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

资源控股
RESOURCES HOLDINGS

Peking University Resources (Holdings) Company Limited
北大資源(控股)有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00618)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

The board of directors (the "Board") of Peking University Resources (Holdings) Company Limited (the "Company") is pleased to present the unaudited interim condensed consolidated financial information of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2024, together with the comparative figures for the six months ended 30 September 2023. This interim condensed consolidated financial information has not been audited, but has been reviewed by the audit committee of the Company.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2024

		Six months ended 30 September	
		2024	2023
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
			(Re-presented)
Revenue	5	**746,509**	763,093
Cost of sales		**(726,993)**	(709,348)
Gross profit		**19,516**	53,745
Other income and gains, net	6	**299,156**	1,673,744
Impairment of inventories recognised, net		**(2,345)**	(910)
Impairment of properties for sale (recognised)/ reversed, net		**(281,718)**	33,595
Selling and distribution expenses		**(65,420)**	(33,411)
Administrative and other operating expenses		**(115,351)**	(101,730)
Other expenses and losses, net		**(1,145,150)**	(1,384,894)
Finance costs	7	**(85,447)**	(57,893)
(Loss)/profit before tax	8	**(1,376,759)**	182,246
Income tax credit/(expense)	9	**21,986**	(16,192)
(Loss)/profit for the period		**(1,354,773)**	166,054

	Notes	Six months ended 30 September 2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited) (Re-presented)
(Loss)/profit for the period attributable to:			
Owners of the Company		**(1,265,687)**	155,781
Non-controlling interests		**(89,086)**	10,273
(Loss)/profit for the period		**(1,354,773)**	166,054
		RMB cents **(Unaudited)**	*RMB cents* (Unaudited) (Restated)
(Loss)/earnings per share attributable to owners of the Company	11		
Basic and diluted		**(46.80)**	6.83

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	Six months ended 30 September	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
		(Re-presented)
(LOSS)/PROFIT FOR THE PERIOD	**(1,354,773)**	166,054
Other comprehensive income/(expense):		
Item that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**46,788**	8,904
Item that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of financial statements of the Company	**(13,468)**	99,238
Other comprehensive income for the period, net of tax	**33,320**	108,142
Total comprehensive (expense)/income for the period	**(1,321,453)**	274,196
Total comprehensive (expense)/income for the period attributable to:		
Owners of the Company	**(1,232,367)**	263,923
Non-controlling interests	**(89,086)**	10,273
Total comprehensive (expense)/income for the period	**(1,321,453)**	274,196

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	Notes	**30 September 2024** *RMB'000* **(Unaudited)**	31 March 2024 *RMB'000* (Audited)
Non-current assets			
Property, plant and equipment	12	**63,809**	53,718
Investment properties		**1,356,797**	1,387,261
Right-of-use assets		**12,971**	17,814
Other intangible assets		**15,128**	13,839
Financial assets at fair value through profit or loss		**130,403**	94,200
Investment in a joint venture		**150,000**	–
Goodwill		**38,597**	38,597
Prepayments, other receivables and other assets		**171,951**	170,454
Deferred tax assets		**56,200**	55,048
Total non-current assets		**1,995,856**	1,830,931
Current assets			
Properties for sale			
– under development		**3,590,554**	3,689,574
– completed		**3,126,918**	3,732,430
Inventories		**117,785**	89,555
Trade and bills receivables	13	**128,809**	224,598
Prepayments, other receivables and other assets		**1,249,389**	1,051,808
Restricted cash		**17,855**	13,856
Cash and cash equivalents		**607,387**	890,197
Total current assets		**8,838,697**	9,692,018
Current liabilities			
Trade payables	14	**1,006,760**	1,285,623
Other payables and accruals		**2,145,958**	2,377,655
Provisions		**2,320,933**	1,328,338
Contract liabilities		**871,064**	896,949
Interest-bearing bank and other borrowings		**905,632**	636,377
Lease liabilities		**6,556**	9,761
Income tax payable		**904,843**	1,141,813
Total current liabilities		**8,161,746**	7,676,516
Net current assets		**676,951**	2,015,502
Total assets less current liabilities		**2,672,807**	3,846,433

	Notes	**30 September 2024** *RMB'000* **(Unaudited)**	31 March 2024 *RMB'000* (Audited)
Non-current liabilities			
Interest-bearing bank and other borrowings		**953,066**	1,111,680
Lease liabilities		**6,955**	8,624
Deferred tax liabilities		**193,446**	218,387
Total non-current liabilities		**1,153,467**	1,338,691
Net assets		**1,519,340**	2,507,742
Equity			
Share capital		**24,853**	898,647
Reserves		**(245,672)**	135,857
Equity/(loss) attributable to owners of the Company		**(220,819)**	1,034,504
Non-controlling interests		**1,740,159**	1,473,238
Total equity		**1,519,340**	2,507,742

NOTES

1. CORPORATE INFORMATION

Peking University Resources (Holdings) Company Limited (the "Company") was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda and Room 2303, 23/F, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong, respectively.

The Company is an investment holding company and, together with its subsidiaries (together with the Company, the "Group"), are principally engaged in medical and pharmaceutical retail, e-commerce and distribution, property development as well as property investment and management in Mainland China (the "PRC"), Singapore and Hong Kong.

In the opinion of the directors, the Company has no parent company.

2. BASIS OF PREPARATION

These condensed consolidated financial information have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). These condensed consolidated financial information have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and investment properties which have been measured at fair value. These condensed consolidated financial information are presented in Renminbi ("RMB"), and all values are rounded to the nearest thousand ("RMB'000") except when otherwise indicated.

The Group's condensed consolidated financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2024. The accounting policies adopted in the preparation of these condensed consolidated financial information are followed in those applied in the preparation of the Group's annual financial statements for the year ended 31 March 2024, except for the adoption of the revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time. Details of the changes in accounting policy changes and disclosures are set out in Note 3.

Adjustment in 2023 Interim Results

During the six months ended 30 September 2023, the Group engaged in trading of mineral concentrates (the "Trading Business"), which was included the e-commerce and distribution segment. The Group recognised revenue of RMB509,900,000 with the cost of RMB509,600,000 in the condensed consolidated statement of profit or loss for the six months ended 30 September 2023. The Group's management has performed review of the nature of the trading of mineral concentrates, and considered that the relevant transactions should be recognised in a net basis in accordance with the HKFRS 15 Revenue from Contracts with Customer. The corresponding amounts recognised in the condensed consolidated statement of profit or loss for the six months ended 30 September 2023 have been represented as follows:

Affected items	**Six months ended 30 September 2023 as previously reported**	**Amount adjusted**	**Six months ended 30 September 2023 as re-presented**
	RMB'000	*RMB'000*	*RMB'000*
	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	1,272,964	(509,871)	763,093
Cost of sales	(1,218,962)	509,614	(709,348)
Gross profit	54,002	(257)	53,745
Other gains and losses, net	1,673,487	257	1,673,744
Profit before tax	182,246		182,246
Profit for the period	166,054		166,054

For details, please refer to the Company's announcement on 28 June 2024. Save for the aforesaid, there was no other impact on the condensed consolidated financial statements for the six months ended 30 September 2023. During the six months ended 30 September 2024, the Group did not engaged in the aforesaid trading business.

3. AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the HKICPA to these condensed consolidated financial information for the current accounting period:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the above amendments to HKFRSs in the current period had no material impact on the Group's financial positions and performance for the current period and prior years and/or on the disclosures set out in these condensed consolidated financial information.

4. SEGMENT INFORMATION

The executive Directors (the "Executive Directors") are regarded as the chief operating decision-maker. The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources. Operating segments were determined based on these reports.

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

(a) medical and pharmaceutical retail;

(b) the e-commerce and distribution of products;

(c) the property development segment; and

(d) the property investment and management segment.

The Executive Directors monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is measured consistently with the Group's loss/profit before tax except that interest income, finance costs as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude restricted cash, cash and cash equivalents, deferred tax assets and other unallocated head office and corporate assets as these assets are managed on a group basis. Segment liabilities exclude interest-bearing bank and other borrowings, income tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

The following is an analysis of the Group's revenue and results by reportable and operating segments.

For the six months ended 30 September 2024

	Medical and pharmaceutical retail *RMB'000* (Unaudited)	E-commerce and distribution *RMB'000* (Unaudited)	Property development *RMB'000* (Unaudited)	Property investment and management *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Segment revenue, other income and gains, net					
Segment revenue from external customers	**72,615**	**312,047**	**305,553**	**56,294**	**746,509**
Other income and gains, net	**–**	**6**	**284,728**	**11,160**	**295,894**
	72,615	**312,053**	**590,281**	**67,454**	**1,042,403**
Segment loss	**(1,167)**	**(8,400)**	**(1,223,331)**	**(37,359)**	**(1,270,257)**
Bank interest income					**3,262**
Corporate and unallocated expenses					**(24,317)**
Finance costs					**(85,447)**
Loss before tax					**(1,376,759)**

For the six months ended 30 September 2023 (Re-presented)

	Medical and pharmaceutical retail *RMB'000* (Unaudited)	E-commerce and distribution *RMB'000* (Unaudited)	Property development *RMB'000* (Unaudited)	Property investment and management *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Segment revenue, other income and gains, net					
Segment revenue from external customers	14,025	337,180	363,171	48,717	763,093
Other income and gains, net	–	257	1,176,854	4,066	1,181,177
	14,025	337,437	1,540,025	52,783	1,944,270
Segment profit/(loss)	1,867	(2,071)	253,733	(400)	253,129
Bank interest income					2,106
Corporate and unallocated expenses					(15,096)
Finance costs					(57,893)
Profit before tax					182,246

There were no inter-segment sales for both of the current period and the comparative prior period.

The following table presents the assets and liabilities of the Group's operating segments as at 30 September 2024 and 31 March 2024, respectively.

	Medical and pharmaceutical retail *RMB'000*	**E-commerce and distribution** *RMB'000*	**Property development** *RMB'000*	**Property investment and management** *RMB'000*	**Total** *RMB'000*
Segment assets					
As at 30 September 2024 (Unaudited)	**307,660**	**1,733,653**	**8,844,929**	**4,945,649**	**15,831,891**
Elimination of intersegment receivables					**(5,773,398)**
Corporate and other unallocated assets					**776,060**
Total assets (Unaudited)					**10,834,553**
As at 31 March 2024 (Audited)	383,257	4,310,439	14,691,294	11,474,486	30,859,476
Elimination of intersegment receivables					(22,451,581)
Corporate and other unallocated assets					3,115,054
Total assets (Audited)					11,522,949

	Medical and pharmaceutical retail *RMB'000*	E-commerce and distribution *RMB'000*	Property development *RMB'000*	Property investment and management *RMB'000*	Total *RMB'000*
Segment liabilities					
As at 30 September 2024 (Unaudited)	**417,109**	**557,352**	**7,749,361**	**3,407,802**	**12,131,624**
Elimination of intersegment payables					**(5,773,398)**
Corporate and other unallocated liabilities					**2,956,987**
Total liabilities (Unaudited)					**9,315,213**
As at 31 March 2024 (Audited)	297,718	2,022,438	11,638,803	9,348,419	23,307,378
Elimination of intersegment payables					(22,451,581)
Corporate and other unallocated liabilities					8,159,410
Total liabilities (Audited)					9,015,207

Geographic information

(a) Revenue from external customers

	Medical and pharmaceutical retail *RMB'000* (Unaudited)	E-commerce and distribution *RMB'000* (Unaudited)	Property development *RMB'000* (Unaudited)	Property investment and management *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
For the six months ended 30 September 2024					
Mainland China	**65,977**	**312,047**	**305,553**	**56,294**	**739,871**
Singapore	**6,638**	**–**	**–**	**–**	**6,638**
	72,615	**312,047**	**305,553**	**56,294**	**746,509**
For the six months ended 30 September 2023 (Re-presented)					
Mainland China	10,236	337,180	363,171	48,717	759,304
Singapore	3,789	–	–	–	3,789
	14,025	337,180	363,171	48,717	763,093

The above information is prepared based on the location of the customers.

(b) ***Non-current assets***

	At 30 September 2024	At 31 March 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Mainland China	**1,602,400**	1,625,950
Hong Kong	**1,448**	1,338
Singapore	**1,680**	1,959
	1,605,528	1,629,247

The non-current assets information above is based on the locations of the assets and excludes other intangible assets, financial assets at fair value through profit or loss, investment in a joint venture, goodwill and deferred tax assets.

5. REVENUE

An analysis of revenue is as follows:

	Six months ended 30 September	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited) (Re-presented)
Revenue from contracts with customers		
Distribution of goods	**312,047**	337,180
Sales of properties	**305,553**	363,171
Medical and consultation services	**6,638**	3,789
Pharmaceutical retail income	**65,977**	10,236
	690,215	714,376
Revenue from other sources		
Gross rental income	**56,294**	48,717
	746,509	763,093
Timing of revenue recognition		
At point in time	**683,577**	710,587
Over time	**6,638**	3,789
	690,215	714,376

6. OTHER INCOME AND GAINS, NET

	Six months ended 30 September	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
		(Re-presented)
Other income		
Bank interest income	**3,262**	2,106
Management and consultancy service fee income	**5,444**	15,883
Others	**7,989**	7,645
	16,695	25,634
Gains, net		
Gains on disposal of subsidiaries*	**107,256**	1,644,107
Gain on disposal of interest in a subsidiary**	**175,785**	–
Fair value change on financial assets	**(580)**	4,003
	282,461	1,648,110
	299,156	1,673,744

* During the six months ended 30 September 2024, the Group entered into the sale and purchase agreement with a third party for the disposal of the Group's 90% equity interest in Ezhou Jinfeng Property Development Limited ("Ezhou"), at a cash consideration of RMB900,000.

** During the six months ended 30 September 2024, the Group entered into the equity transfer agreement with a third party for the disposal of the Group's 32% equity interest in a subsidiary to settle the debts of the Group.

7. FINANCE COSTS

	Six months ended 30 September	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest on bank and other borrowings	**85,024**	57,762
Interest expenses arising from revenue contracts	**–**	11,323
Interest expenses arising from lease contracts	**423**	131
Total interest expenses	**85,447**	69,216
Less: Interest capitalised	**–**	(11,323)
	85,447	57,893

8. (LOSS)/PROFIT BEFORE TAX

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

	Six months ended 30 September	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
		(Re-presented)
Cost of inventories sold	**329,891**	332,042
Cost of properties sold	**397,102**	377,306
Cost of sales	**726,993**	709,348
Depreciation of property, plant and equipment	**1,743**	1,538
Depreciation of right-of-use assets	**4,695**	598
Amortisation of other intangible assets	**11**	61
Provision for expected liability *(note (i))**	**992,595**	999,011
Changes in fair value of investment properties*	**81,733**	–
Written off of property for sale – under development *(note (ii))**	**–**	336,594
Impairment of trade and bills receivables	**2,137**	1,992
Loss on disposal of property, plant and equipment*	**1**	1
Foreign exchange losses, net*	**669**	3,011

* These items are included in "Other expenses and losses, net" in the condensed consolidated statement of profit or loss.

Notes:

(i) During the six months ended 30 September 2024, the provision for expected liabilities which related to guarantee liabilities and contractual arrangements enforced to be payable by the Group was estimated by the management amounted to RMB992,595,000 was recognised in the condensed consolidated statements of profit or loss.

(ii) During the six months ended 30 September 2023, the Company was informed that Kaifeng Bureau of Natural Resources and Planning ("Kaifeng Bureau") has issued two decisions on the resumption of state-owned construction land use right against Kaifeng Boyuan Real Estate Development Co., Ltd.* ("Kaifeng Boyuan"), an indirect subsidiary of the Company, to resume the state-owned land use rights in respect of two land parcels of a total of 42,799.5 square meters held by Kaifeng Boyuan (the "Lands") without compensation, as the Lands were deemed as idle lands by the Kaifeng Bureau and amount of RMB336,594,000 of written off of property for sale – under development was recognised in the condensed consolidated statements of profit or loss.

9. INCOME TAX (CREDIT)/EXPENSE

	Six months ended 30 September	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Provision for:		
– Hong Kong profits tax	**–**	–
– PRC corporate income tax	**(24,288)**	979
– PRC LAT	**2,302**	15,213
Income tax (credit)/expense	**(21,986)**	16,192

Hong Kong profits tax

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong for both of the current period and the comparative prior period.

PRC corporate income tax

PRC corporate income tax has been provided at the rate of 25% for both of the current period and the comparative prior period on the taxable profits of the Group's PRC subsidiaries.

PRC land appreciation tax ("LAT")

According to the requirements of the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例) effective from 1 January 1994 and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例實施細則) effective from 27 January 1995, all gains arising from a transfer of real estate property in Mainland China effective from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures including borrowing costs and all property development expenditures.

No deferred tax charge was recognised for both of the current period and the comparative prior period as the amount involved is insignificant.

10. DIVIDENDS

No dividends have been declared and paid by the Company during the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

11. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The calculation of the basic (loss)/earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30 September	
	2024	2023
	(Unaudited)	(Unaudited)
		(Restated)
Earnings for the purpose of basic (loss)/earnings per share		
(Loss)/profit for the period attributable to owners of the Company *(RMB'000)*	**(1,265,687)**	155,781
Number of shares for the purpose of basic (loss)/earnings per share		
Weighted average number of ordinary shares during the period *('000)*	**2,704,630**	2,282,417

The weighted average number of ordinary shares for the purpose of basic and diluted earnings per share has been adjusted retrospectively for share consolidation since 1 April 2023.

(b) Diluted (loss)/earnings per share

The calculation of diluted (loss)/earnings per share attributable to owners of the Company is based on following data:

(i) (Loss)/earnings for the purpose of diluted (loss)/earnings per share

	Six months ended 30 September	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
(Loss)/profit for the period attributable to owners of the Company for the purpose of calculating basic and diluted loss/(earnings) per share	**(1,265,687)**	155,781

(ii) Weighted average number of ordinary shares

	Six months ended 30 September	
	2024	2023
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	**2,704,630**	2,282,417
Effect of dilution – share option *(note)*	**401,307**	–
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	**3,105,937**	2,282,417

Note: The computation of diluted loss (six months ended 30 September 2023: earnings) per share does not assume conversion of the Company's outstanding share options since their assumed exercise would result in decrease in loss per share (six months ended 30 September 2023: increase in earnings per share).

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2024, the Group acquired items of property, plant and equipment at a total cost of RMB690,000 (six months ended 30 September 2023: RMB5,056,000), and disposed of items of property, plant and equipment with a total net carrying amount of RMB1,000 (six months ended 30 September 2023: RMB1,000).

13. TRADE AND BILLS RECEIVABLES

	At 30 September 2024 *RMB'000* (Unaudited)	At 31 March 2024 *RMB'000* (Audited)
Trade and bills receivables	**134,500**	228,152
Impairment loss on trade and bills receivables	**(5,691)**	(3,554)
	128,809	224,598

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. Trade receivables are settled in accordance with the terms of the respective contracts. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade and bills receivables balances. Trade and bills receivables are non-interest-bearing.

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

	At 30 September 2024 *RMB'000* (Unaudited)	At 31 March 2024 *RMB'000* (Audited)
Within 6 months	**74,264**	116,266
7 to 12 months	**12,025**	40,631
13 to 24 months	**27,955**	67,651
Over 24 months	**14,565**	50
	128,809	224,598

14. TRADE PAYABLES

	At 30 September 2024 *RMB'000* (Unaudited)	At 31 March 2024 *RMB'000* (Audited)
Trade payables	**1,006,760**	1,285,623

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

	At 30 September 2024 *RMB'000* **(Unaudited)**	At 31 March 2024 *RMB'000* (Audited)
Within 6 months	**104,737**	506,005
Over 6 months	**902,023**	779,618
	1,006,760	1,285,623

The trade payables are non-interest-bearing and are normally settled on terms of 45 to 90 days.

15. SHARE SCHEME

2013 Share Option Scheme

On 29 May 2013, the Group adopted a share option scheme (the "2013 Share Option Scheme"), which is valid and effective for a period of ten (10) years from the date of adoption. The 2013 Share Option Scheme has already expired on 28 May 2023.

2023 Share Scheme

On 28 August 2023, the Group adopted a new share scheme (the "2023 Share Scheme"), which is valid and effective for a period of ten (10) years from the date of adoption. Eligible participants of the Scheme include (i) any director (whether executive or non-executive, including any independent non-executive director), chief executive and employees (full-time or part-time) of the Company or any of its subsidiaries; (ii) any one or entity who provide services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interest of the long-term growth of the Group; and (iii) the directors, chief executive and employees of the holding companies, fellow subsidiaries or associated companies of the Company.

According to the 2023 Share Scheme, all awards to be granted that involve the issuance of Shares of the Company shall not exceed 10% of the total number of Shares in issue as at the adoption date, being 912,966,911 Shares. As disclosed in the announcement of the Company dated 7 May 2024, as a result of the capital reorganisation as disclosed in the announcement and circular of the Company dated 5 February 2024 and 28 March 2024, respectively (the "Capital Reorganisation"), the total number of Shares available for future grants under the 2023 Share Scheme was adjusted from 312,966,911 to 78,241,727 pursuant to the terms of the 2023 Share Scheme, representing approximately 2.86% of the issued Shares of the Company as at the date of this announcement. The maximum number of Shares in respect of which awards may be granted to a single eligible participant in any 12-month period up to and including the date of such grant shall not exceed 1% of the Shares in issue. A Share Option may be exercised during such period as the Board may determine, save that such period shall not be more than 10 years from the offer date. The vesting period for awards under the 2023 Share Scheme shall generally not be less than 12 months, subject to a shorter vesting period for awards granted under the specific circumstances as stipulated in the 2023 Share Scheme.

On 29 December 2023, the Company granted an aggregate of 600,000,000 Share Options to subscribe for 600,000,000 Shares to certain employees of the Group in accordance with the terms of the 2023 Share Scheme.

The offer of a grant of share options is deemed to have been accepted when the duplicate offer letter comprising the acceptance of the option is signed and upon payment of a nominal consideration of HK$1 in total by the grantee.

The exercise price of the share options is determinable by the directors, but should be the highest of (i) the closing price of the shares of the Company as stated on the daily quotation sheet of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer; and (iii) the nominal value of the shares of the Company.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The exercise price of HK$0.101 per share and subject to the following vesting terms: (i) one-third of the Share Options shall be vested and become exercisable on 31 December 2024; (ii) one-third of the Share Options shall be vested and become exercisable on 31 December 2025; and (iii) one-third of the Share Options shall be vested and become exercisable on 31 December 2026. As disclosed in the announcement of the Company dated 7 May 2024, as a result of the Capital Reorganisation, the exercise price per Share was adjusted to HK$0.404 per Share.

As a result of the Capital Reorganisation effective on 8 May 2024, the exercise price of outstanding share options under the 2023 Share Scheme is adjusted to HK$0.404 per share, with the number of new shares upon exercise set at 150,000,000. The total number of new shares available for future grants is adjusted to 78,241,727, with a limit of 22,824,172 shares for any service providing participant. For further details, please refer to the circular and notice of special general meeting dated 28 March 2024, and the announcements dated 7 May 2024 and 28 August 2024.

16. CONTINGENT LIABILITIES

Save as disclosed elsewhere in the condensed consolidated financial information, the Group had contingent liabilities at the end of the reporting period as follows:

(a) The Group had outstanding litigations as detailed in the section headed "Major Litigations" in this announcement.

(b) The Group has given guarantees in favour of certain banks in relation to mortgages granted by these banks to purchasers of the Group's properties amounting to approximately RMB913,300,000 (31 March 2024: RMB915,300,000). Pursuant to the terms of the guarantees, upon default in mortgage payments, if any, by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalty owed by the defaulting purchasers to the banks and the Group is entitled (but not limited to) to take over the legal titles and possession of the related properties. The Group's guarantee period starts from the date of grant of the relevant mortgage loans and ends upon issuance of the building ownership certificates which are generally available within one to two years after the purchasers take possession of the relevant properties. The Directors consider that, in the case of default in payments, the net realisable value of the related properties will be sufficient to cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty and therefore no provision has been made for the guarantees in the unaudited interim condensed consolidated financial information for the current period (31 March 2024: Nil).

17. COMMITMENTS

The Group had the following commitments for the Group's development properties:

	At 30 September 2024 ***RMB'000*** **(Unaudited)**	At 31 March 2024 *RMB'000* (Audited)
Contracted for:		
Properties under development	**849,600**	1,655,900

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

Since the beginning of 2024, the global political and economic conditions have remained complex, and the risk of recession has increased with the prolonged high interest rates. Geopolitical conflicts sustained, while various forms of trade disputes emerged, adding uncertainties to the global economy. Deeper structural reform of China's economy posed new challenges; however, new support was provided by the continued release of macroeconomic policy effects, the revival of external demand and the accelerated development of new-quality productive forces. Overall, China's economy continued recovery with its uptrend momentum and operated steadily in general with progress being made amidst stability. From the first to third quarters of 2024, GDP grew by 4.8% year-on-year, national fixed asset investment (excluding farmers) grew by 3.4% year-on-year, and disposable income per capita of all residents grew by 4.9% in real terms. For the first to third quarter of 2024, the gross domestic product increased by 4.8% year-on-year and national fixed-asset investments (excluding rural households) increased by 3.4% year-on-year, while disposable income per capita effectively grew by 4.9% in China.

Medical and Pharmaceutical Retail

Since the beginning of 2024, industry profits have decreased due to the impact of overall consumer downgrading. The size of the prescription drug market declined slightly, with negative growth in the offline market and double-digit growth maintained in the online market. On 17 June 2024, the National Administration of Traditional Chinese Medicine (NATCM) issued a circular on the Action Plan for Standardization of Chinese Medicine (2024–2026) (《中醫藥標準化行動計劃(2024–2026年)》), which will greatly promote the high-quality development of Chinese medicine standardization and facilitate the heritage and innovative development of Chinese medicine. On 3 August 2024, the State Council issued the Opinions on Promoting High-Quality Development of Consumption of Services (《關於促進服務消費高質量發展的意見》). In particular, in terms of developing and expanding the new modes of healthcare consumption, it proposed to promote the development of "Internet + Healthcare", support the development of large and small time-honored brand enterprises in the traditional Chinese medicine industry, and enhance the functions of retail pharmacies in the areas of health promotion and nutritional care.

On the one hand, with the gradual regulatory upgrade at all levels in China, the compliance level of the pharmaceutical retail industry has continued to improve, the supervision of medical insurance prices has become more stringent, the transparency of market prices is increasingly higher, and the competition in the traditional retail industry tends to be more intense; on the other hand, the government gives stronger support for traditional Chinese medicine, and the transformation of traditional pharmacies into traditional Chinese medicine mode has favoring policy support and market prospects accordingly. In summary, the retail industry is seeking to invest in the innovative practice of "pharmacy + clinic" and Internet + medical services, and gradually explores the mode of diversified community health service ecosystem under multi-industry integration through expanding presence of Chinese medicine clinics, community clinics, physical examination centers and other retail types. The pharmaceutical retail industry will develop in the direction of larger-scale, diversification and lifestyle.

E-commerce and Distribution

During the first half of 2024, against the backdrop of an increasingly complex and volatile external environment, the government launched a sustained "trade-in" policy to incentivize and continuously promote the digital consumer economy, thereby facilitating the recovery of the consumer market. The application of emerging technologies and the digitization of the smart supply chain have accelerated the digital transformation of industries and further broadened the boundaries of the e-commerce market. The rapid development of innovated e-commerce models such as live streaming and real-time retailing continued to drive the growth of online consumption.

In the first three quarters of 2024, the total retail sales of social consumer goods amounted to RMB35,400 billion, representing a year-on-year increase of 3.3%. National online retail sales continued to grow at a faster pace, with the online retail sales across China amounting to RMB10,900 billion, representing a year-on-year increase of 8.6%, and the proportion of online retail sales in the total value of retail sales continued to increase. Among them, online retail sales of physical commodities amounted to RMB9,100 billion, representing an increase of 7.9% and accounting for 25.7% of the total retail sales of social consumer goods. Among the online retail sales of physical commodities, the sales of food, clothing and consumer goods increased by 17.8%, 4.1% and 7.2% respectively.

Real Estate Business

Regarding the real estate industry, since 2024, the overall new home market in China has continued to adjust, while the second-hand property market has maintained a certain size of trading volume under the impetus of "exchanging price for volume", but the overall downward pressure on the real estate sector remained strong. Against this backdrop, the policy direction was tuned for the property market at the conference of the Political Bureau in April, proposing to conduct research on policies and measures to reduce the property inventories and improve the quality of new properties in a coordinated manner. In May, a video conference was convened to highlight the task of ensuring the delivery of housing projects throughout China, stressing the importance of successfully defusing the risk of the collapse of commodity residential projects, and solidly pushing forward the priorities such as securing the delivery of housing projects and curbing the inventories of commodity housing. In addition, the Ministry of Housing and Urban-Rural Development ("MOHURD"), the Ministry of Natural Resources, the State Administration of Financial Supervision and the People's Bank of China launched an "all-inclusive" package of new policies on the real estate sector, including financing for eligible "white list" projects to support real estate enterprises, relaxation of the restriction on the home purchase in different cities, abolition of the floor level of interest rates for housing mortgage policies, lowering of the minimum down payment ratios and the setting up of the RMB300 billion relending facility fund to support the government-subsidized housing and a series of other supportive policies and initiatives. The focus was on stabilizing the market and reducing inventories.

Despite of the market rebound once occurred, market confidence still lagged behind, resulting in a recovery lasted not long. During the first half of the year, the Chinese real estate market as a whole was in the low sideways. The financing problems and challenges in sales of private real estate enterprises remained. It is foreseen that for a period of time in the future, the recovery of the Chinese real estate industry will only unfold before a slow and long-term process, while remaining in grim and unoptimistic condition currently. During the first to third quarter of 2024, the sales area of commodity housing was 700 million square meters, representing a decrease of 17.1% year-on-year, while the sales of commodity housing amounted to RMB6.9 trillion, representing a decrease of 22.7% year-on-year. The investment in real estate industry recorded RMB7.9 trillion, representing a decrease of 10.1% year-on-year.

OPERATING REVIEW

Medical and Pharmaceutical Retail

The Group acquired 56% equity interest in Wuhan Yekaitai Pharmaceutical Chain Co., Ltd.* (武漢葉開泰藥業連鎖有限公司) ("Yekaitai Pharmaceutical") in August 2023, and acquired the remaining 44% equity shares in Yekaitai Pharmaceutical in November 2023. The Group has upgraded and revamped its traditional pharmacies, commenced the model of pharmacy + Chinese medicine outpatient, and upgraded some of its pharmacies to the "big health +" model of pharmacy + Chinese medicine + peripheral Chinese pharmaceuticals such as Chinese herbal tea and Chinese medicine cuisine. Since the acquisition of Yekaitai Pharmaceutical, we have upgraded a total of 9 pharmacies + Chinese medicine stores and opened a new Yekaitai Pharmaceutical Chinese-medicine hospital in Hangzhou. Leveraging the brand advantage of Yekaitai Pharmaceutical, the hospital will integrate traditional Chinese medicine with modern healthcare concepts, and adhere to the "big healthcare+" service system of "chronic disease healthcare and medical care" integrating Chinese and Western medicine. It will set up six major departments, including traditional Chinese medicine, dermatology, pediatrics, integrated Chinese and Western medicine, medical and surgery. As of September 2024, the Group operated a total of 56 chain stores, 11 Chinese medicine clinics, 3 dermatology clinics and online pharmacies. The Chinese-medicine outpatient clinics provide customers with diversified services such as medicine + rehabilitation, physiotherapy and medication consultancy. With the launch of certain differentiated projects, store traffic and sales have increased significantly.

As of the six months ended 30 September 2024, the medical and pharmaceutical retail business of the Group recorded a turnover of approximately RMB72,615,000 (six months ended 30 September 2023: RMB14,025,000), representing an increase of 417.75% as compared to that of the six months ended 30 September 2023. The segment recorded a loss of RMB 1,167,000 (six months ended 30 September 2023: a profit of RMB1,867,000).

During the Reporting Period, the turnover of the pharmaceutical retail business grew steadily with keen market demand. Nonetheless, the significant increase in selling and marketing expenses in tandem with the expansion in business scale has squeezed profits and resulted in a loss for the year. The Group will focus on cost control and optimize various cost drivers in an effort to achieve sustainable profitability for the business.

E-commerce and Distribution

During the Reporting Period, the distribution business of the Group recorded a turnover of approximately RMB312,047,000 (six months ended 30 September 2023: RMB337,180,000), representing a decrease of 7.45% as compared to that of the six months ended 30 September 2023. The segment recorded a loss of RMB8,400,000 (six months ended 30 September 2023: a loss of RMB2,071,000).

The e-commerce business improved its structure by cutting down on businesses with low gross margin, resulting in a slight decrease in distributed turnover. The loss was primarily attributable to the adjustment of product mix, introduction of new product lines and increase in initial selling expenses. The Group will optimize its business and inventory management to proactively respond to challenges and ensure a healthy development.

Real Estate Business

Property Development

During the Reporting Period, the turnover of the property development business for the Reporting Period decreased by 15.87% to approximately RMB305,553,000 (six months ended 30 September 2023: RMB363,171,000), which was due to the significant decline in the area delivered of the Group's property development projects. The segment recorded a loss of approximately RMB1,223,331,000 (six months ended 30 September 2023: a profit of approximately RMB253,733,000). The segment loss was due to the decrease in gross profit of properties sold and the increase in guarantee liabilities.

As at 30 September 2024, the Group had 11 property development projects across 7 cities in Mainland China. The total area of the properties held for sale, properties under development and area pending construction amounted to approximately 2,369,000 square meters. During the Reporting Period, the Group actively promoted resumption of work and production activities under the changes in the industry. During the Reporting Period, contracted sales of properties and contracted gross floor area ("GFA") amounted to approximately RMB290 million and approximately 43,000 square meters, respectively, with an average selling price of approximately RMB6,690 per square meter.

Project List

As at 30 September 2024

Project Name	Project Location	Planning and Development	Planned GFA *(sq.m)*	Equity Share	Expected year of completion
Yihe Emerald Mansion	Yuxi, Yunnan	Residential/Commercial	456,507	100%	2026
Wei Ming 1898	Kaifeng, Henan	Commercial/Residential	384,569	100%	2024
Boya Binjiang	Foshan, Guangdong	Residential/Commercial	909,598	51%	Completed
Zijing Mansion	Chongqing	Residential/Commercial	209,632	100%	Completed
Boya	Chongqing	Residential/Commercial	499,947	70%	Completed
Jiangshan Mingmen	Chongqing	Residential/Commercial	706,601	100%	Completed
Yuelai	Chongqing	Residential/Commercial	425,947	70%	Completed
Boya City Plaza	Chengdu, Sichuan	Commercial/Office	144,008	51%	Completed
Wei Ming Mansion	Hangzhou, Zhejiang	Residential/Commercial	193,736	100%	Completed
Shanshui Nianhua	Wuhan, Hubei	Residential/Commercial	278,437	70%	Completed
580 Project	Chongqing	Residential/Commercial	613,530	100%	N/A

Note: Expected year of completion is not available for a project as this project has not yet commenced or is pending acceptance of completion. Accordingly, no estimate of their respective expected completion year could be provided.

The Group will further focus on the expansion of its regional property development business and actively facilitate the delivery of its projects. In response to changes in both its internal and the external environment, the Group will move prudently and control risks actively so as to maintain stability of its business operations and facilitate steady delivery of its property projects.

Property Investment and Management

During the Reporting Period, the turnover of property investment and management business increased by 15.55% to approximately RMB56,294,000 (six months ended 30 September 2023: RMB48,717,000). The segment recorded a loss of approximately RMB37,359,000 (six months ended 30 September 2023: a loss of RMB400,000). The increase in segment turnover was primarily attributable to the increase in rented GFA during the Reporting Period while the effect of changes in fair value of certain investment properties resulted in a loss incurred during the Reporting Period.

FINANCIAL REVIEW

Overall Performance

The Group reported a loss of approximately RMB1,354,773,000 for the Reporting Period (six months ended 30 September 2023: a profit of approximately RMB166,054,000). The Group's loss recorded for the Reporting Period was mainly attributable to the combined effects of the following factors:

(a) a decrease in revenue of the Group by 2.2% to approximately RMB746,509,000 during the Reporting Period (six months ended 30 September 2023: RMB763,093,000), which was due to the decrease in revenue from property development business by approximately RMB57,618,000 as a result of decrease in areas delivered, the decrease in revenue from e-commerce and distribution business by approximately RMB25,133,000. The revenue from the new medical and pharmaceutical retail business for the current period increased by RMB58,590,000 while the revenue from the property investment and management business increased by RMB7,577,000. The gross profit decreased by approximately RMB34,229,000 to a profit of approximately RMB19,516,000 (six months ended 30 September 2023: a profit of RMB53,745,000), which was mainly due to the combined effects of decrease in gross profit of properties delivered and decrease in area delivered of property development projects;

(b) an aggregate increase in total selling and distribution expenses and administrative expenses by approximately RMB45,630,000 to approximately RMB180,771,000 (six months ended 30 September 2023: approximately RMB135,141,000), which was attributable to the acquisition of subsidiaries, the implementation of employee option incentive scheme and the increase in sales channel expenses;

(c) the Group disposed of equity interests in certain subsidiaries and recorded a gain on disposal during the Reporting Period. It resulted in the other income and gains for the Reporting Period totalling approximately RMB299,156,000;

(d) a provision for the impairment of properties for sale of RMB281,718,000 was made by the Group, representing a significant increase as compared to the corresponding period of last year (six months ended 30 September 2023: reversal of impairment of approximately RMB33,595,000), which was due to the prevailing market volatility in the real estate industry and in consideration of prudent financial strategies and risk management;

(e) other expenses and losses of RMB1,145,150,000 (six months ended 30 September 2023: 1,384,894,000) was made, which was mainly attributable to the provision for expected guarantee liabilities by the Group to subsidiaries of Hong Kong Huzi Limited which was subsequently disposed of by the Group on 25 March 2022 with the guarantees continuing in effect, as well as the related litigations;

(f) a significant increase in finance costs by 47.6% year-on-year to approximately RMB85,447,000 during the Reporting Period (six months ended 30 September 2023: RMB57,893,000), which was attributable to the new loans from financial institutions to the Company; and

(g) a decrease in income tax expenses by 235.78% and income tax credit of approximately RMB21,986,000 was recorded during the Reporting Period (six months ended 30 September 2023: expense of RMB16,192,000) as a result of a decrease in corporate income tax and land appreciation tax in the PRC and the effect of deferred income tax liabilities during the Reporting Period.

The loss attributable to the owners of the Company and loss attributable to non-controlling interests for the Reporting Period are approximately RMB1,265,687,000 (six months ended 30 September 2023: profit of approximately RMB155,781,000) and RMB89,086,000 (six months ended 30 September 2023: profit of approximately RMB10,273,000) respectively.

Basic and diluted loss per share attributable to owners of the Company for the Reporting Period were RMB46.80 cents (six months ended 30 September 2023: earnings RMB6.83 cents).

Adjustment in 2023 Interim Results

Reference is made to the unaudited interim condensed consolidated financial information of the Company for the six months ended 30 September 2023 (the "2023 Interim Period") published on 30 November 2023 (the "2023 Interim Results") and the interim report of the Company published on 21 December 2023 (the "2023 Interim Report").

As disclosed in the Company's annual results announcement dated 28 June 2024 and annual report published on 30 July 2024 (the "2023 Annual Report"), during the financial year ended 31 March 2024 (the "Financial Year 2023"), the Group began to engage in the trading of mineral concentrates (the "Trading Business"), which was included in the e-commerce and distribution segment. During the 2023 Interim Period, the Group sold mineral concentrates of RMB509,900,000 with cost of RMB509,600,000, which was respectively stated as revenue and cost of sales in the consolidated statement of profit or loss for the 2023 Interim Period, which in turn was disclosed in the 2023 Interim Results and 2023 Interim Report.

During the course of audit of the financial statements of the Group for the Financial Year 2023, the Group's management has further reviewed the nature of the trading of mineral concentrates and discussed with the Group's auditors, CCTH CPA Limited. Both the Group and the auditor of the Company agreed that the net method shall be adopted to recognise income for relevant transactions based on the underlying flow of transactions and in accordance with the relevant Hong Kong Financial Reporting Standard. Having considered the view of the auditor of the Company, the Board, including the audit committee, resolved to adopt the net method to recognise income for the Trading Business transactions of the Group for the Financial Year 2023. As such, the income for transactions of the Group's Trading Business for the year 2023 disclosed in the 2023 Annual Report is presented using the net method and recognised as other gains and losses, net in the profit or loss.

Regarding the 2023 Interim Period, adopting the net method to recognise revenue for transactions of the Group's Trading Business for the 2023 Interim Period, certain items in the consolidated statement of profit or loss for the 2023 Interim Period would be adjusted (the "Adjustment"): (i) revenue would decrease by approximately RMB509,900,000 to approximately RMB763,100,000 (before the Adjustment: approximately RMB1,273,000,000); (ii) cost of sales would decrease by approximately RMB509,600,000 to approximately RMB709,400,000 (before the Adjustment: approximately RMB1,219,000,000); (iii) gross profit would decrease by approximately RMB300,000 to approximately RMB53,700,000 (before the Adjustment: approximately RMB54,000,000); and (iv) other gains and losses, net would increase by approximately RMB300,000 to approximately RMB1,673,700,000 (before the Adjustment: approximately RMB1,673,400,000).

The following table sets out the impact of the Adjustment on the consolidated statement of profit or loss for the 2023 Interim Period:

Affected Items	**Amount before the Adjustment**	**Amount Adjusted**	**Amount after the Adjustment**
	RMB'000	*RMB'000*	*RMB'000*
	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	1,272,964	(509,871)	763,093
Cost of sales	(1,218,962)	509,614	(709,348)
Gross profit	54,002	(257)	53,745
Other gains and losses, net	1,673,487	257	1,673,744
Profit before tax	182,246	–	182,246
Profit for the period	166,054	–	166,054

Save for the aforesaid, there was no other impact of the Adjustment on the consolidated financial statements of the Company for the 2023 Interim Period. During the six months ended 30 September 2024, the Group did not engage in the aforesaid trading business. The accounting policies adopted in the preparation of this interim results announcement are the same as those applied in the preparation of the Group's annual financial statements for the year ended 31 March 2024, except for the adoption of the revised HKFRSs for the first time.

Liquidity, Financial Resources and Capital Commitments

During the Reporting Period, the Group generally financed its operations with internally generated resources and banking facilities provided by its principal bankers in the PRC. As at 30 September 2024, the Group had interest-bearing bank and other borrowings of approximately RMB1,858,700,000 (31 March 2024: RMB1,748,100,000), of which approximately RMB nil (31 March 2024: RMB5,000,000) was floating interest bearing and RMB1,858,700,000 (31 March 2024: RMB1,743,100,000) were fixed interest bearing. The borrowings, which were subject to little seasonality, consisted of mainly bank loans, trust loans and loans from Peking University Founder Group Company Limited (北大方正集團有限公司) ("Peking Founder"), and borrowings from other financial institutions. All interest-bearing bank and other borrowings are denominated in RMB, with approximately RMB905,600,000 (31 March 2024: RMB636,400,000) repayable within one year, approximately RMB661,600,000 (31 March 2024: RMB781,700,000) repayable within two years and approximately RMB291,500,000 (31 March 2024: RMB330,000,000) repayable within three years. The Group's banking facilities were secured by guarantee given by Peking Founder and Peking University Resources Group Co., Ltd. (北大資源集團有限公司) (each of them is a former controlling shareholder of the Company), and certain properties under development and properties held for sale of the Group, equity interests of certain subsidiaries of the Group, receivables of certain subsidiaries of the Group and assignment of return arising from the Group's certain properties under development and properties held for sale. The decrease in other payables and accruals by 9.7% to approximately RMB2,146,000,000 (31 March 2024: RMB2,377,700,000) was due to partial repayment of other payables.

As at 30 September 2024, the Group recorded total assets of approximately RMB10,834,600,000 (31 March 2024: RMB11,522,900,000), total liabilities of approximately RMB9,315,200,000 (31 March 2024: RMB9,015,200,000), non-controlling interests of approximately RMB1,740,200,000 (31 March 2024: RMB1,473,200,000) and loss attributable to owners of the Company of approximately RMB220,800,000 (31 March 2024: equity attributable to owners of the Company of approximately RMB1,034,500,000). The Group's net asset value per share as at 30 September 2024 was RMB56.2 cents (31 March 2024: RMB26.3 cents). The increase in net asset value per share was attributable to the Capital Reorganisation.

As at 30 September 2024, the Group had total cash and cash equivalents and restricted cash of approximately RMB625,200,000 (31 March 2024: RMB904,100,000). As at 30 September 2024, the Group's gearing ratio, measured on the basis of total borrowings as a percentage of total equity, was 1.22 (31 March 2024: 0.70) while the Group's current ratio was 1.08 (31 March 2024: 1.26).

As at 30 September 2024, the capital commitments for contracted, but not provided for, properties under development were approximately RMB849,600,000 (31 March 2024: RMB1,655,900,000).

Treasury policies

The Group adopts conservative treasury policies and controls tightly over its cash and risk management. The Group's cash and cash equivalents are held mainly in Hong Kong Dollars ("HK$"), RMB and United States Dollars ("U.S. dollars"). Surplus cash is generally placed in short term deposits denominated in HK$, RMB and U.S. dollars.

Market risk

The Group's assets are predominantly in the form of land under development, properties under development, properties held for sale and investment properties. In the event of a severe downturn in the property market in China, these assets may not be readily realised.

Interest rate risk

The Group's exposure to the risk for changes in market interest rates relates primarily to the Group's interest-bearing bank and other borrowings. The Group has not used derivative financial instruments to hedge any interest rate risk. The Group manages its interest cost using variable rate bank borrowings and other borrowings.

Foreign exchange risk

The Group operates mainly in Mainland China and Hong Kong. For the operations in Mainland China, most of its revenues and expense are measured in RMB. For the operations in Hong Kong, most of the transactions are denominated in HK$ and U.S. dollars. The values of RMB against the U.S. dollars and other currencies may fluctuate and is affected by, among other things, changes in the PRC's political and economic conditions. The conversion of foreign currencies into RMB is subject to the rules and regulations of the foreign exchange controls promulgated by the Chinese government. The Group has minimal exposure to exchange rate fluctuation. No financial instrument was used for hedging purposes.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings. Cash flows are closely monitored on an ongoing basis.

CHARGES ON ASSETS

As at 30 September 2024, properties held for sale of approximately RMB1,563 million (31 March 2024: RMB1,342 million), investment properties of approximately RMB nil (31 March 2024: RMB295.8 million), accounts receivable of approximately RMB44.6 million (31 March 2024: RMB nil), bank deposits of approximately RMB17.9 million (31 March 2024: RMB13.9 million), certain equity interests of certain subsidiaries and the assignment of returns arising from certain properties under development and properties held for sale of the Group were pledged to banks and other financial institutions to secure general banking facilities and loans granted, as deposits for construction of the relevant properties and as guarantees deposits for certain mortgage loans granted by banks to purchasers of the Group's properties.

CONTINGENT LIABILITIES

As at 30 September 2024, the Group had contingent liabilities as follows:

(1) The Group had contingent liabilities relating to guarantees mainly in respect of mortgage facilities granted by certain banks to certain purchasers of the Group's properties amounting to approximately RMB913,300,000 (31 March 2024: RMB915,300,000). Pursuant to the terms of the guarantees, in the event of default in mortgage payments by these purchasers, the Group is liable for repayment of the outstanding mortgage principals owed by the defaulting purchasers together with the accrued interest and penalty to the banks, while the Group is entitled to take over the legal titles and possession of the relevant properties. The guarantees shall be discharged upon: (i) issuance of real estate ownership certificates which are generally issued within three months after the purchasers take possession of the relevant properties; and (ii) repayment of the mortgage loans by the purchasers of the properties, whichever is earlier.

The Group considers that in the event of default by the purchasers of the properties, the net realisable value of the relevant properties will be sufficient to cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty and therefore no provision has been made in respect of such guarantees in the financial statements.

(2) The Group had outstanding litigations as detailed in "Major Litigations" below.

Major litigations

As at 30 September 2024, the Group has been involved in the following significant legal proceedings and has been proactively responding to such legal proceedings:

(1) In August 2021, Minmetals International Trust Co., Ltd (五礦國際信託有限公司) ("Minmetals International"), filed a civil complaint in the Intermediate People's Court of Xining, Qinghai Province against a subsidiary of HK Huzi, Dongguan Yihui Property Co., Limited* (東莞億輝地產有限公司) ("Dongguan Yihui"), and the Company's subsidiaries, Yuxi Runya Property Company Limited* (玉溪潤雅置業有限公司) ("Yuxi Runya") and Chongqing Yingfeng Property Co., Ltd.* (重慶盈豐地產有限公司) ("Chongqing Yingfeng"), in respect of the outstanding debts with principal amount of approximately RMB1,458,500,000. In February 2022, the Intermediate People's Court of Xining, Qinghai Province issued a civil judgement, which ruled that (i) Dongguan Yihui and Yuxi Runya shall jointly repay to Minmetals International the principal amount of the borrowings of approximately RMB1,458,500,000 together with the related interest and the other costs, and (ii) Minmetals International has the priority of the compensation from the proceeds of auction and sale of the collateral provided by Yuxi Runya and

Chongqing Yingfeng. Yuxi Runya has appealed the judgement to the Higher People's Court of Qinghai Province. In July 2022, the Higher People's Court of Qinghai Province issued a civil judgement, ruling that the appeal of Yuxi Runya was dismissed and the first instance judgment was upheld. Currently, Minmetals International has filed an application for enforcement with the Intermediate People's Court of Xining; Minmetals International, Dongguan Yihui, Yuxi Runya and Chongqing Yingfeng are actively negotiating for the settlement of the repayment plan under this litigation. Details of the litigation are set out in the announcement of the Company dated 30 September 2022.

(2) In August 2021, Minmetals International filed a civil complaint in the Intermediate People's Court of Xining, Qinghai Province against Wuhan Tianhe Jinrui Property Development Company Limited* (武漢天合錦瑞房地產開發有限公司) ("Wuhan Tianhe"), Peking University Resources Group Investment Company Limited* (北大資源集團投資有限公司) ("Resources Investment"), both of which were subsidiaries of HK Huzi, as well as Yuxi Runya, in respect of the outstanding entrusted loans with principal of RMB620 million. In February 2022, the Intermediate People's Court of Xining, Qinghai Province issued a civil judgement, which ruled that Wuhan Tianhe and Yuxi Runya shall jointly repay to Minmetals International the outstanding principal of RMB620 million together with the related interest and other costs and Minmetals International has the priority of compensation from the proceeds of auction and sale of the collateral provided by Wuhan Tianhe and Resources Investment. Wuhan Tianhe appealed the judgement to the Higher People's Court of Qinghai Province. In July 2022, the Higher People's Court of Qinghai Province issued a civil judgement, ruling that the appeal of Wuhan Tianhe was dismissed and the first instance judgment was upheld. Currently, Minmetals International, Wuhan Tianhe, Yuxi Runya and Resources Investment are actively negotiating for the settlement of the outstanding debts under this litigation. Details of the litigation are set out in the announcement of the Company dated 30 September 2022.

(3) A civil legal proceeding filed by China Construction Eighth Engineering Division Corp., Ltd.* (中國建築第八工程局有限公司) ("China Construction Eighth") against Zhejiang Peking University Resources Real Estate Co., Ltd.* (浙江北大資源地產有限公司) ("Zhejiang Resources") with the Zhejiang Hangzhou Intermediate People's Court* (浙江省杭州市中級人民法院) in respect of outstanding construction project sum with interests and penalties amounting to approximately RMB105.3 million, in relation to a property development project of Zhejiang Resources. As at 31 January 2024, the Zhejiang Hangzhou Intermediate People's Court issued a civil judgment, which ruled that, among others, Zhejiang Resources shall pay approximately RMB50.1 million to the plaintiff. Subsequently Zhejiang Resources appealed to the Higher People's Court of Zhejiang Province. The Higher People's Court of Zhejiang Province issued the second instance judgement, ruling that the appeal was dismissed and the first instance judgement was upheld. Subsequently, China Construction Eighth applied to the Zhejiang Hangzhou Intermediate People's Court for its enforcement. Currently, Zhejiang Resources has entered into and enforced a settlement agreement with China Construction Eighth.

(4) Western Trust Co., Ltd* (西部信託有限公司) ("Western Trust") filed a civil complaint in the Intermediate People's Court of Xi'an, Shaanxi Province against Zhejiang Resources, in respect of the outstanding debts in relation to a loan provided to Zhejiang Resources with principal amount of approximately RMB300,000,000 at interest of approximately 10.4% per annum which is secured by a land parcel in Yuhang District, Hangzhou as collateral for a term of three years, together with interest and penalty of approximately RMB389,400,000. On 1 April 2022, the court issued a first instance judgement in favour of the plaintiff, which ruled that Zhejiang Resources shall repay the outstanding principal together with interest and penalty, and the plaintiff has the right to the proceeds of auction and sale of the land parcel collateral as payment for the judgement sum. Subsequently, Zhejiang Resources and Western Trust both appealed to the Higher People's Court of Shaanxi Province. In March 2023, the Higher People's Court of Shaanxi Province issued a civil judgement, which ruled that Zhejiang Resources shall repay the outstanding principal together with interest and penalty, and the plaintiff has the right to the proceeds of auction and sale of the land parcel collateral as payment for the judgement sum. Western Trust has applied to the Intermediate People's Court of Xi'an, Shaanxi Province for enforcement of the effective judgement. Currently, Zhejiang Resources is actively negotiating with Western Trust for the settlement of the repayment plan under this litigation.

(5) The Intermediate People's Court of Guiyang, Guizhou Province* (貴州省貴陽市中級人民法院) issued a judgement on 31 March 2023 in respect of a civil legal proceeding against Kaifeng Boyuan Real Estate Development Co., Ltd.* (開封博元房地產開發有限公司) ("Kaifeng Boyuan") and Chongqing Yingfeng, each an indirect subsidiary of the Company, among other co-defendants. According to the judgement, it was alleged by the plaintiff, Beijing Deyu Yuantong Technology Co., Ltd.* (北京德隅源通科技有限公司), that Kaifeng Boming Real Estate Development Co., Ltd.* (開封博明房地產開發有限公司) ("Kaifeng Boming") obtained a loan from Huaneng Guicheng Trust Corp., Ltd.* (華能貴誠信託有限公司) ("Huaneng Trust") in 2019 for a principal amount of RMB1 billion secured by, among others, the pledge of certain land parcels held by Kaifeng Boyuan, and the share charge of the entire equity interest in Kaifeng Boyuan held by Chongqing Yingfeng. Kaifeng Boming failed to repay the loan and the outstanding principal is RMB590 million. Huaneng Trust subsequently transferred the loan and security to the plaintiff, who initiated the litigation against the defendants. The judgement ruled that, among others: (i) Kaifeng Boming shall repay the plaintiff the outstanding principal of RMB590 million together with interest and default interest; (ii) the plaintiff has the priority in respect of the compensation from the proceeds of auction and sale of certain land parcels held by Kaifeng Boyuan; (iii) the plaintiff has the priority in respect of the compensation from the proceeds of auction and sale of the entire equity interest in Kaifeng Boyuan held by Chongqing Yingfeng; and (iv) Kaifeng Boyuan to be jointly liable for the amount payable by Kaifeng Boming mentioned in (i). Kaifeng Boming is a wholly-owned subsidiary of HK Huzi. In August 2023, the Higher People's Court of Guizhou Province issued a civil judgement, which ruled to uphold the foregoing judgment. Currently, the plaintiff has filed an application for enforcement with the Intermediate People's Court of Guiyang; Kaifeng Boyuan, Chongqing Yingfeng and Kaifeng Boming are actively negotiating with the plaintiff for the settlement of

the repayment plan under this litigation. Details of the litigation are set out in the announcements of the Company dated 21 April 2023 and dated 21 August 2023.

(6) Beijing Financial Court issued a judgment on 29 December 2023 in respect of a civil legal proceeding filed by Beijing Branch of China Huarong Asset Management Co. Ltd.* (中國華融資產管理股份有限公司北京市分公司) ("China Huarong") against Chongqing Yingfeng, an indirect wholly-owned subsidiary of the Company, and certain former subsidiaries of the Company, namely, Dongguan Yihui, Dongguan Yida Property Co., Limited* (東莞億達地產有限公司) ("Dongguan Yida") and Kunshan Hi-Tech Electronic Arts Creative Industry Development Co., Limited* (昆山高科電子藝術創意產業發展有限公司) ("Kunshan Hi-Tech") in respect of a debt owed by Dongguan Yihui and Dongguan Yida to China Huarong (the "Debt"). According to the judgment, the Court has ruled that (i) Dongguan Yihui and Dongguan Yida shall jointly repay China Huarong the Debt with the principal amount of approximately RMB130.7 million, as well as the compensation for restructuring grace period (the "Restructuring Compensation") and penalties for breach of contract; (ii) China Huarong shall have the priority in compensation over the proceeds from the auction or sale of several properties held by Chongqing Yingfeng and Kunshan Hi-Tech; and (iii) Dongguan Yihui, Dongguan Yida, Kunshan Hi-Tech and Chongqing Yingfeng shall pay China Huarong attorney fee of RMB150,000. The relevant parties have been negotiating with China Huarong over the settlement of the Debt and the litigation. Dongguan Yihui, Dongguan Yida and China Huarong entered into a debt settlement agreement (the "Debt Settlement Agreement") on 30 June 2022, a supplemental agreement to the Debt Settlement Agreement (the "First Supplemental Agreement") on 29 December 2022 and the second supplemental agreement to the Debt Settlement Agreement on 20 December 2023 (the "Second Supplemental Agreement"). Under the Second Supplemental Agreement, the parties agreed that (i) Dongguan Yihui and Dongguan Yida shall repay part of the principal amount of the Debt each quarter, and all outstanding principal amount of the Debt shall be repaid by 20 December 2024; (ii) Dongguan Yihui and Dongguan Yida shall repay the Restructuring Compensation with respect to the Debt by 20 December 2024; and (iii) Dongguan Yihui and Dongguan Yida shall repay costs incurred by China Huarong in recovering the Debt. As advised by the PRC legal advisors, despite the issue of the judgement, the Second Supplemental Agreement is still legally binding and enforceable between the parties. Currently, the relevant parties are still actively negotiating with China Huarong for the settlement of the outstanding debts under this litigation. Details of the litigation are set out in the announcement of the Company dated 11 January 2024.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 30 September 2024, the Group did not have any specific future plans for material investments or capital assets (31 March 2024: Nil). Nonetheless, the Group is always seeking new investment opportunities in the e-commerce business and medical and pharmaceutical retail business, in order to broaden the revenue stream and profitability of the Group and enhance long-term shareholders' value.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save for the following, the Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures for the Reporting Period:

(1) On 8 August 2024, an indirect wholly owned subsidiary of the Company and Suzhou Aoze Enterprise Management Co., Ltd.* (蘇州遨澤企業管理有限公司) ("Suzhou Aoze") entered into a joint venture agreement to form a joint venture. Pursuant to the terms of the joint venture agreement, the registered capital of the joint venture is RMB150,010,000, which will be contributed, and the joint venture will be held, as to approximately 99.99% by the Group and approximately 0.01% by Suzhou Aoze. The joint venture is primarily engaged in the investment and cooperation in the non-performing assets in the domestic real estate industry and the medical industry in China. Please refer to the announcement of the Company dated 8 August 2024.

(2) On 16 May 2024, the Group entered into an agreement with an independent third party to dispose of 90% equity interest in a subsidiary, Ezhou Jinfeng, for an aggregate cash consideration of RMB900,000. The disposal was completed on 16 May 2024. Upon completion of the disposal, Ezhou Jinfeng ceased to be subsidiary of the Company.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2024, the Group has approximately 733 employees (31 March 2024: 744). The number of employees remained stable during the Reporting Period.

The Group formulates human resource policies and procedures based on the performance and merits of its employees. The Group ensures that the remuneration package for its employees is competitive and employees are rewarded based on work performance within the general framework of the Group's salary and bonus system. The Group provides on-the-job training to its employees in addition to retirement benefit schemes and medical insurance.

The Group operates a share option scheme (the "Share Option Scheme") to incentivise and reward eligible participants who contribute to the success of the Group's operations. The Share Option Scheme is a share incentive scheme established in accordance with Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

On 29 May 2013, the Group adopted a share option scheme (the "2013 Share Option Scheme"), which is valid and effective for a period of 10 years from the date of adoption. The total number of shares of the Company (the "Shares") in respect of which options may be granted under the 2013 Share Option Scheme is not permitted to exceed 10% of the Shares in issue on the adoption date, i.e. 163,396,901 Shares. The Company has granted share options to certain eligible individuals to subscribe for up to a total of 147,051,211 Shares under the 2013 Share Option Scheme, and such share options granted had been exercised in full by the grantees before 31 March 2023. Details of the options granted under the 2013 Share Option

Scheme are set out in the announcement of the Company dated 2 September 2022. As the 2013 Share Option Scheme has already expired on 28 May 2023, the share options for a total of 16,345,690 Shares available under the 2013 Share Option Scheme will not be granted.

On 28 August 2023, the Group adopted a new share scheme (the "2023 Share Scheme"), which is valid and effective for a period of ten (10) years from the date of adoption and ending on 27 August 2033. Upon termination of the 2023 Share Scheme, no further awards will be granted but in respect of all awards which have been granted but have not been exercised, the provision of the 2023 Share Scheme shall remain in full force and effect.

According to the 2023 Share Scheme, the Company may grant awards to the eligible participants during the scheme period, the nature and amount of which shall be determined by the Board during the scheme period, in the form of (a) share award which vests in the form of the right to receive such number of award shares at the issue price or the actual selling price of the award shares in cash, as the Board may in its absolute discretion determine in accordance with the terms of the scheme (the "Share Award(s)"), which is funded by the issuance of new Shares and/or the purchase of existing Shares by way of on-market transaction; or (b) share options which vest in the form of the right to subscribe for such number of award shares as the Board may determine during the exercise period at the exercise price in accordance with the terms of the scheme (the "Share Option(s)"), which is funded by the issuance of new Shares.

The purpose of the 2023 Share Scheme is to recognise and motivate the contribution of eligible participants, to provide eligible participants with the opportunity to acquire proprietary interests in the Company and to encourage eligible participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and the Shareholders as a whole.

Eligible participants of the 2023 Share Scheme include the following persons:

(1) Employee Participants: any directors (including executive directors, non-executive directors and independent non-executive directors), chief executive and employees (full-time or part-time) of the Company or any of its subsidiaries (including persons who are granted award(s) under the 2023 Share Scheme as an inducement to enter into employment contracts with the Company or any of its subsidiaries);

(2) Service Provider Participants: any person(s) (whether a natural person, a corporate entity or otherwise) who provide services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interest of the long-term growth of the Group, including (a) suppliers of services to any member of the Group; and (b) advisers (professional or otherwise) or consultants to any area of business or business development of any member of the Group, but for the avoidance of doubt excludes (i) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisition; and (ii) professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity; and

(3) Related Entity Participants: the directors, chief executive and employees of the holding companies, fellow subsidiaries or associated companies of the Company.

According to the 2023 Share Scheme, all awards to be granted that involve the issuance of Shares of the Company shall not exceed 10% of the total number of Shares in issue as at the adoption date, being 912,966,911 Shares. The sublimit for service providers, being 91,296,691 shares, represents 1% of the total number of Shares in issue as at the adoption date of the 2023 Share Scheme, i.e. 28 August 2023.

The maximum number of Shares in respect of which awards may be granted to a single eligible participant in any 12-month period up to and including the date of such grant shall not exceed 1% of the Shares in issue.

A Share Option may be exercised during such period as the Board may determine, save that such period shall not be more than 10 years from the offer date.

The vesting period for awards shall not be less than 12 months, provided that the Board, may at its discretion, grant awards to the Employee Participants with a shorter vesting period under such circumstances the Board may consider appropriate and in alignment with the purposes of the 2023 Share Scheme. Awards granted under the 2023 Share Scheme may be subject to vesting conditions which must be satisfied before an award shall become vested. The Board may in its absolute discretion determine the vesting conditions (if any) applicable to any award and specify such vesting conditions in offer letter of the award, which may be a time-based vesting condition and/or a performance-based vesting condition requiring the grantee to meet certain performance target, which may relate to the revenue, the profitability and/or the business goals of the Group or any of its business unit, to be assessed based on such method as the Board may determine in its absolute discretion.

For awards which take the form of Share Awards, the issue price for the awards shall be such price determined by the Board and notified to the grantee in the letter containing the offer of the grant of the award, taking into consideration factors such as the prevailing closing price of the Shares, the purpose of the scheme, the performance and profile of the relevant grantee(s). The Board may determine the issue price to be at nil consideration.

For awards which take the form of Share Options, the exercise price for the exercise of such Share Options shall be such price determined by the Board in their absolute discretion and notified to the grantee in the letter containing the offer of the grant of the award but in any case the exercise price shall be at least the higher of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the relevant offer date in respect of such award, which must be a trading day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) trading days immediately preceding relevant offer date in respect of such award; or (iii) the nominal value of a Share. The Board may grant awards in respect of which the exercise price is fixed at different prices for certain periods during the exercise period.

The 2023 Share Scheme is a share incentive scheme established in accordance with Chapter 17 of the Listing Rules. On 29 December 2023, the Company granted an aggregate of 600,000,000 Share Options to subscribe for 600,000,000 Shares to certain employees of the Group in accordance with the terms of the 2023 Share Scheme, details of which are set out in the Company's announcement dated 29 December 2023. Since the adoption of the 2023 Share Scheme and up to the date of this announcement, no awards were granted to any service provider participants under the 2023 Share Scheme.

The table below sets out the details of the outstanding options granted to the grantees under the Share Option Scheme and movements during the Reporting Period:

							Number of share options					
Name or category of participant	**Position held**	**Date of grant**	**Vesting period**	**Closing price of the Shares immediately before the date of grant**	**Exercise period**	**Exercise price**	**Outstanding as at 1 April 2024**	**Granted during the period**	**Exercised during the period**	**Cancelled/ lapsed during the Reporting Period**	**Outstanding as at 30 September 2024**	**Closing price (weighted average) of the Shares immediately before the dates on which the options were exercised**
Directors, chief executive, substantial shareholders and/or associates												
– Wong Kai Ho	Executive Director and Chairman of the Company and a director of several subsidiaries of the Company	29 December 2023	From the date of grant until the commencement of the exercise period	HK$0.098	From vesting date *(Note (1))* until 31 December 2027 (both days inclusive)	HK$0.101 per Share *(Note (2))*	10,300,000	–	–	–	10,300,000	–
– Xia Ding	Director, co-chief executive officer, the chief operational officer of the Company and the president of several subsidiaries of the Company						23,000,000	–	–	–	23,000,000	–
– Jiang Xiaoping	Deputy chief executive officer of the Company and the president of several subsidiaries of the Company						22,000,000	–	–	–	22,000,000	–
Other employees							544,700,000	–	–	–	544,700,000	–
							600,000,000	–	–	–	600,000,00	–

Notes:

(1) The vesting period of the Share Options granted is subject to the terms of the 2023 Share Scheme and the decision of the Board: (i) one-third of the Share Options shall be vested and become exercisable on 31 December 2024; (ii) one-third of the Share Options shall be vested and become exercisable on 31 December 2025; and (iii) one-third of the Share Options shall be vested and become exercisable on 31 December 2026.

(2) The exercise price is HK$0.101 per Share, which is higher than the following: (i) the closing price of HK$0.10 per Share on the date of grant; (ii) the average closing price of HK$0.1002 per Share for the five (5) business days immediately preceding the date of grant; and (iii) the nominal value of HK$0.10 per Share.

Immediately following the grant of Share Options as described above, the number of Shares available for future grants under the 2023 Share Scheme is 312,966,911.

As a result of the Capital Reorganisation, immediately upon the Capital Reorganisation becoming effective on 8 May 2024 and pursuant to (i) the relevant terms and conditions of the 2023 Share Scheme; (ii) Rule 17.03(13) of the Listing Rules; and (iii) the Supplementary Guidance on Adjustments to the Exercise Price and Number of Share Options under the Listing Rule Requirements dated 5 September 2005 (the "Supplementary Guidance"), the exercise price of the outstanding share options granted under the 2023 Share Scheme is adjusted to HK$0.404 per Share and the number of New Shares to be issued upon the exercise of the Share Options is adjusted to 150,000,000, and the total number of New Shares available for future grants will be adjusted to 78,241,727 pursuant to the terms of the 2023 Share Scheme, of which the limit of Share Options that may be granted to any service providing participant for its exercise is 22,824,172 shares. Please refer to the circular and the notice of special general meeting of the Company both dated 28 March 2024, and the announcements of the Company dated 7 May 2024 and 28 August 2024.

EVENTS AFTER THE REPORTING PERIOD

There is no significant event affecting the Group after the Reporting Period and up to the date of this announcement.

BUSINESS DEVELOPMENT PROSPECTS

The Group is dedicated to a medium to long term development plan of maintaining a satisfactory growth in results and fulfilling its objective to enhance shareholders' value and will continue to seek outstanding and profitable investment opportunities that are in line with the Group's development strategy.

Medical and Pharmaceutical Retail Business

From the "12th Five-Year Plan" to the "14th Five-Year Plan", the national policies are favorable for the development of chain pharmacies and encourage enterprises to undergo brand building, especially to promote the brand influence of large and small time-honored pharmacies and to support the chain development, specialisation and digitalization of pharmacies. The State has enriched the positioning of retail pharmacies regarding general consumption, emphasizing the need to enhance their functions in the areas of health promotion and nutritional care. This has, to a certain extent, indicated the policy direction for the social functions of retail pharmacies in the new consumer era and their future development trend.

With years of business experience, Yekaitai has a leading position in the industry in terms of its Chinese medicine and pharmaceutical resources. Having a sound customer base and resources, it has garnered considerable reputation and influence in the local area. In recent years, the general public, particularly the younger generation, has begun to believe in Chinese medicine and try to learn more about it. Traditional Chinese medicine health care and physical therapy have become a popular way of leisure for young people nowadays. Capitalizing on the Chinese medicine and pharmaceutical resources of Yekaitai, the Company has developed its featured operations by upgrading some of its pharmacies to the "big healthcare+" model of "pharmacy + Chinese medicine + peripheral Chinese pharmaceuticals" such as Chinese herbal tea, Chinese medicinal cuisine since August 2023. We have launched a number of services projects in some of our stores, including self-developed herbal paste, Chinese herbal tea, healthy cuisine, handmade Chinese medicine incense plaque and Chinese costume experience, in a bid to enhance the brand effect of Yekaitai. On 30 September 2024, the Group staged the grand opening of a new Yekaitai Chinese Medicine Clinic (葉開泰國醫館) in Hangzhou, marking the official entry of the century-old pharmaceutical brand "Yekaitai " into Hangzhou.

We will continue to build on the "Yekaitai" brand and carry on the reputation of large and small time-honored pharmacies by ceaselessly improving the quality of our medicines and services. Besides, we will intensively develop and optimize the "big healthcare+" model, which has integrated medicines sales with diagnosis and treatment, and has been replicated in multiple regions. Leveraging WeChat, Douyin (抖音), Xiaohongshu (小紅書) and other platforms, we have strengthened the promotion for the Yekaitai brand and its services through official accounts and private domain platforms to continuously scale up online sales. The Group will gradually develop Yekaitai into a comprehensive and diversified big healthcare service platform that integrates "pharmaceutical + medicine", "healthcare + experience" and "online + offline operation".

E-commerce and Distribution

Driven by policy support, technological reform and consumption upgrade, China's digital e-commerce market has exhibited a continuing and rapid growth trend. Following years of leapfrog development, e-commerce has transitioned from extensive operation to refined operation. With the in-depth implementation of the "14th Five-Year Plan", the accelerated development of digital economy as well as the wide application of emerging technologies, including industrial Internet and artificial intelligence, have presented unprecedented opportunities for the development of e-commerce.

Since 2023, the Group has gradually and successfully transformed from a traditional IT distributor to an e-commerce platform and reduced the scale of its distribution business to concentrate the main resources on the development of its e-commerce business. With a focus on developing electronics consumer products and the e-commerce market, the Group has expanded the online market for a number of renowned domestic brand manufacturers, accumulated valuable experience in brand management as well as practical capabilities, and cultivated profound data insight capabilities, professional marketing and operation teams and efficient execution capabilities. The Group has expanded its businesses to various ecosystem platforms such as Jingdong (京東), PinDuoDuo (拼多多) and Douyin (抖音), thereby realizing all-dimensional and multi-channel exposure, promotion and sales to consumers for products in different trade formats. In the era of content-driven marketing, the Company has kept abreast of the market trend and constantly delved into emerging social content platforms such as Douyin (抖音), Xiaohongshu (小紅書), Kuaishou (快手) and WeChat Video Channel. Riding on its accurate understanding of consumer psychology as well as strong data insights and user profile analysis capabilities, the Company has created tailored content to cater to the tonality and user preferences of different platforms. Accordingly, it made use of scenario-based content to connect consumers with the brand and evoke emotional resonance, with a view to exponentially extending the reach of its products and brand. The Company has boosted the brand's sales conversions through efficient coordination across all domains.

We will seize the unprecedented opportunities arising from the development of e-commerce, put greater efforts in all-channel marketing, focus on private domain traffic operation, enhance data-driven decision-making, expand cross-border e-commerce businesses, explore the application of emerging technologies, and actively cooperate with leading and small and medium-sized e-commerce platforms to jointly create differentiated competitive advantages. Through a well-established supply chain system and highly efficient operation network, we expect to become an indispensable link between brands and consumers, providing brand operators with a full range of value-added services to help them stand out from the intense competition in the market.

Real Estate Business

Despite the various lingering challenges faced by the Chinese real estate market, it is clear that the government's policies are poised to bolster the recovery of the overall market. In September 2024, the government adopted a series of heavyweight policies to strictly control the construction of new commodity housing, optimize the inventories and enhance the quality, step up the loan financing for the eligible "white list" projects, support the revitalization of the inventories of idle land, adjust the policy of restricting the purchase of residential properties, reduce the interest rates of housing mortgage for the inventories, and solidly improve the policies on land, fiscal planning and taxation, and finance so as to halt the downtrend and promote the stabilization of the real estate market, and facilitate the formation of a new mode of real estate development.

Following the continuous launch of heavyweight policies, market sentiment has also changed. In October 2024, although property sales have recovered to some extent, only the trading volume has not seen any notable improvement. As most real estate companies have been significantly downsizing in recent years, their land bank has mostly been insufficient to support large-scale expansion. In addition, the market remains rather rational, and land transactions continues to stay sluggish. It will take a process to resolve the industry risks accumulated over the years, for which only new stimulus policies and measures will be effective.

In response to the prevailing challenges in the industry, the Group will continue to place strong emphasis on financial security, innovate the organisational structure and enhance management efficiency. Maintaining liquidity for operations and mitigating existing debt issues are the Group's business priorities.

Asset Management Business

In order to achieve the Group's strategic objective of sustainable development, the Group will gradually invest resources to actively develop new financial services businesses, including areas such as investment and management of special opportunity assets. Peking University Resources Asset Management Limited (the "Asset Management Company"), a wholly-owned subsidiary of the Group, has been granted a Type 9 (asset management) license by the Securities and Futures Commission in April 2023 to carry out regulated activities of asset management as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In December 2023, Asset Management Company was appointed as the investment manager of the Hong Kong Gateway Special Opportunities Return Limited Partnership Fund (the "Hong Kong Gateway Fund"). The Group will leverage its extensive experience in the real estate industry and build on its expertise in planning, design, construction and management to provide management services for its affiliated real estate development projects. On 8 August 2024, the Group jointly established a joint venture with Suzhou Aoze, which will be principally engaged in the investment or cooperation in respect of the non-performing assets in the domestic real estate industry and the medical industry in China.

In the asset management business, the Group will focus on a number of areas, including but not limited to the real estate sector. Additionally, the Group believes that industries related to technology investment have great potential and room for development, and will therefore also focus on such related industries. In the future, the Group will maintain a prudent and sound principle of investment in order to create greater returns for its shareholders and clients.

INTERIM DIVIDEND

The Board did not recommend the payment of any interim dividend for the six months ended 30 September 2024.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Saved as disclosed in the table below, there has been no purchase, redemption or sale of any of its listed securities (including sale of treasury shares) in the twelve months immediately preceding the date of this announcement.

Date of the announcement	Fundraising activities	Net proceeds raised *(approximately)*	Intended use of proceeds	Actual use of proceeds up to the date of this announcement
9 February 2024, 2 April 2024 and 10 May 2024	Issue and allotment of 150,000,000 Shares under the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the annual general meeting held on 28 August 2023	HK$34,200,000	General working capital	Unutilized, which is expected to be fully utilised by 31 December 2024
25 October 2023 and 29 November 2023	Issue and allotment of 1,220,000,000 Shares under the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the annual general meeting held on 28 August 2023	HK$121,500,000	General working capital	Fully utilised as intended

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a model code of conduct regarding securities transactions by directors of the Company on terms no less exacting than the required standard as set out in the Model Code (the "Model Code") as set out in Appendix C3 of the Listing Rules. Having made specific enquiry by the Company, all directors of the Company have confirmed that they have complied with the Model Code regarding directors' securities transactions throughout the Reporting Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is firmly committed to the overall standards of corporate governance and has always recognised the importance of accountability and communication with its shareholders. The Company adopted all the code provisions of Corporate Governance Code (the "CG Code"), as set out in Appendix C1 to the Listing Rules, as its own code on corporate governance practices. In the opinion of the Directors, the Company has fully complied with the code provisions as set out in the CG Code during the Reporting Period.

AUDIT COMMITTEE

The audit committee of the Board has reviewed the accounting policies, accounting standards and practices adopted by the Group and the interim condensed consolidated financial statements and results of the Group for the six months ended 30 September 2024 with the Company's management.

PUBLICATION OF INTERIM REPORT

The interim report of the Company for the six months ended 30 September 2024 containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and published on The Hong Kong Exchanges and Clearing Limited's website (www.hkexnews.hk) and the Company's website (www.pkurh.com) in due course.

By Order of the Board
Peking University Resources (Holdings) Company Limited
Wong Kai Ho
Chairman

Hong Kong, 29 November 2024

As at the date of this announcement, the Board comprises executive Directors of Mr. Wong Kai Ho (Chairman), Mr. Huang Zhuguang, Mr. Hou Ruilin and Mr. Xia Ding; and the independent non-executive Directors of Mr. Chin Chi Ho, Stanley, Ms. Xu Nan and Prof. Cheung Ka Yue.

* *For identification purposes only*