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GR PROPERTIES LIMITED

國銳地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 108)

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

The board (the “**Board**”) of directors (the “**Directors**”) of GR Properties Limited (the “**Company**”) hereby presents the unaudited interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2021, together with comparative figures for the six months ended 30 June 2020. The audit committee of the Company (the “**Audit Committee**”) has reviewed and discussed with the management of the Company the unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2021 (the “**Period**”).

FINANCIAL HIGHLIGHTS

- The Group’s revenue from continuing and discontinued operations for the Period was approximately HK\$183.5 million, representing an increase of approximately 13.4% from approximately HK\$161.8 million for the corresponding period in 2020.
- Profit before tax for the Period (included continuing and discontinued operations) was approximately HK\$167.9 million, representing an increase of approximately HK\$161.1 million from profit before tax of approximately HK\$6.8 million for the corresponding period in 2020.
- Profit for the period attributable to shareholders of the Company for the Period was approximately HK\$146.4 million, as compared to the loss attributable to shareholders of the Company of approximately HK\$6.7 million in the corresponding period in 2020.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		(Unaudited)	(Unaudited)
		30 June 2021	30 June 2020
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		Six months ended	(Restated)
CONTINUING OPERATIONS			
REVENUE	5	169,316	152,218
Other income and gains, net	6	10,350	4,020
Cost of inventories sold		(3,994)	(31)
Employee benefit expenses		(30,829)	(25,389)
Marketing expenses		(462)	(938)
Depreciation and amortisation		(1,975)	(2,112)
Utilities, repairs and maintenance and rental expenses		(66,236)	(63,220)
Reversal of impairment/(impairment) of trade and lease receivables, net		(85)	1,019
Other operating expenses, net		(76,584)	(28,947)
Remeasurement gain upon transfer of certain properties held for sale to investment properties		80,486	40,893
Finance costs		(54,183)	(58,499)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	7	25,804	19,014
Income tax expense	8	(21,101)	(13,408)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		4,703	5,606
DISCONTINUED OPERATION	9		
Profit/(loss) for the period from a discontinued operation		142,046	(12,229)
PROFIT/(LOSS) FOR THE PERIOD		146,749	(6,623)
Attributable to:			
Shareholders of the Company		146,445	(6,697)
Non-controlling interests		304	74
		146,749	(6,623)

		(Unaudited)	(Unaudited)
			(Restated)
		Six months ended	
		30 June 2021	30 June 2020
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
EARNINGS/(LOSS) PER SHARE			
ATTRIBUTABLE TO SHAREHOLDERS			
OF THE COMPANY			
	<i>10</i>		
Basic (HK cent per share)			
– For profit/(loss) for the period		<u>4.58</u>	<u>(0.21)</u>
– For profit from continuing operations		<u>0.14</u>	<u>0.17</u>
Diluted (HK cent per share)			
– For profit/(loss) for the period		<u>3.22</u>	<u>(0.21)</u>
– For profit from continuing operations		<u>0.11</u>	<u>0.13</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) Six months ended 30 June 2021 <i>HK\$'000</i>	(Unaudited) 30 June 2020 <i>HK\$'000</i>
PROFIT/(LOSS) FOR THE PERIOD	<u>146,749</u>	<u>(6,623)</u>
OTHER COMPREHENSIVE INCOME/(LOSS)		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>		
— <i>Debt investments at fair value through other comprehensive income:</i>		
<i>Changes in fair value</i>	(808)	477
<i>Reclassification adjustment for gain on disposal included in profit or loss</i>	<u>1,904</u>	<u>(148)</u>
	1,096	329
— <i>Exchange differences:</i>		
<i>Exchange differences on translation of foreign operations</i>	41,280	(100,299)
<i>Reclassification adjustments for foreign operations disposed of during the period</i>	<u>4,885</u>	<u>—</u>
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	<u>46,165</u>	<u>(100,299)</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF INCOME TAX	<u>47,261</u>	<u>(99,970)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	<u><u>194,010</u></u>	<u><u>(106,593)</u></u>
Attributable to:		
Shareholders of the Company	193,419	(106,194)
Non-controlling interests	<u>591</u>	<u>(399)</u>
	<u><u>194,010</u></u>	<u><u>(106,593)</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		(Unaudited) 30 June 2021 <i>HK\$'000</i>	(Audited) 31 December 2020 <i>HK\$'000</i>
	<i>Notes</i>		
NON-CURRENT ASSETS			
Property, plant and equipment		1,674	8,229
Investment properties	11	4,939,843	4,653,309
Right-of-use assets		2,148	5,505
Computer software		1,032	948
Non-current deposits		–	1,188
Deferred tax assets		12,438	12,196
		4,957,135	4,681,375
CURRENT ASSETS			
Properties held for sale		980,167	1,073,920
Inventories		1,534	2,212
Trade and lease receivables	12	94,546	92,827
Prepayments, deposits and other receivables		159,278	119,078
Due from related parties		94,716	69,839
Other tax recoverables		65,897	72,200
Debt investments at fair value through other comprehensive income		–	24,562
Cash and cash equivalents		362,291	196,147
		1,758,429	1,650,785
Assets of a disposal group classified as held for sale	13	–	369,844
		1,758,429	2,020,629

		(Unaudited) 30 June 2021 HK\$'000	(Audited) 31 December 2020 HK\$'000
CURRENT LIABILITIES			
Trade payables	14	20,464	42,327
Receipts in advance		47,996	95,567
Other payables and accruals		100,986	137,799
Due to related parties		363,261	360,648
Bank and other borrowings		1,489,839	25,854
Income tax payables		12,791	17,192
Other tax payables		3,470	4,387
		<u>2,038,807</u>	683,774
Liabilities directly associated with the assets classified as held for sale	13	–	<u>126,543</u>
Total current liabilities		<u>2,038,807</u>	810,317
NET CURRENT ASSETS/(LIABILITIES)		<u>(280,378)</u>	<u>1,210,312</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,676,757</u>	<u>5,891,687</u>
NON-CURRENT LIABILITIES			
Bank and other borrowings		659,643	2,093,727
Liability component of perpetual convertible bonds	15	51,828	51,197
Deferred tax liabilities		181,960	157,447
Total non-current liabilities		<u>893,431</u>	<u>2,302,371</u>
Net assets		<u><u>3,783,326</u></u>	<u><u>3,589,316</u></u>
EQUITY			
Equity attributable to shareholders of the Company			
Share capital	16	3,152,571	3,152,571
Equity component of perpetual convertible bonds	15	1,078,217	1,078,217
Reserves		(471,422)	(664,841)
		<u>3,759,366</u>	3,565,947
Non-controlling interests		<u>23,960</u>	<u>23,369</u>
Total equity		<u><u>3,783,326</u></u>	<u><u>3,589,316</u></u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. CORPORATE AND GROUP INFORMATION

GR Properties Limited (the “**Company**”) is a limited liability company incorporated in Hong Kong and shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The registered office and the principal place of business of the Company is located at Suite 1603, Wheelock House, 20 Pedder Street, Central, Hong Kong.

During the six months ended 30 June 2021 (the “**Period**”), the Company and its subsidiaries (collectively referred to as the “**Group**”) were involved in the following principal activities:

- property development and investment in the United Kingdom (the “**UK**”), the United States of America (the “**USA**”) and the mainland (“**Mainland China**”) of the People’s Republic of China (the “**PRC**”)
- provision of property management services in Mainland China
- operation and management of a leisure and lifestyle experience centre (the “**Recreational Centre**”) in Beijing, the PRC. On 31 May 2021, the Group disposed the operation of the Recreational Centre. Further details of the disposal are included in note 9 to the interim condensed financial information.

As at 30 June 2021, the immediate holding company of the Company was Wintime Company Limited, which is incorporated in the British Virgin Islands with limited liability. In the opinion of the directors of the Company, the ultimate holding company of the Company is Winluck Global Limited, which is incorporated in the British Virgin Islands with limited liability.

2.1 BASIS OF PREPARATION

This unaudited interim condensed consolidated financial information for the six months ended 30 June 2021 set out in this announcement has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountant (the “**HKICPA**”) and the applicable disclosure requirements of Appendix 16 to The Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). It does not include all the information and disclosures in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2020. The accounting policies and basis of preparation adopted in the preparation of this unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020, except for the changes in accounting policies made thereafter in adopting the revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA, as detailed in note 3 below.

The financial information relating to the year ended 31 December 2020 that is included in the interim condensed consolidated statement of financial position as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those consolidated financial statements. Further information relating to those statutory consolidated financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the consolidated financial statements of the Company for the year ended 31 December 2020 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The Company's auditor has reported on those consolidated financial statements of the Company for the year ended 31 December 2020. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

This interim condensed consolidated financial information has not been audited, but has been reviewed by the Company's audit committee.

2.2 BASIS OF PRESENTATION

This unaudited interim condensed consolidated financial information has been prepared on the going concern basis which assumes, inter alia, the realisation of assets and satisfaction of liabilities in the normal course of business. Notwithstanding that the Group had net current liabilities of approximately HK\$280,378,000 as at 30 June 2021, the directors consider that the Group will have adequate funds available to enable it to operate as a going concern which, inter alia, takes into account the historical operating performance of the Group, new banking facilities under negotiation and the unutilised existing facilities in a total amount of HK\$1,814,932,000 available to the Group provided by two shareholders of the Company as at 30 June 2021.

In addition, the Company has an existing plan to realise certain investment properties, and will consider equity and/or debt financing when necessary to provide additional working capital to the Group.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted or early adopted the following revised HKFRSs for the first time for the current period's unaudited interim condensed consolidated financial information:

Amendments to HKFRS 9, HKAS 39,
HKFRS 7, HKFRS 4 and HKFRS 16
Amendment to HKFRS 16

Interest Rate Benchmark Reform – Phase 2

Covid-19-Related Rent Concessions beyond 30 June 2021
(early adopted)

These amendments have had no material effect on how the Group's results and financial position for the current or prior periods presented in this unaudited interim condensed consolidated financial information. The Group has not applied any other new standard or interpretation that has been issued but is not yet effective for the current accounting period.

4. OPERATING SEGMENT INFORMATION

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

- (a) the property development and investment segment from continuing operations engages in property development and investment in the UK, the USA and Mainland China;
- (b) the property management segment from continuing operations engages in the provision of property management services for office buildings, residential properties and car parks in Mainland China; and
- (c) the operation of the Recreational Centre segment from discontinued operation engages in the operation and management of a leisure and lifestyle experience centre in Beijing, the PRC.

Management 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 a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that head office and corporate income and expenses are excluded from this measurement.

Segment assets and segment liabilities exclude unallocated head office and corporate assets and liabilities as these assets and liabilities are managed on a group basis.

	Property development and investment		Continuing operations				Discontinued operation		Total	
	and investment		Property management		Total continuing operations		Operation of the Recreational Centre		Total	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Six months ended	Six months ended	Six months ended	Six months ended	Six months ended	Six months ended	Six months ended	Six months ended	Six months ended	Six months ended
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue from continuing operations	69,268	54,362	100,048	97,856	169,316	152,218	-	-	169,316	152,218
Segment revenue from discontinued operation	-	-	-	-	-	-	14,146	9,594	14,146	9,594
	69,268	54,362	100,048	97,856	169,316	152,218	14,146	9,594	183,462	161,812
Segment results	22,442	13,374	10,536	17,234	32,978	30,608	(11,085)	(12,229)	21,893	18,379
<i>Reconciliation:</i>										
Other unallocated income and gains					-	27	153,131	-	153,131	27
Corporate and other unallocated expenses					(7,174)	(11,621)	-	-	(7,174)	(11,621)
Profit before tax					25,804	19,014	142,046	(12,229)	167,850	6,785

	Property development and investment		Property management		Total	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	As at 30 June 2021 HK\$'000	As at 31 December 2020 HK\$'000	As at 30 June 2021 HK\$'000	As at 31 December 2020 HK\$'000	As at 30 June 2021 HK\$'000	As at 31 December 2020 HK\$'000 (Restated)
Segment assets	<u>6,276,704</u>	<u>6,316,116</u>	<u>251,291</u>	<u>280,437</u>	6,527,995	6,596,553
<i>Reconciliation:</i>						
Corporate and other unallocated assets						
— Property, plant and equipment					89	126
— Right-of-use assets					1,714	2,796
— Prepayments, deposits and other receivables					1,994	2,636
— Due from related parties					87	87
— Cash and cash equivalents					183,685	32,058
Assets related to a discontinued operation					—	67,748
Total assets					<u>6,715,564</u>	<u>6,702,004</u>
Segment liabilities	<u>2,621,993</u>	<u>2,596,805</u>	<u>168,912</u>	<u>166,552</u>	2,790,905	2,763,357
<i>Reconciliation:</i>						
Corporate and other unallocated liabilities						
— Other payables and accruals					752	5,220
— Due to shareholders					86,968	84,295
— Lease liabilities					1,785	2,820
— Liability component of perpetual convertible bonds					51,828	51,197
Liabilities related to a discontinued operation					—	205,799
Total liabilities					<u>2,932,238</u>	<u>3,112,688</u>

5. REVENUE

An analysis of the Group's revenue from continuing operations is as follows:

	(Unaudited) Six months ended 30 June 2021 <i>HK\$'000</i>	(Unaudited) 30 June 2020 <i>HK\$'000</i>
Rendering of property management services	100,048	97,856
Gross rental income from investment property operating leases	69,268	54,362
	<u>169,316</u>	<u>152,218</u>

Notes:

(a) Disaggregated revenue information

Six months ended 30 June 2021 (Unaudited)

Segments	Property development and investment <i>HK\$'000</i>	Property management <i>HK\$'000</i>	Total <i>HK\$'000</i>
Type of services			
Rendering of property management services	–	100,048	100,048
Revenue from another source			
— Gross rental income from investment property operating leases	69,268	–	69,268
Total revenue	<u>69,268</u>	<u>100,048</u>	<u>169,316</u>
Timing of revenue recognition			
Services transferred over time	–	100,048	100,048
Revenue from another source			
— Gross rental income from investment property operating leases	69,268	–	69,268
Total revenue	<u>69,268</u>	<u>100,048</u>	<u>169,316</u>

Geographical market

All revenue from contracts with customers were generated in Mainland China.

Six months ended 30 June 2020 (Unaudited)

Segments	Property development and investment <i>HK\$'000</i>	Property management <i>HK\$'000</i>	Total <i>HK\$'000</i>
Type of services			
Rendering of property management services	—	97,856	97,856
Revenue from another source			
— Gross rental income from investment property operating leases	54,362	—	54,362
Total revenue	<u>54,362</u>	<u>97,856</u>	<u>152,218</u>
Timing of revenue recognition			
Services transferred over time	—	97,856	97,856
Revenue from another source			
— Gross rental income from investment property operating leases	54,362	—	54,362
Total revenue	<u>54,362</u>	<u>97,856</u>	<u>152,218</u>

Geographical market

All revenue from contracts with customers were generated in Mainland China.

(b) Performance obligations

Information about the Group's performance obligations in contracts with customers is summarised below:

Provision of property management services

The performance obligation is satisfied over time as services are rendered and payment in advance is normally required.

6. OTHER INCOME AND GAINS, NET

An analysis of the Group's other income and gains, net from continuing operations is as follows:

	(Unaudited) Six months ended 30 June 2021 <i>HK\$'000</i>	(Unaudited) 30 June 2020 <i>HK\$'000</i>
Bank interest income	160	962
Interest income of loan receivables	2,400	483
Penalty income	15	983
Foreign exchange gain, net	4,444	–
Fair value gain recycled from equity upon disposal of debt investments at fair value through other comprehensive income	–	148
Others	3,331	1,444
	<u>10,350</u>	<u>4,020</u>

7. PROFIT BEFORE TAX

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

	(Unaudited) Six months ended 30 June 2021 <i>HK\$'000</i>	(Unaudited) 30 June 2020 <i>HK\$'000</i>
Depreciation of items of property, plant and equipment	487	546
Depreciation of right-of-use assets	1,415	1,542
Amortisation of computer software	73	24
Foreign exchange differences, net	<u>(4,444)</u>	<u>2,862</u>

8. INCOME TAX EXPENSE

An analysis of the Group's income tax charge is as follows:

	(Unaudited) Six months ended 30 June 2021 HK\$'000	(Unaudited) 30 June 2020 HK\$'000
Current — Mainland China	492	758
Current — UK	487	2,427
Deferred	<u>20,122</u>	<u>10,223</u>
Total tax charge for the period from continuing operations	21,101	13,408
Total tax charge for the period from a discontinued operation	<u>—</u>	<u>—</u>
	<u><u>21,101</u></u>	<u><u>13,408</u></u>

Note:

No provision for Hong Kong profits tax has been made for the Period as the Group did not generate any assessable profits arising in Hong Kong during the Period (six months ended 30 June 2020: Nil).

The PRC and UK income taxes in respect of operations in Mainland China and the UK are calculated at the applicable tax rates on the estimated assessable profits for the Period and the prior period, based on the prevailing legislation, interpretations and practices in respect thereof.

9. DISCONTINUED OPERATION

On 31 May 2021, the Company announced the decision of its board of directors to dispose of Rui Hua Investment Limited, a wholly-owned subsidiary of the Group. Rui Hua Investment Limited and its subsidiaries engage in operation of the Recreational Centre. The Group decided to cease its business to reduce further loss and commitment to such business and realign its resources to focus on its core business of property development, property investment and property management. Further details are set out in the Company's announcement dated 31 May 2021. The disposal of Rui Hua Investment Limited was completed on 31 May 2021. Accordingly, the condensed consolidated statement of profit or loss and the consolidated statement of cash flow have been presented consistently for the discontinued operation throughout the period to conform with the presentation for the six months ended 30 June 2021.

The results of Rui Hua Investment Limited and its subsidiaries for the period are presented below:

	(Unaudited)	(Unaudited) (Restated)
	Six months ended	Six months ended
	30 June 2021	30 June 2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	14,146	9,594
Other income and gains, net	428	47
Expenses	(25,273)	(21,368)
Finance costs	(386)	(502)
	<u>(11,085)</u>	<u>(12,229)</u>
Gain on disposal of the discontinued operation	<u>153,131</u>	<u>–</u>
Profit/(loss) before tax from the discontinued operation	142,046	(12,229)
Income tax	–	–
Profit/(loss) for the period from the discontinued operation	<u><u>142,046</u></u>	<u><u>(12,229)</u></u>

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

For profit/(loss) for the period

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

	(Unaudited)	(Unaudited) (Restated)
	Six months ended	Six months ended
	30 June 2021	30 June 2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Earnings/(loss)		
Profit/(loss) for the period attributable to shareholders of the Company, used in the basic earnings/(loss) per share calculation:		
From continuing operations	4,399	5,532
From discontinued operation	142,046	(12,229)
	<u>146,445</u>	<u>(6,697)</u>
Effect of deemed conversion of all dilutive perpetual convertible bonds, at the beginning of the period	<u>631</u>	<u>619</u>
Profit/(loss) for the period attributable to shareholders of the Company, used in the diluted earnings/(loss) per share calculation	<u><u>147,076</u></u>	<u><u>(6,078)</u></u>

	Number of shares	
	Six months ended 30 June 2021	Six months ended 30 June 2020
Weighted average number of ordinary shares in issue during the period used in the basic earnings/(loss) per share calculation	<u>3,199,373,986</u>	<u>3,199,373,986</u>
Weighted average number of ordinary shares in issue during the period used in the diluted earnings/(loss) per share calculation	<u>4,563,115,486</u>	<u>4,563,115,486</u>

No adjustment had been made to the amount of the basic loss per share amounts presented for the six months ended 30 June 2020 in respect of a dilution as the impact of the perpetual convertible bonds and the outstanding share options of the Company had either an anti-dilutive effect or no diluting effect on the amount of the basic loss per share presented for the period.

From continuing operations

The calculation of the basic and diluted earnings from continuing operations per share attributable to shareholders of the Company is based on the following data:

	(Unaudited)	(Unaudited)
	Six months ended 30 June 2021 HK\$'000	(Restated) Six months ended 30 June 2020 HK\$'000
Profit for the period attributable to shareholders of the Company, used in the basic earnings per share calculation	4,399	5,532
Effect of deemed conversion of all dilutive perpetual convertible bonds, at the beginning of the period	<u>631</u>	<u>619</u>
Profit for the period attributable to shareholders of the Company, used in the diluted earnings per share calculation	<u>5,030</u>	<u>6,151</u>

The denominators used are the same as those detailed above for both basic and diluted earnings/(loss) per share.

11. INVESTMENT PROPERTIES

	Completed <i>HK\$'000</i>	Under construction <i>HK\$'000</i>	Total <i>HK\$'000</i>
Carrying amount as at 1 January 2021	4,443,993	209,316	4,653,309
Addition	–	40,045	40,045
Transfer from properties held for sale (<i>note (c)</i>)	187,413	–	187,413
Exchange realignment	58,748	328	59,076
	<u>4,690,154</u>	<u>249,689</u>	<u>4,939,843</u>
Carrying amount as at 30 June 2021	<u>4,690,154</u>	<u>249,689</u>	<u>4,939,843</u>

Notes:

- (a) The Group's completed investment properties as at 30 June 2021 represented a commercial building located in London, the UK; a commercial and residential complex located in Santa Monica, the County of Los Angeles, State of California, the USA (the "US Complex"); and a commercial building located in Beijing, the PRC, which are leased to third parties under operating leases.

At 31 December 2020, a commercial building located in the UK was included in a disposal group classified as held for sale as the Group had been actively negotiating with interested parties for the sale of that property since 2019 and signed a sale and purchase agreement and disposed of the subsidiary which owned such property in January 2021.

- (b) The Group's investment property under construction as at 30 June 2021 and 31 December 2020 represented a parcel of land located in Culver City, the USA.
- (c) During the Period, the use of certain units in the properties held for sale has been changed upon the inception of operating leases with external third parties. As a result, the leased portion of the properties held for sale was transferred to completed investment properties and a remeasurement gain of HK\$80,486,000 was recognised in profit or loss during the six months ended 30 June 2021.
- (d) As at 30 June 2021, certain of the Group's investment properties were pledged to secure a banking facility granted to the Group, a loan from a financial institution and a loan from a joint venture partner of a subsidiary.

12. TRADE AND LEASE RECEIVABLES

	(Unaudited) 30 June 2021 <i>HK\$'000</i>	(Audited) 31 December 2020 <i>HK\$'000</i>
Trade receivables	97,855	90,790
Lease receivables	11,836	16,910
	<u>109,691</u>	<u>107,700</u>
Total gross trade and lease receivables	<u>109,691</u>	<u>107,700</u>
Less: Impairment	(15,145)	(14,873)
	<u>94,546</u>	<u>92,827</u>

An ageing analysis of the trade and lease receivables, based on the due date and net of impairment, is as follows:

	(Unaudited) 30 June 2021 HK\$'000	(Audited) 31 December 2020 HK\$'000
Current	13,108	73,330
Past due:		
Less than 1 year	73,657	14,191
1 year to 2 years	6,937	2,831
2 years to 3 years	844	2,475
	<u>94,546</u>	<u>92,827</u>

13. ASSETS AND LIABILITIES OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

In December 2019, the directors of the Company decided to sell a commercial building (an investment property) of GR Properties UK Limited, an indirect wholly-owned subsidiary of the Company, located in the UK and the Group signed the heads of terms with a potential independent third party on 15 January 2020. New heads of terms were signed by the Group with another potential independent third party on 8 July 2020. Pursuant to a sale and purchase agreement entered into between GR UK Holdings Limited, a direct wholly-owned subsidiary of the Company (as a vendor), and an independent third party (as a purchaser) dated 8 January 2021, GR UK Holdings Limited agreed to dispose of the entire interest of GR Properties UK Limited to the independent third party for a total consideration of £30,938,000 (equivalent to HK\$325,462,000) which comprised (i) cash consideration of £30,782,000 (equivalent to HK\$323,825,000 (including the repayment of bank loan of £11,700,000 (equivalent to HK\$123,039,000))); and (ii) settlement of transaction costs incurred by the Group for the disposal amounted to £156,000 (equivalent to HK\$1,637,000) by the purchaser. The disposal was completed on 8 January 2021. Further details are set out in the Company's circular dated 26 February 2021.

As the transaction was not completed as at 31 December 2020, GR Properties UK Limited was classified as a disposal group classified as held for sale as at 31 December 2020.

14. TRADE PAYABLES

Trade payables are non-interest bearing and the average credit period is 60 days.

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

	(Unaudited) 30 June 2021 HK\$'000	(Audited) 31 December 2020 HK\$'000
Within 3 months	11,071	19,434
4 to 6 months	4,176	2,591
7 to 12 months	2,020	2,272
Over 1 year	3,197	18,030
	<u>20,464</u>	<u>42,327</u>

15. PERPETUAL CONVERTIBLE BONDS

The Company had perpetual convertible bonds outstanding during the six months ended 30 June 2021, the summary information of which is set out as follows:

Issuance date	17 August 2018
Maturity date	No maturity date
Original principal amount	HK\$1,102,993,200
Coupon rate	1% per annum and will cease to bear any coupon after the fifth anniversary of the date of issue

Conversion price per ordinary share of the Company (HK\$)	<u>0.80</u>
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These perpetual convertible bonds were bifurcated into a liability component and an equity component for accounting purposes. The following tables summarise the movements in the principal amounts, the number of conversion rights outstanding, the liability and equity components of the Company's perpetual convertible bonds during the six months ended 30 June 2021:

Principal amount outstanding

	Total HK\$'000
At 1 January 2021 and 30 June 2021	<u>1,090,993</u>

Number of conversion rights outstanding

	Total
At 1 January 2021 and 30 June 2021	<u>1,363,741,500</u>

Liability component

	Total HK\$'000
At 1 January 2021	51,197
Interest expense	<u>631</u>
At 30 June 2021	<u>51,828</u>

Equity component

	Total HK\$'000
At 1 January 2021 and 30 June 2021	<u>1,078,217</u>

Notes:

- (a) Pursuant to a sale and purchase agreement entered into with Winluck Global Limited and Silky Apex Limited (the “Vendors”) on 30 May 2018, the Company issued a total of 451,576,000 ordinary shares and a batch of perpetual convertible bonds to the Vendors on 17 August 2018 as partial consideration for the acquisition of 95% equity interest in Wise Expert Investment Limited (“Wise Expert”). Further details of the acquisition are set out in the Company’s announcements dated 30 May 2018 and 17 August 2018, and a circular dated 20 July 2018, respectively.

For accounting purpose, the fair value of the perpetual convertible bonds issued as consideration for the acquisition of Wise Expert as at the date of completion of the acquisition amounted to HK\$1,130,568,000.

Further details of the terms of these perpetual convertible bonds are set out in the Company’s circular dated 20 July 2018.

- (b) The conversion of the perpetual convertible bonds is subject to, amongst others, the condition that any conversion will not result in the public float of the Company’s shares being less than 25% of the total issued shares of the Company.

16. SHARE CAPITAL

	(Unaudited) 30 June 2021 HK\$’000	(Audited) 31 December 2020 HK\$’000
Issued and fully paid:		
3,199,373,986 ordinary shares	<u>3,152,571</u>	<u>3,152,571</u>

17. CONTINGENT LIABILITY

In or about January 2020, certain plaintiffs commenced legal proceedings against subsidiaries of the Company in the USA and an independent third party constructor, alleging that the subsidiaries and the constructor have caused damage and nuisance in relation to the construction of the US Complex. The related punitive damages were in an aggregate amount of US\$550,000, which was reduced to US\$200,000 as at 31 December 2020 with reference to a legal advice from an independent legal advisor in the USA. The first hearing was held on 29 July 2020.

On 8 July 2021, a settlement agreement was made by the plaintiffs for an out-of-court settlement of US\$60,000 and the settlement is covered by an insurance indemnity.

The directors of the Company considered that the claim was well covered by the insurance indemnity and no material adverse financial impact on the Group is therefore expected as at 30 June 2021.

18. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified and re-presented to conform with the current period’s presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the Period, the operations of Company were organised into business units based on the nature of their products and services. There were two continuing operating segments, including (i) the property management segment; and (ii) the property development and investment segment. The first segments was carried out in the People's Republic of China (the "PRC") whereas the second segment was carried out in the PRC, the United States of America (the "USA") and the United Kingdom (the "UK"). The disposal of Recreational Centre Segment was completed on 31 May 2021, which was classified as a discontinued operation.

Property management segment

Beijing AOCEAN Property Management Company Limited* (北京澳西物業管理有限公司), ("AOCEAN"), a wholly-owned subsidiary of the Company, provides property management services for office buildings, residential properties and car parks. As at 30 June 2021, AOCEAN managed 24 major residential and commercial property projects, which were located in Beijing, Hebei Province and Hainan, the PRC. The services provided by AOCEAN under the management agreements thereof include, inter alia, (i) provision of heating supply and maintenance services of heat exchange stations and pipeline network; (ii) provision of management services to car parks such as maintenance of various facilities and equipment in the car parks; and (iii) provision of property management services to vacant properties and general management services such as repair and maintenance of buildings and fire safety equipment and facilities for residential and commercial property projects.

Adhering to the principle of being human-oriented, and perceiving the market from the perspective of customers and market needs, AOCEAN has been improving and perfecting its management system and continues to provide professional services to its customers.

Property development and investment segment

During the Period, the Group carried on its property development and investment business in the USA, the UK and the PRC.

- *Santa Monica project*

The Santa Monica project, located in Santa Monica, the County of Los Angeles, State of California, the USA, has a total site area of approximately 40,615 square feet ("US Complex"). According to the title of the parcel of land, the development for the site is a mixed-use three stories development. Total rentable/saleable floor area is approximately 25,000 square feet for commercial use and 38,000 square feet for residential use and there are 190 on-site subterranean parking spaces. Approximately 92% of the commercial area has been leased out during the Period. However, due to the outbreak of COVID-19 which slowed down the leasing progress of residential areas during the Period, we are actively negotiating with several potential tenants to lease out the remaining areas. Property leasing agent has been appointed for residential lease. Marketing campaign has been launched in the market. The plan for the Santa Monica project is to lease out all the commercial units and the residential units.

- *Culver City project*

Culver City project is a 36,319 square feet redevelopment site located at the south corner of Washington Boulevard and Motor Avenue in Culver City, Los Angeles County, California, the USA. It includes an automotive service shop totalling 7,373 square feet and surface lot. The land title allows for the development of 139 residential units, of which 14 units would be income restricted for residents at the extremely low income level, and 1,969 square feet of ground floor would be commercial space.

The Directors consider the Culver City Project to be an attractive investment opportunity to diversify the Group's property development operations in the USA, as this land is located within walking distance to the heart of Culver City, Los Angeles, which is the hub of a number of motion pictures and other production studios and is within well-established transportation network. Culver City Project is expected to further cement the Group's foothold in the western USA and enhance the Group's overall geographical diversification of business.

- *Boundary House*

Boundary House is located at the crossover between the increasingly vibrant Aldgate district in London, the UK which is popular with technology, media and telecommunications occupiers and the established city of London financial and insurance hub. Boundary House is also close to numerous main train lines and underground stations with convenient access of rail transportation. Boundary House is an office building with a net internal floor area of approximately 45,062 square feet, which comprises a ground floor and seven upper floors, basement storage and seven car park spaces. Pursuant to a sale and purchase agreement entered into between GR UK Holdings Limited, a direct wholly-owned subsidiary of the Company, and an independent third party dated 8 January 2021, GR UK Holdings Limited agreed to dispose of all the issued shares of GR Properties UK Limited to the independent third party. The disposal was completed on 8 January 2021.

Further details are set out in the Company's announcements dated 8 January 2021 and 26 January 2021 and the Company's circular dated 26 February 2021.

- *Juxon House*

Juxon House is located at 100 St Paul’s Churchyard, London, the UK. It is situated in a prominent location on the northwest side of St Paul’s Cathedral at the corner of Ludgate Hill, with St Paul’s Churchyard to the south, Ave Maria Lane to the west, and Paternoster Square to the east, which is a prime professional and financial district with the London Stock Exchange and some multinational organisations having offices in the near vicinity. Juxon House is a grade A commercial building with a net lettable floor area of approximately 123,781 square feet, among which the office accommodation, the retail accommodation, and the ancillary and storage area have a net lettable floor area of 100,774 square feet, 20,083 square feet and 2,924 square feet respectively. Juxon House comprises a lower ground floor, a ground floor and five upper floors, basement storage and 20 car park spaces. Juxon House was let to three office tenants and four retail tenants, which contributed approximately £2.9 million rental income to the Group for the Period.

- *Guorui Square Block B*

Beijing Kaipeng Technology Development Co., Ltd.* (北京凱朋科技發展有限公司) (“**Kaipeng Technology**”), a subsidiary of the Company, holds certain units with a gross floor area of approximately 46,164 square meters in Building No.2 of Kingdom Guorui, No.1 Ronghua South Road, Daxing District, Beijing, the PRC (“**Guorui Square Block B**”), which are for office use.

The basements, the whole of Levels 2 to 11, Unit 108 on Level 1M and Units 1201, 1202 and 1203 on Level 12M of Guorui Square Block B, were owned by Wise Expert Investment Limited (“**Wise Expert**”) and its subsidiaries. The Company agreed to acquire Wise Expert at a consideration of HK\$1,541,320,000 pursuant to the sale and purchase agreement dated 30 May 2018 entered into between the Company as purchaser and Winluck Global Limited and Silky Apex Limited as vendors. As at the date of this announcement, 95% of the entire issued share capital of Wise Expert has been acquired by the Group.

The remaining units in Guorui Square Block B, including Level 1, Unit 107 on Level 1M and Levels 13 to 36 (excluding refuge floors on Level 23 and Level 34), were owned by Capable Kingdom Limited (a wholly-owned subsidiary of the Company) and its subsidiaries.

The Directors planned to sell or lease certain units of Guorui Square Block B, subject to market conditions in Yizhuang (亦莊), Beijing, the PRC. Currently, certain units were leased out to tenants under medium or long term leases.

Discontinued Operation of the Recreational Centre segment

The operation of the Recreational Centre (i.e. a leisure and lifestyle experience centre in Beijing, the PRC) segment includes, inter alia, the provision of catering, banquet, fitness and sport facilities services.

The Recreational Centre is located in the Economic Technological Development Area in Yizhuang at the southeast of Beijing, the PRC, which is surrounded by an area of large construction site under development. The construction site includes hotel, offices, residential and retail properties. On 31 May 2021 (after trading hours), the Company entered into the sale and purchase agreement with Winluck Global Limited, a company which is wholly-owned by Mr. Wei Chunxian, and Silky Apex Limited, a company which is wholly-owned by Mr. Sun Zhongmin (collectively, the “**Purchasers**”), pursuant to which the Company has conditionally agreed to sell and the Purchasers have conditionally agreed to purchase all the issued shares of Rui Hua Investment Limited, a subsidiary of the Company (the “**Disposal**”). The total consideration of the Disposal is HK\$100.

Completion of the Disposal is subject to fulfillment of the conditions precedent set out in the agreement. Upon completion, Rui Hua Investment Limited would cease to be a subsidiary of the Company and the financial results of Rui Hua Investment Limited would no longer be consolidated into the financial statements of the Group. The Disposal has been completed on 31 May 2021.

Further details are set out in the Company’s announcement dated 31 May 2021.

FINANCIAL REVIEW

Financial analysis

During the Period, the Group generated revenue from continuing and discontinued operations of approximately HK\$183,462,000 (six months ended 30 June 2020: approximately HK\$161,812,000). The property management segment reported segment revenue of approximately HK\$100,048,000 (six months ended 30 June 2020: approximately HK\$97,856,000). The property development and investment segment reported segment revenue of approximately HK\$69,268,000 (six months ended 30 June 2020: approximately HK\$54,362,000), contributed by the rental income from the operating leases of certain portion of units in Juxon House, Boundary House and Guorui Square Block B. The discontinued operation of the Recreational Centre segment reported segment revenue of approximately HK\$14,146,000 (six months ended 30 June 2020: approximately HK\$9,594,000). The Group recorded a profit for the Period of approximately HK\$146,749,000 (six months ended 30 June 2020: loss of approximately HK\$6,623,000). The turnaround of the Group’s result was mainly attributable to gain on disposal of the discontinued operation of approximately HK\$153.1 million. As at 30 June 2021, the outstanding balance of bank and other borrowings was approximately HK\$2,149,482,000 (31 December 2020: approximately HK\$2,119,581,000), of which the balance mainly consisted of (i) a bank loan of approximately HK\$816,551,000 (31 December 2020: approximately HK\$816,357,000) secured by Juxon House and certain lease receivables; (ii) other loan of approximately HK\$231,885,000 (31 December 2020: approximately HK\$234,078,000) secured by the US Complex; and (iii) lease liabilities balances of approximately HK\$2,288,000 (31 December 2020: approximately HK\$5,483,000). The gearing ratio of the Group, representing net debts* divided by total equity, was approximately 60.1% as at 30 June 2021 (31 December 2020: approximately 68.7%).

As at 30 June 2021, the Group had available cash and bank balances of approximately HK\$362,291,000 (31 December 2020: approximately HK\$196,147,000).

* The amount represented trade payables, bank and other borrowings, other payables and accruals and amounts due to related parties, less cash and cash equivalents

Foreign currency exposure

During the Period, the Group's business operations were principally located in the PRC, the UK and the USA and the main operational currencies are Hong Kong dollars ("HK\$"), Renminbi ("RMB"), Pound sterling ("£") and United States dollars ("US\$"). The Group's transactions were mainly denominated in RMB, £ and US\$. The majority of assets and liabilities are denominated in HK\$, RMB, £ and US\$. Any significant exchange rate fluctuations of foreign currencies against HK\$ may have financial impact to the Group. The Group does not have a foreign currency hedging policy at present. However, the Group will closely monitor the exchange rate movement trend and take corresponding measures in a timely manner to reduce foreign currency exchange risk and exposure.

Human resources and remuneration policy

As at 30 June 2021, the total number of employees of the Group (excluding Directors) was 377 (31 December 2020: 499). Most of them were located in the PRC.

The total remuneration from continuing and discontinued operations of the employees of the Group for the Period was approximately HK\$41,562,000 (six months ended 30 June 2020: approximately HK\$34,279,000).

The emolument of each of the Directors and the employees of the Group is determined on the basis of their merit, qualification, competence and experience in the industry, the profitability of the Group as well as remuneration benchmarks from other local and international companies and prevailing market conditions. Executive Directors and employees also participate in bonus arrangements which are determined in accordance with the performance of the Group and the individual's performance.

Interim dividend

The Board resolved not to declare any interim dividend for the Period (six months ended 30 June 2020: Nil).

Pledge of assets

As at 30 June 2021, the Group had investment properties and properties held for sale amounting to approximately HK\$3,866,545,000 in total (31 December 2020: approximately HK\$3,775,613,000) to secure bank and other borrowings. Such bank and other borrowings comprise of loans presented in the section headed "Financial analysis" of this announcement on page 24.

As at 30 June 2021, certain lease receivables of approximately HK\$11,836,000 (31 December 2020: approximately HK\$16,910,000) in total was pledged to secure bank loans granted to the Group.

Capital and other development related commitment and contingent liabilities

As at 30 June 2021, the Group had no material contingent liabilities (31 December 2020: Nil). As at 30 June 2021, the Group had not contracted and no commitments for development costs and capital expenditure (31 December 2020: Nil).

Significant investments and material acquisitions and disposals of subsidiaries, associates and joint ventures

- (a) Pursuant to a sale and purchase agreement entered into between GR UK Holdings Limited, a direct wholly-owned subsidiary of the Company, and an independent third party dated 8 January 2021, GR UK Holdings Limited agreed to dispose of all the issued shares of GR Properties UK Limited to the independent third party for a consideration of £30,938,000 (equivalent to approximately HK\$325,462,000). The disposal was completed on 8 January 2021.

Further details are set out in the Company's announcements dated 8 January 2021 and 26 January 2021 and the Company's circular dated 26 February 2021.

- (b) On 31 May 2021 (after trading hours), the Company entered into the sale and purchase agreement with Winluck Global Limited, a company which is wholly-owned by Mr. Wei Chunxian, and Silky Apex Limited, a company which is wholly-owned by Mr. Sun Zhongmin (collectively, the "**Purchasers**"), pursuant to which the Company has conditionally agreed to sell and the Purchasers have conditionally agreed to purchase all the issued shares of Rui Hua Investment Limited, a subsidiary of the Company (the "**Disposal**"). The total consideration of the Disposal is HK\$100.

As at the date of the Disposal, Winluck Global Limited was a substantial shareholder of the Company since Wintime Company Limited, a wholly-owned subsidiary of Winluck Global Limited, was the beneficial owner of 1,434,421,537 shares of the Company (representing approximately 44.83% of all the issued shares of the Company). Further, Winluck Global Limited was wholly-owned by Mr. Wei Chunxian and Silky Apex Limited was wholly-owned by Mr. Sun Zhongmin. Each of Mr. Wei Chunxian and Mr. Sun Zhongmin was an executive Director and therefore each of Winluck Global Limited and Silky Apex Limited was a connected person of the Company under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The Disposal therefore constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. Since all applicable percentage ratios in respect of the Disposal are less than 25% and the total consideration is less than HK\$10,000,000, the Disposal is exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

Completion of the Disposal is subject to fulfillment of the conditions precedent set out in the agreement. Upon completion, Rui Hua Investment Limited would cease to be a subsidiary of the Company and the financial results of Rui Hua Investment Limited would no longer be consolidated into the financial statements of the Group. The Disposal has been completed on 31 May 2021.

Further details are set out in the Company's announcement dated 31 May 2021.

Save as disclosed above, the Group had not made any other significant investments, acquisitions and disposals during the Period.

FUTURE PROSPECT

Faced with the unprecedented challenge of the COVID-19 pandemic in the first half of 2021, the Group worked relentlessly to maintain effective operations and provide quality services, minimizing impact on tenants, customers and staffs. To ensure long-term sustainable business growth and value creation, the Group will continue to engage prominently in property development and investment, and relevant asset management services. However, the Group would be more cautious in considering investments in the international markets such as the USA and Europe in accordance with the future development strategy of the Group. This would diversify the business profile of the Group and serve a hedge against the future domestic businesses of the Group with a reasonable return to the shareholders of the Company. Other than capturing investment opportunities to establish the position and engage in the property market in Los Angeles and London for income generating real estates with potential of capital appreciation in the long term and re-development in the future, the Group's focus will also be on the execution of existing projects, including but not limited to enhancement of operating performance as well as facilitation of projects developments. Besides, the Group will not rule out any possibilities to divest its investment with decent return. The Directors believe that after the acquisitions in the past few years and execution of existing projects, the Group will be able to broaden its income base through the stable rental incomes generated from the properties.

Apart from the Group's core businesses in property development and investments in the PRC, the USA and the UK, and the provision of property management services in Beijing, the Group will continue to focus on searching for suitable investment opportunities which may strategically fit into its diversification strategy and generate a steady source of income.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Period.

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions set out in the Corporate Governance Code (the "CG Code") as stated in Appendix 14 to the Listing Rules throughout the Period except for the following deviation:

According to the code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual.

After the resignation of Ms. Liu Shuhua on 1 April 2021, Mr. Wei Chunxian, an executive Director and the chairman of the Company, has been appointed as the chief executive officer with effect from 1 April 2021. The Board considers that this structure will not impair the balance of power and authority between the Board and the management and believes that this structure enables the Group to make and implement decision promptly and efficiently. The Directors will meet regularly to discuss important issues affecting the operations of the Group.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding directors' securities transactions. Having made specific enquiry to all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code throughout the Period.

AUDIT COMMITTEE

Audit Committee is responsible for reviewing and supervising the financial reporting process, internal control and risk management procedures of the Group. The Group's interim results for the Period have been reviewed by the Audit Committee.

As at 30 June 2021, the Audit Committee comprised three independent non-executive Directors, namely Mr. Tung Woon Cheung Eric (chairman of the Audit Committee), Ms. To Tsz Wan Vivien and Mr. Leung Louis Ho Ming.

SUFFICIENCY OF PUBLIC FLOAT

At the date of this announcement, based on the information that is publicly available to the Company and to the knowledge of the Directors, the Company maintained sufficient public float as required under the Listing Rules throughout the Period.

PUBLICATION OF RESULTS ON WEBSITES

Pursuant to Appendix 16 to the Listing Rules, the results of the Company are published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.grproperties.com.hk).

By order of the Board
GR Properties Limited
Wei Chunxian
Chairman

Hong Kong, 31 August 2021

As at the date of this announcement, the executive Directors are Mr. Wei Chunxian, Mr. Sun Zhongmin, Ms. Huang Fei and Ms. Li Bing; and the independent non-executive Directors are Mr. Tung Woon Cheung Eric, Ms. To Tsz Wan Vivien and Mr. Leung Louis Ho Ming.

* *The English name is an unofficial translation for identification purpose only*