evaluate the financial feasibility and actual efficacy of these climate adaptation measures.

As a leading enterprise in the real estate sector, the Group has been actively aligned itself with China’s 14th Five-Year Plan and the “3060 Decarbonisation Targets”, integrating green and low carbon practices into its business strategy and development, implementing carbon reduction actions in phases and promoting low-carbon development across the industrial value chain, to meet the medium-to-long-term decarbonisation targets of reducing at least 30% Scope 1 and 2 carbon emissions intensity per unit area by 2030 (2019 baseline year), and striving to achieve carbon neutrality by 2060.

During the period, the Group has added 17 green certified projects with a corresponding area of 2.22 million sq m. The total number of green building projects has reached 653 with a corresponding area of 109 million sq m.

The Group prioritises people and regards human resources as its most valuable asset. Employee remuneration packages and discretionary bonuses are determined based on performance, experience and the market wage rate. Additionally, the Group offers various employee benefits including provident fund scheme, medical protection and insurance and housing allowances. To further strengthen the occupational health and safety of the employees, suppliers, and contractors, the Group has obtained ISO 45001:2018 Occupational health and safety management systems and continued to optimise relevant policies and training.

During the period, the Group remained committed to driving rural revitalisation in three counties in Gansu province. The Group selected premium local products and deeply participated in the whole process of brand creation, package design and the promotion activities of “Sea of Hope” with accumulative consumption support of tens of millions of RMB.

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board declared the payment of an interim dividend of HK30 cents per share (2023: HK35 cents per share) for the six months ended 30 June 2024. The interim dividend will be payable in cash.

Relevant Dates for Interim Dividend Payment

Ex-dividend date	16 September 2024
Latest time to lodge transfer documents for registration with the Company's registrar and transfer office	4:30 p.m. on 17 September 2024
Closure of Register of Members	19 September 2024
Record date	19 September 2024
Despatch of dividend warrants	4 October 2024

In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's registrar and transfer office, Tricor Standard Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than the aforementioned latest time.

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

Save as disclosed below, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Group's listed securities during the six months ended 30 June 2024.

Issue of Listed Securities

The following securities were issued by the wholly-owned subsidiaries of the Company during the period. The net proceeds are used to repay the existing indebtedness of the Group.

Name of Subsidiary	**Securities**	**Issue Date**	**Due Date**	**Principal Amount *(RMB'000)***	**Coupon Rate per annum**	**Name of stock exchange/ market on which the securities are listed/issued**
China Overseas Development Group Co., Ltd.* ("China Overseas Development")	2024 corporate bonds (i) First tranche (Type II)	23 April 2024	24 April 2029	3,000,000	2.68%	Shenzhen Stock Exchange
China Overseas Development	2024 medium-term notes (i) First tranche (Type I) (ii) First tranche (Type II)	22 January 2024 22 January 2024	24 January 2027 24 January 2029	1,500,000 1,500,000	2.80% 3.05%	National Interbank Bond Market

* *English translation for identification purpose only*

Redemption of Listed Securities

The following securities were redeemed by the wholly-owned subsidiaries of the Company during the period:

Name of Subsidiary	Securities	Issue Date	Redemption Date	Redemption Value *(RMB'000)*	Remaining Value *(RMB'000)*
Beijing China Overseas Plaza Commercial Development Ltd.*	(i) RMB1,001 million at coupon rate of 3.85% (ii) RMB2,101 million at coupon rate of 3.60% (iii) RMB1,901 million at coupon rate of 3.50% (iv) RMB5,001 million at coupon rate of 3.35% Commercial mortgage-backed securities listed on the Shenzhen Stock Exchange	(i) 23 March 2021 (ii) 23 June 2021 (iii) 10 November 2021 (iv) 29 March 2022	(i)-(ii) Principal amount with interest payable will be repaid in instalments in May and November each year (iii)-(iv) Principal amount with interest payable will be repaid in instalments in February and August each year	(i) 999,200 # (ii) 2,000,200 # (iii) 5,130 (iv) 5,000	(i) Nil (ii) Nil (iii) 1,881,050 # (iv) 4,981,000 #
China Overseas Development	RMB1,500 million at coupon rate of 3.35% medium-term notes which were listed on the National Interbank Bond Market	15 January 2021	15 January 2024	1,500,000	Nil
China Overseas Development	RMB1,500 million at coupon rate of 3.75% corporate bonds which were listed on the Shenzhen Stock Exchange	24 January 2019	24 January 2024	1,500,000	Nil
China Overseas Development	RMB2,000 million at coupon rate of 3.25% corporate bonds which were listed on the Shenzhen Stock Exchange	15 June 2021	15 June 2024	2,000,000	Nil
China Overseas Finance (Cayman) VI Limited	US$700 million at coupon rate of 5.95% guaranteed notes which were listed on the Hong Kong Stock Exchange	8 May 2014	8 May 2024	4,989,446	Nil

For details of the aforementioned securities, please refer to relevant announcements of the Company.

* *English translation for identification purpose only*
\# *Included equity class securities of RMB1 million wholly subscribed by Beijing China Overseas Plaza Commercial Development Ltd.*

CORPORATE GOVERNANCE

The Company has complied throughout the six months ended 30 June 2024 with all the code provisions of the Corporate Governance Code from time to time as set out in Appendix C1 to the Listing Rules and with some of the recommended best practices contained therein.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a set of code of conduct on governing securities transactions by directors (the "Code of Conduct") on terms no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 of the Listing Rules. Having made specific inquiries to all directors of the Company, they confirmed that they have complied with the Code of Conduct throughout the six months ended 30 June 2024.

REVIEW OF INTERIM REPORT BY AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee of the Company has reviewed the unaudited interim results of the Company for the six months ended 30 June 2024, and discussed with the Company's management regarding risk management, internal control and other important matters.

By Order of the Board
China Overseas Land & Investment Limited
Yan Jianguo
Chairman and Executive Director

Hong Kong, 28 August 2024

As at the date of this announcement, Mr. Yan Jianguo (Chairman), Mr. Luo Liang (Vice Chairman), Mr. Zhang Zhichao (Chief Executive Officer) and Mr. Guo Guanghui are the Executive Directors of the Company; Mr. Zhuang Yong (Vice Chairman) and Mr. Zhao Wenhai are the Non-executive Directors of the Company; and Mr. Li Man Bun, Brian David, Professor Chan Ka Keung, Ceajer and Dr. Chan Ching Har, Eliza are the Independent Non-executive Directors of the Company.

This results announcement is published on the website of the Company (http://www.coli.com.hk) and the website of the Hong Kong Stock Exchange (http://www.hkexnews.hk). The 2024 Interim Report will also be available at the aforementioned websites and will be despatched to shareholders of the Company thereafter in due course.