



GLORY 国瑞

GLORY HEALTH INDUSTRY LIMITED

國瑞健康產業有限公司



中期報告
Interim Report
2024

(前稱「Glory Land Company Limited (國瑞置業有限公司)」，
並以「Guorui Properties Limited」的名稱在香港經營業務)
(於開曼群島註冊成立的有限公司)

(formerly known as "Glory Land Company Limited (國瑞置業有限公司)"
and carrying on business in Hong Kong as "Guorui Properties Limited")
(Incorporated in the Cayman Islands with limited liability)

香港聯合交易所股份代號 Stock Code : 2329

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Corporate Information

DIRECTORS

Executive Directors

Mr. Zhang Zhangsun (Chairman)
Ms. Ruan Wenjuan
Mr. Yang Huabin (appointed on Jan 29, 2024)
Mr. Feng Yang (appointed on Jan 29, 2024)
Mr. Zhao Yuhong (appointed on Jan 29, 2024)
Ms. Dong Xueer (resigned on Jan 29, 2024)
Mr. Hao Zhenhe (resigned on Jan 29, 2024)
Mr. Sun Xiaodong (resigned on Jan 29, 2024)

Independent Non-Executive Directors

Ms. Chen Jinrong (appointed on Jan 29, 2024)
Mr. Deng Zhidong (appointed on Jan 29, 2024)
Mr. Liu Chengjiang (appointed on May 28, 2023,
resigned on Jan 29, 2024)

JOINT COMPANY SECRETARIES

Ms. Lin Wanling

AUTHORIZED REPRESENTATIVES

Mr. Zhang Zhangsun
Ms. Lin Wanling

AUDIT COMMITTEE

Ms. Chen Jinrong (Committee Chairman)
(appointed on Jan 29, 2024)
Mr. Deng Zhidong (appointed on Jan 29, 2024)
Mr. Liu Chengjiang (appointed on May 28, 2023,
resigned on Jan 29, 2024)

REMUNERATION COMMITTEE

Mr. Deng Zhidong (Committee Chairman)
(appointed on Jan 29, 2024)
Ms. Ruan Wenjuan
Ms. Chen Jinrong (appointed on Jan 29, 2024)

NOMINATION COMMITTEE

Mr. Zhang Zhangsun (Committee Chairman)
Ms. Chen Jinrong (appointed on Jan 29, 2024)
Mr. Deng Zhidong (appointed on Jan 29, 2024)

INTERNAL CONTROL COMMITTEE

Ms. Chen Jinrong (Committee Chairman)
(appointed on Jan 29, 2024)
Ms. Ruan Wenjuan
Mr. Liu Chengjiang (appointed on May 28, 2023,
resigned on Jan 29, 2024)

AUDITOR

Solar CPA Limited (appointed on Jan 12, 2024)
9/F Wui Tat Centre, 55 Connaught Road West,
Sheung Wan, Hong Kong

PRINCIPAL BANKERS

Industrial and Commercial Bank of China Limited
Agricultural Bank of China Limited
Bank of China Limited
China Construction Bank Corporation
Bank of Beijing Co., Ltd.

LEGAL ADVISORS

As to Hong Kong Law
Long An & Lam LLP
Rooms 1804-06, 18/F,
Wing On House,
71 Des Voeux Road Central
Central, Hong Kong

REGISTERED OFFICE

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

CORPORATE HEAD OFFICE IN HONG KONG

WorkShop A 26/F Yan's Tower
NO.27 Wong Chuk Hang Road
Hong Kong

CORPORATE HEADQUARTERS IN PEOPLE'S REPUBLIC OF CHINA

East Block, Hademen Plaza
8-1# Chongwenmenwai Street
Dongcheng District, Beijing
PRC

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

LISTING INFORMATION

Share Listing
The Company's ordinary shares
The Stock Exchange of Hong Kong Limited
(the "Stock Exchange")
Stock Code: 02329

WEBSITE

<http://www.glorypty.com>

Financial Highlights

The board (the “**Board**”) of directors (the “**Directors**”) of Glory Health Industry Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce to the Group’s shareholders (the “**Shareholders**”) the interim results of the Group for the six months ended June 30, 2024, together with comparative figures for the corresponding period in 2023. The Group’s interim results have not been audited and have not been reviewed by the Company’s audit committee.

- Achieved contracted sales for the six months ended June 30, 2024 (the “**Reporting Period**”) was RMB1,184.1 million;
- Revenue for the Reporting Period was RMB987.5 million, of which the revenue from property development was RMB792.3 million;
- Land reserves reached a total GFA of 6,476,560 sq.m. as at June 30, 2024;
- 55% of the Company’s saleable land reserve was distributed in Beijing as at June 30, 2024.

Chairman's Statement

Dear Shareholders,

On behalf of the Board, I hereby present the interim results of the Group for the six months ended June 30, 2024.

INTERIM RESULTS AND REVIEW FOR THE FIRST HALF OF 2024

Interim Results

During the Reporting Period, the revenue of the Group was RMB987.5 million. Revenue from property development was RMB792.3 million.

Market Review

In terms of industry policies, the real estate policy continues the loose main tone. In terms of financial policies, the central bank, the State Administration for Financial Regulation and other departments have continuously launched multiple financial measures, such as lowering the LPR basis point, lowering the minimum down payment ratio, canceling the lower limit of commercial loan interest rates, and lowering the interest rate of housing provident fund loans, aiming to lower the threshold for home purchases and alleviate the mortgage burden on residents. In terms of purchase restrictions, various provinces and cities have continued to relax their policies, and incentive policies such as demand side housing loans, tax subsidies, and trade in programs have been frequently introduced, with support continuing to expand. The intention of macroeconomic policies to boost the real estate market is very clear.

Real Estate Development

In the first half of 2024, the group responded to market changes, adjusted investment and sales strategies in a timely manner, seized the short-term market heat after the policy was introduced, actively promoted sales, and achieved stable business development. In the first half of the year, the group further reduced the scale of real estate development, adhered to debt reduction and accelerated asset disposal, and improved liquidity. The group is making every effort to ensure completion and delivery of the project, while accelerating the pace of transformation.

Investment Properties

During the reporting period, the total rental income of the Group was RMB 158.1 million. Affected by the impact of e-commerce and the downturn of the real economy, the rental income of the group has decreased. The group owns 9 self-owned investment properties in core areas of first and second tier cities such as Beijing and Shenzhen, with a total planned construction area of approximately 763,478 square meters; If the real economy stabilizes and recovers in the future, rental income will increase accordingly.

Land Reserves

As of June 30, 2024, the total planned construction area of our group's land reserve is 6.5 million square meters. The group has existing primary land development projects. Our group undertakes primary land development projects and urban renewal projects in Beijing and Shenzhen. During the reporting period, the Group's unconfirmed primary development and old renovation projects had a development area of 5.8 million square meters, of which Shenzhen accounted for 51.6%. Strengthening urban renewal and upgrading existing housing is a new shift in the existing market. Urban renewal projects with low investment and high profit margins are an important source for our group to supplement land reserves within the Greater Bay Area. In the coming years, our group's old renovation and urban renewal projects can be converted into sales, becoming new profit growth points.

Capital Structure

Our Group utilizes the diversified advantages of domestic and foreign financing channels, fully utilizes various financial instruments, continuously optimizes fund management, reduces financing costs, optimizes debt structure, and effectively controls exchange rate risks. At the same time, further strengthen the risk control function, improve the financial risk monitoring system, and do a good job in risk warning and prevention.

Business Transformation

Our Group is gradually shrinking its real estate business and steadily advancing its transformation towards the health industry.

The Group is optimistic about the future development space and potential of the health industry, and will adapt to the needs of the times by exploring innovative living formats, developing industries such as healthy living communities, healthy living online, and regenerative medicine incubation. On the one hand, continuously upgrading Guorui's customized residential and healthy living products, achieving a comprehensive reshaping of the group's product form and service model. On the other hand, the Group will be committed to providing online services for healthy living, by building innovative businesses such as Guorui Hospital and Medical Online, Online Health Care Services, and Regenerative Medicine, comprehensively improving the Group's comprehensive operation and service level, and achieving the Group's comprehensive transformation into the health industry.

OUTLOOK FOR THE SECOND HALF OF 2024

Looking ahead to the second half of 2024, the support for real estate policies will continue to increase. From the central to local levels, governments at all levels will actively introduce policies to promote demand and reduce inventory, sending a strong signal of "rescuing the market and stabilizing the market". Although policies continue to increase, the real estate market is still in a bottom adjustment stage, with obvious characteristics such as investment confidence bottoming out, low sales, accelerated decline in housing prices, and continued financial pressure. Sales will continue to be under pressure.

The improvement of the financing environment for real estate enterprises is crucial for the recovery of the industry and market. Although the current "whitelist" policy provides funding support for individual projects, the policy coverage is limited and it is difficult to effectively improve the cash flow situation of real estate enterprises. The industry urgently needs financial policies to restore normal capital circulation.

Our group believes that the real estate industry will enter a new long cycle, and the operation mode of the industry will also change. It will shift from the past model of relying on financial leverage to a stable, balanced and high-quality growth model, and is currently in a difficult cycle of deleveraging. In the long run, with the development of urbanization and the improvement of per capita housing area in China, there is still some development space for the real estate industry. However, this development space is no longer universal, but is constantly developing through differentiation, including urban differentiation, enterprise differentiation, product differentiation, and other aspects. The future real estate industry will enter a strong competitive pattern of survival of the fittest, and enterprises need to continuously improve their corporate image, product quality, comprehensive services, management capabilities, and other aspects to cope with fierce competition. Our group will adapt to industry changes, improve both internally and externally, and continuously enhance the competitiveness of our enterprise and products from multiple perspectives, standing out in the fierce industry competition. In the future, our group will adhere to the strategy of regional deep cultivation, establish a good corporate image, and continuously improve our service level and management capabilities. Seize market opportunities, attract more customers with continuously improving product structure, excellent product quality, and thoughtful project services, and promote project sales and payment collection; In addition, we will focus on adjusting the debt structure, striving to reduce financing costs, enhancing the core competitiveness of the group, and ensuring sustained and stable development in the future.

In the complex market environment, the group will transform and develop towards the health industry, and explore the vast market of the health industry.

ACKNOWLEDGEMENT

I take this opportunity to express my sincere gratitude on behalf of the board of directors to all shareholders, investors, partners, customers, and various sectors of society for their trust and support. The performance achieved by our group in the past six months is attributed to the leadership of the company's management and the contributions of all employees. The company will continue to work hard in the future to achieve maximum value for all shareholders.

Zhang Zhongsun
Chairman

Beijing, the PRC
August 30, 2024

Management Discussion and Analysis

BUSINESS REVIEW

As of June 30, 2024, the Group's revenue was RMB987.5 million. Revenue from property development was RMB792.3 million. As of June 30, 2024, the Group's gross profit was RMB432.3 million, and the net loss was RMB64.4 million.

Contracted Sales

The contracted sales of the Group for the first half of 2024 amounted to approximately RMB1,184.1 million. Contracted sales of the Group in the first half of 2024, by geographical location, were mainly from Beijing, Shenyang, and Cooperation projects, and the contracted sales amounting to approximately RMB836.8 million, RMB162.1 million and RMB120.1 million, respectively, representing 70.7%, 13.7% and 10.1% of the Group's total contracted sales, respectively.

The following table sets out the Group's contracted sales by region for the six months ended June 30, 2024 and 2023:

City	For the Six Months Ended June 30,		2023	
	2024	Percentage of Total Contracted Sales	Contracted Sales	Percentage of Total Contracted Sales
	(RMB million)	(%)	(RMB million)	(%)
Beijing	836.8	70.7	1,016.4	48.7
Langfang	11.7	1.0	266.2	12.8
Zhengzhou	0.2	0.0	0.1	0.0
Shenyang	162.1	13.7	15.0	0.7
Foshan	7.0	0.6	78.3	3.8
Shantou	0.8	0.1	1.7	0.1
Suzhou	18.0	1.5	115.0	5.5
Xi'an	26.0	2.2	99.2	4.8
Guizhou	1.3	0.1	9.0	0.4
Cooperation projects	120.1	10.1	486.5	23.3
Total	1,184.1	100.0	2,087.4	100.0

Notes:

1. The sales in the first half of 2023 were RMB2,087.4 million. The sales in the first half of 2024 were RMB1,184.1 million, representing a year-on-year decrease of 43.3%.
2. Contracted sales shown in the table include sales of car parking spaces.

Property Projects

According to the stage of development, the Group classifies its property projects into three categories: completed properties, properties under development and properties held for future development. As some of its projects comprise multiple-phase development on a rolling basis, a single project may include different phases at various stages of completion, under development or held for future development.

As at June 30, 2024, the Group had completed a total unsold GFA of 1,121,389 sq.m. and had land reserves with a total GFA of 6,476,560 sq.m.

The Group selectively retained the ownership of a substantial amount of self-developed commercial properties with strategic value to generate stable and sustainable income. As at June 30, 2024, the Group had investment properties in Beijing Fugui Garden, Beijing Glory City, Beijing Bei Wu Lou, Shenyang Glory City, Eudemonia Palace, Beijing Hademen Center, Shenzhen Nanshan, Haikou Glory City and Foshan Glory Shengping Commercial Center.

Land Reserves

The following table sets out a summary of the Group's land reserves by geographic location as at June 30, 2024:

	Completed	Under Development	Future Development	Total Land Reserves	Of Total Land Reserves
	Saleable/ Rentable GFA Remaining Unsold (sq.m.)	GFA Under Development (sq.m.)	Planned GFA (sq.m.)	Total GFA (sq.m.)	Total GFA (%)
Beijing	511,772	121,651	–	633,423	9.8
Haikou	155,777	140,639	862,405	1,158,821	17.9
Langfang	–	101,019	986,574	1,087,593	16.8
Zhengzhou	–	9,562	–	9,562	0.1
Shenyang	208,603	9,288	276,470	494,360	7.6
Foshan	155,069	149,973	–	305,042	4.7
Xi'an	–	204,639	–	204,639	3.2
Shantou	2,746	360,154	–	362,899	5.6
Shenzhen	–	42,763	274,213	316,976	4.9
Suzhou	–	694	–	694	0.0
Chongming Island	37,304	9,660	761,358	808,322	12.5
Wuxi	117	–	–	117	0.0
Tongren	50,001	113,061	931,049	1,094,111	16.9
Total	1,121,389	1,263,103	4,092,068	6,476,560	100.0
Total Attributable GFA	933,399	1,186,716	3,654,773	5,774,887	

Primary Land Development and Projects Developed under the “Urban Redevelopment” Policy

Apart from engaging in property development projects, the Group also actively undertakes primary land development projects as a strategic business in order to access potentially available land reserves. During the Reporting Period, the Group undertook primary land development, urban renewal and projects under the “Urban Redevelopment” policy in places including Beijing and Shenzhen.

Urban Redevelopment Project in Beijing

Since September 2007, the Group has undertaken a primary land development project in Beijing, namely the West Qinian Street Project, which is located in the west side of Qinian Street and less than one kilometer from Tian’anmen Square with a planned GFA of approximately 474,304 sq.m., comprising five land parcels. As at June 30, 2024, the demolition and relocation of the Land No. 4 and the Land No. 5 have been completed and preparation for launch to the market is in the process.

Urban Redevelopment Project in Shenzhen

In the first half of 2014, Shenzhen Dachaoshan Construction Co., Ltd.* (深圳市大潮汕建設有限公司), a subsidiary of the Group, entered into an urban renewal cooperation agreement with Shenzhen Longgang Xikeng Co., Ltd.* (深圳市龍崗區西坑股份合作公司) to carry out the urban renewal project of the Xikeng community. The planned GFA of the project was about 3 million sq.m. The Group has completed the survey for the land ownership, residential population and building information in the Xikeng community, industry research, the urban renewal planning research program and consultation. The Phase I Project with a site area of 530,000 sq.m. and a planned GFA of approximately 1.4 million sq.m. had been approved by the meeting of Longgang District Government Leadership Group (龍崗區政府領導小組會) on December 14, 2018 and had completed the planning announcement in respect of the inclusion into the “2018 Longgang District Urban Renewal Plan – the Ninth Plan” (《二零一八龍崗區城市更新計劃第九批計劃》) on December 30, 2018. A further approval has been obtained from relevant governmental authorities on the project at the end of February 2019. The special planning report documents for the first renewal were filed on May 30, 2019. In March 2020, the National Development and Reform Commission approved the construction plan for Metro Line 16 (Dayun-Xikeng Section) (Phase II). Xikeng Station of Metro Line 16 (Phase II) is located within the scope of the first renewal unit. The special plan has been adjusted by the Group in consideration of Xikeng Station and is being submitted to the review authority for review. Meanwhile, in consideration of the demolition and resettlement work arrangement of the government for the metro, the Group has fully started the demolition and resettlement negotiation for the first renewal unit. Subsequent thereto, the establishment of other projects will be commenced.

FINANCIAL REVIEW

Revenue

For the six months ended June 30, 2024, the Group's revenue was RMB987.5 million, representing a decrease of 32.2% from RMB1,456.9 million for the six months ended June 30, 2023.

Revenue from property development for the six months ended June 30, 2024 was RMB792.3 million, representing a decrease of 33.2% as compared to the corresponding period of last year. The decrease in revenue during the Reporting Period was primarily due to the decrease in completion and delivery areas in the property development segment and reduced sales.

Cost of Sales and Services

For the six months ended June 30, 2024, the Group's cost of sales and services was RMB555.2 million, representing a decrease of 56.5% as compared to the corresponding period of last year. The decrease in cost of sales and services during the Reporting Period was primarily due to the decrease in completion and delivery areas in the property development segment.

The Group's cost of property development decreased by 57.7% from RMB1,223.1 million for the six months ended June 30, 2023 to RMB517.5 million for the six months ended June 30, 2024.

Gross Profit

For the six months ended June 30, 2024, the Group's gross profit was RMB432.3 million, as compared to the gross profit of RMB180.2 million in corresponding period of last year, which was primarily due to the significant decrease in cost of sales and services.

Loss Attributable to Owners of the Company

For the six months ended June 30, 2024, the loss attributable to owners of the Company was RMB58.7 million, representing a decrease of RMB208.2 million from the loss attributable to owners of the Company of RMB266.9 million for the six months ended June 30, 2023.

Other Losses

Other losses were RMB61.1 million for the six months ended June 30, 2023, while other losses were RMB30.0 million for the six months ended June 30, 2024, mainly due to the changes in foreign exchange rate of USD bonds.

Other Income

Other income decreased from RMB18.0 million for the six months ended June 30, 2023 to RMB1.6 million for the six months ended June 30, 2024, which was mainly due to the decrease in the recognised royalty income from associates and joint ventures.

Selling Expenses

Selling expenses increased by RMB4.2 million from RMB58.2 million for the six months ended June 30, 2023 to RMB62.4 million for the six months ended June 30, 2024.

Administrative Expenses

Administrative expenses decreased by RMB50.8 million from RMB191.0 million for the six months ended June 30, 2023 to RMB140.2 million for the six months ended June 30, 2024.

Finance Costs

Finance costs decreased by RMB104.0 million from RMB142.5 million for the six months ended June 30, 2023 to RMB38.5 million for the six months ended June 30, 2024.

Income Tax Credit

Income tax credit decreased from RMB15.5 million for the six months ended June 30, 2023 to RMB60.7 million for the six months ended June 30, 2024. The PRC corporate income tax and land appreciation tax of the Group for the six months ended June 30, 2024 were RMB0.04 million and RMB15.3 million, respectively.

Comprehensive Loss

As a result of the foregoing reasons, the Group's total comprehensive loss decreased from RMB269.8 million for the six months ended June 30, 2023 to the total comprehensive loss of RMB64.4 million for the six months ended June 30, 2024.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash Position

As at June 30, 2024, the Group's cash, restricted bank deposits and bank balances were approximately RMB251.6 million as compared to RMB319.9 million as at December 31, 2023.

Net Operating Cash Flow

The Group recorded net operating cash flow in the amount of RMB49.2 million for the six months ended June 30, 2024, while we had recorded net operating cash flow of RMB462.1 million for the six months ended June 30, 2023.

Borrowings

As of June 30, 2024, the Group's outstanding loans amounted to RMB22,132.3 million, consisting of bank loans and other borrowings of RMB18,512.3 million and senior notes of RMB3,620.1 million.

Charge over Assets

Some of the Group's borrowings are secured by properties under development for sale, properties held for sale, investment properties and prepaid lease payments as well as property, plant and equipment and restricted bank deposits, or combinations of the above. As at June 30, 2024, the assets pledged to secure certain borrowings granted to the Group amounted to RMB30,220.4 million.

Financial Guarantees and Contingent Liabilities

In line with market practice, the Group has entered into arrangements with various banks for the provision of mortgage financing to its customers. The Group does not conduct independent credit checks on its customers, but relies on credit checks conducted by relevant banks. As with other property developers in the PRC, the banks usually require the Group to guarantee its customers' obligation to repay the mortgage loans on the properties. The guarantee period normally lasts until the banks receive the strata-title building ownership certificate (分戶產權證) from the customer as security of the mortgage loan granted. As at June 30, 2024, the Group's outstanding guarantees in respect of the mortgages of its customers amounted to RMB2,589.5 million.

Save as disclosed in this report, the Group had no other material contingent liabilities as at June 30, 2024.

Capital and Other Commitments

As at June 30, 2024, the Group had certain contracted but not-provided-for commitments in connection with expenditure in respect of properties under development for sale. For details, please refer to note 20 to the condensed consolidated financial statements.

FOREIGN EXCHANGE RISK

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in RMB. As at June 30, 2024, the balance of the Company's senior notes amounted to RMB3,620.1 million. As a result of the issuance of such senior notes, the Group would be subject to foreign currency risk arising from the exchange of RMB against US\$.

In addition, RMB is not freely convertible into foreign currencies and the conversion of RMB into foreign currencies is subject to rules and regulations of the foreign exchange control promulgated by the PRC government. The Group does not have a foreign currency hedging policy. However, the Directors monitor the Group's foreign exchange exposure closely and may, depending on the circumstances and trend of foreign currency, consider adopting suitable foreign currency hedging policy in the future.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group will continue to invest in its property development projects and acquire suitable land parcels in selected cities as it thinks fit. It is expected that internal resources and bank borrowings will be sufficient to meet the necessary funding requirements. Save as disclosed in this report, the Group did not have any future plans for material investments or capital assets as at the date of this report.

EMPLOYEES AND REMUNERATION POLICIES

For the six months ended June 30, 2024, the Group had approximately 552 employees, and incurred employee costs of approximately RMB76.8 million. Remuneration for the employees generally includes salaries and performance bonuses. As required by applicable PRC laws and regulations, the Group participates in various employee benefit plans of the municipal and provincial governments, including housing provident funds, pension, medication, maternity, occupational injury and unemployment benefit plans.

INTERIM DIVIDEND

The Board has decided not to pay any interim dividend to the Shareholders.

Disclosure of Interests

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at June 30, 2024, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or of any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which were required, as recorded in the register maintained by the Company pursuant to Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") were as follows:

(a) Interest in Shares of the Company

Name of Director	Nature of interest	Number of Shares	Approximate percentage of interest in the Company
Zhang Zhangsun ("Chairman Zhang") ¹	Interest of a controlled corporation	3,409,431,570	76.71%
Ruan Wenjuan	Interest of spouse	3,409,431,570	76.71%

Note 1: Alltogether Land Company Limited ("**Alltogether**") is wholly-owned by Chairman Zhang. As such, Chairman Zhang, through Alltogether, is indirectly interested in the Shares held by Alltogether. Further, as Ms. Ruan Wenjuan, an executive Director of the Company, is the spouse of Chairman Zhang, Ms. Ruan Wenjuan is also deemed to be interested in the Shares held by Alltogether under the SFO.

(b) Interest in shares of associated corporation

Name of Director	Nature of interest	Name of associated corporation	Approximate percentage of shareholding
Chairman Zhang	Beneficial owner	Alltogether	100%

(c) Interest in debentures of the Company**2022 Senior Notes:**

(see note 18 to the condensed consolidated financial statements for details)

Director	Nature of interest	Amount of debentures of the Company held	Approximate percentage of interest of 2023 Senior Notes as at June 30, 2024
Chairman Zhang ⁽¹⁾	Interest of a controlled corporation	US\$125,110,000	37.4% ⁽²⁾
Ruan Wenjuan	Interest of spouse	US\$125,110,000	37.4% ⁽²⁾

Notes:

⁽¹⁾ Alltogether is wholly-owned by Chairman Zhang. As such, Chairman Zhang, through Alltogether, is indirectly interested in the debentures held by Alltogether.

⁽²⁾ Proportionate interests is calculated based on the principal amount in aggregate of 2022 Senior Notes.

All interests in the Shares of the Company and its associated corporations are long positions.

Save as disclosed above, as at June 30, 2024, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be immediately notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange, pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS SHARES

As at June 30, 2024, the following persons had an interest or short position in shares or underlying shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 5% or more of the issued share capital of the Company, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Interest in Shares of the Company

Name of substantial Shareholder	Nature of interest	Number of shares	Approximate percentage of interest in the Company
Chairman Zhang ⁽¹⁾	Interest of a controlled corporation	3,409,431,570	76.71%
Alltogether	Beneficial owner	3,409,431,570	76.71%

Note:

- (1) Alltogether is wholly-owned by Chairman Zhang. As such, Chairman Zhang, through Alltogether, is indirectly interested in the shares held by Alltogether. Further, as Ms. Ruan Wenjuan, an executive Director of the Company, is the spouse of Chairman Zhang, Ms. Ruan Wenjuan is also deemed to be interested in the shares held by Alltogether under the SFO.

Corporate Governance Practices and Other Information

CORPORATE GOVERNANCE PRACTICES AND OTHER INFORMATION

The Company is committed to maintaining high standards of corporate governance with a view to assuring the conduct of management of the Company as well as protecting the interests of the Shareholders. The Company has always recognized the importance of the Shareholders' transparency and accountability.

The Company has been in compliance with the code provisions as set out in the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 to the Listing Rules. Under the current organization structure of the Company, Mr. Zhang Zhangsun ("**Chairman Zhang**") is the chairman of the Board and the president of the Company. The roles of both chairman and president being performed by the same person deviates from the CG Code. Chairman Zhang has been overseeing the Group's strategic planning, operation and management since the Group was founded. The Company believes that the vesting of the roles of both chairman and president in Chairman Zhang is beneficial to the business operation of the Group and will not have negative influence on the management of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprise experienced and high caliber individuals. The Board currently comprises five executive Directors and two independent non-executive Director. Our company appointed Liu Chengjiang as an independent director on May 28, 2023 (Liu Chengjiang resigned as a director on January 29, 2024), and appointed Chen Jinrong and Deng Zhidong as independent directors on January 29, 2024. the Company fails to meet the requirements of Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules. The Company has taken active steps to identify suitable candidates to fill the vacancies on the Board and the Audit Committee in order to regain compliance with the above requirements under the Listing Rules.

Save as disclosed herein, the Company has complied with the code provisions as set out in the CG Code for the six months ended June 30, 2024. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries with all the Directors, each of the Directors has confirmed that he/she has complied with the Model Code for the six months ended June 30, 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

For the six months ended June 30, 2024, save as disclosed in this report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

SHARE AWARD SCHEME

The Company adopted the Share Award Scheme on June 5, 2014 to recognize the contribution of certain of the Company's employees and officers, especially those whom the Company considered to have contributed to the early development and growth of the Group and to provide financial incentives to them to remain with the Group and strive for the future development and expansion of the Company. But the Share Award Scheme has been canceled before 2022.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, the Company satisfied the minimum percentage as prescribed in the waiver granted by the Stock Exchange from strict compliance with Rule 8.08 of the Listing Rules.

SUBSEQUENT EVENT

Save as disclosed in this report, there is no material post balance sheet event undertaken by the Group after June 30, 2024 up to the date of this report.

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 of the CG Code. After Mr. Liu Chengjiang resigned as an independent director of our company on January 29, 2024, the audit committee was composed of two independent non-executive directors, Ms. Chen Jinrong and Mr. Deng Zhidong, effective from January 29, 2024.

INTERNAL CONTROL

The Company has set up an internal control committee, which reports to the Board on a quarterly basis, to review and discuss the solutions to regulatory, compliance and internal control related matters on an on-going basis.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended June 30, 2024

	Notes	Six months ended June 30,	
		2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Revenue			
Contract with customers		829,339	1,252,586
Leases		158,120	204,281
Total revenue	3	987,459	1,456,867
Cost of sales and services		(555,182)	(1,276,717)
Gross profit		432,277	180,150
Other (losses)	5	(30,013)	(61,077)
Other income	5	1,582	17,974
Change in fair value of investment properties		(269,961)	–
Impairment losses under expected credit loss model, net of reversal		–	(16,762)
Distribution and selling expenses		(62,425)	(58,198)
Administrative expenses		(140,170)	(191,043)
Other expenses		(12,748)	(2,622)
Share of (losses) of associates		(4103)	(11,233)
Share of (loss) of joint ventures		(1,085)	–
Finance costs	6	(38,517)	(142,455)
(Loss) before tax		(125,163)	(285,266)
Income tax credit	7	60,719	15,449
Total comprehensive loss for the period	8	(64,445)	(269,817)
Loss and total comprehensive (loss) for the period attributable to:			
Owners of the Company		(58,659)	(266,874)
Non-controlling interests		(5,786)	(2,943)
		(64,445)	(269,817)
(Loss) per share			
– Basic and diluted (RMB cents)	9	(1.32)	(6.00)

Condensed Consolidated Statement of Financial Position

As at June 30, 2024

	<i>Notes</i>	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Non-current assets			
Investment properties	11	20,267,430	20,577,166
Property, plant and equipment	12	2,890,663	2,928,087
Right-of-use assets	12	247,765	251,679
Other non-current assets		1,418,303	1,418,303
Interests in joint ventures		81,878	82,963
Interests in associates		61,678	65,391
Equity instruments at fair value through other comprehensive income ("FVTOCI")	13	13,481	13,481
Deferred tax assets		390,019	377,100
Restricted bank deposits		75,238	101,187
Value added tax and tax recoverable		910,987	818,604
		26,357,442	26,633,961
Current assets			
Inventories		1,016	1,315
Deposits paid for land acquisition		107,534	107,534
Properties under development for sale		18,091,674	19,680,877
Properties held for sale		3,002,183	2,501,280
Trade and other receivables, deposits and prepayments	14	2,160,716	2,034,005
Contract assets	15	1,977,092	1,987,632
Contract cost		40,324	40,324
Value added tax and tax recoverable		265,584	276,958
Amounts due from related parties	23(b)	2,901,045	2,870,952
Restricted bank deposits		71,838	143,991
Bank balances and cash		104,540	74,697
		28,723,546	29,719,565

Condensed Consolidated Statement of Financial Position

As at June 30, 2024

	Notes	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Current liabilities			
Trade and other payables	16	5,631,174	5,953,828
Contract liabilities		3,667,561	5,029,678
Amounts due to related parties	23(c)	4,084,589	3,764,398
Tax payable		3,573,463	3,302,892
Lease liabilities		1,081	1,081
Bank and trust borrowings-due within one year	17	8,370,029	8,002,459
Senior notes	18	3,620,069	3,598,057
		28,947,966	29,652,393
Net current (liabilities)/ assets		(224,420)	67,172
Total assets less current liabilities		26,133,022	26,701,133
Non-current liabilities			
Rental deposits received	16	104,065	112,412
Lease liabilities		105	673
Bank and other borrowings-due after one year	17	10,142,225	10,573,871
Deferred tax liabilities		2,165,666	2,228,772
		12,412,061	12,915,728
Net assets		13,720,961	13,785,405
Capital and reserves			
Share capital		3,520	3,520
Reserves		11,106,942	11,165,600
Equity attributable to owners of the Company		11,110,462	11,169,120
Non-controlling interests		2,610,499	2,616,285
Total equity		13,720,961	13,785,405

Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2024

	Attributable to owners of the Company											
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Revaluation reserve RMB'000	FVTOCI reserve RMB'000	Other reserve RMB'000 (note (i))	Share-based payment reserve RMB'000	Statutory surplus reserve RMB'000 (note (ii))	Retained earnings RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total RMB'000
At January 1, 2024 (Audited)	3,520	8,027	133,379	168,181	(10,143)	194,725	-	1,347,626	9,323,805	11,169,120	2,616,285	13,785,405
Loss and total comprehensive expense for the period	-	-	-	-	-	-	-	-	(58,659)	(58,659)	(5,786)	(64,445)
Transfer of revaluation reserve upon disposal of investment	-	-	-	-	-	-	-	-	-	-	-	-
At June 30, 2024 (Unaudited)	3,520	8,027	133,379	168,181	(10,143)	194,725	-	1,347,626	9,265,147	11,110,462	2,610,499	13,720,961
At January 1, 2023 (Audited)	3,520	8,027	133,379	168,181	(10,143)	194,725	-	1,347,626	9,887,776	11,733,091	2,645,817	14,378,908
Loss and total comprehensive expense for the period	-	-	-	-	-	-	-	-	(266,874)	(266,874)	(2,943)	(269,817)
Transfer of revaluation reserve upon disposal of investment	-	-	-	-	-	-	-	-	-	-	-	-
At June 30, 2023 (Unaudited)	3,520	8,027	133,379	168,181	(10,143)	194,725	-	1,347,626	9,620,902	11,466,217	2,642,874	14,109,091

Notes:

- (i) Other reserve mainly represents (a) the differences between the amount by which non-controlling interests are adjusted and the fair value of consideration paid or received when the Group (as defined in note 1) in acquiring or disposal of partial interests in existing subsidiaries or capital contribution from non-controlling equity holders of subsidiaries; and (b) deemed contribution from a related party of approximately RMB187,460,000 arising from acquisition of businesses during the year ended December 31, 2018.
- (ii) In accordance with the Articles of Association of all subsidiaries established in the People's Republic of China, those subsidiaries are required to transfer 10% of the profit after taxation to the statutory surplus reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve must be made before distributing dividends to equity holders. The statutory surplus reserve can be used to make up for previous years' losses, expand the existing operations or convert into additional capital of the subsidiaries.

Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2024

	Six months ended June 30,	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net cash from operating activities	49,220	462,083
Cash flows from investing activities		
Placement of restricted bank deposits	(89,438)	(195,085)
Withdrawal of restricted bank deposits	162,989	208,187
Purchase of property, plant and equipment and other non-current assets	(3,036)	(243)
Proceeds from disposal of property, plant and equipment	74	8,253
Interest received	410	914
Payments for construction of investment properties	–	(35,005)
Advances to related parties	(30,093)	89,201
Net cash used in investing activities	40,906	76,222

Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2024

	Six months ended June 30,	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cash flows from financing activities		
New bank loans raised	–	26,000
New borrowings from financial institutions	9,000	–
Repayments of bank loans	(27,842)	(136,720)
Repayments of borrowings from financial institutions	(1,964)	(23,060)
Repayments of leases liabilities	(568)	(1,127)
Interest paid	(38,543)	(154,330)
Advances from related parties	(366)	(306,795)
Net cash used in financing activities	(60,283)	(596,030)
Net (decrease)/increase in cash and cash equivalents	29,843	(57,725)
Cash and cash equivalents at January 1	74,697	130,220
Cash and cash equivalents at June 30, represented by bank balances and cash	104,540	72,495

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2024

1. GENERAL INFORMATION

Glory Health Industry Limited (formerly known as Glory Land Company Limited (國瑞置業有限公司) and carrying on business in Hong Kong as “Guorui Properties Limited”) (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Company Laws (2012 Revision) of the Cayman Islands on July 16, 2012. The name of the Company was changed to Glory Health Industry Limited (國瑞健康產業有限公司) in June 2022. Its parent and ultimate holding company is Alltogether Land Company Limited (通和置業有限公司) (“Alltogether Land”), a company incorporated in the British Virgin Islands (the “BVI”). Mr. Zhang Zhangsun, who holds 100% equity interests of Alltogether Land, is the ultimate beneficial owner of the Company.

The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is located at East Block, Hademen Plaza, 8-1#Chongwenmenwai Street, Dongcheng District, Beijing, the People’s Republic of China (the “PRC”).

The Company’s shares were listed on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the business of property development, provision of primary land construction and development services, property investment, and provision of property management and related services.

The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (the “IASB”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties and certain financial instruments which are measured at fair values, as appropriate.

Except for the application of the revised International Financial Reporting Standards (“IFRS”), the condensed consolidated financial statements for the six months ended 30 June 2024 use the same accounting policies and calculation methods as those presented in the Group’s annual financial statements for the year ended 31 December 2023.

Application of amendments to IFRSs

During the interim period, the Group applied for the first time the revised IFRS issued by the International Accounting Standards Board and mandatory for annual periods beginning on or after 1 January 2024 to prepare the Group’s condensed consolidated financial statements.

The application of the amendments to IFRSs in the current period had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

Going concern

At present, many projects of the Group are close to the sale of existing houses, and the expected sales of each project can cover the final construction of the project.

The condensed consolidated financial statements have been prepared on the assumptions that the Group will continue to operate as a going concern. In order to improve the Group's financial position, immediate liquidity and cash flows, and otherwise to sustain the Group as a going concern, the directors of the Company (the "**Directors**") have adopted several measures together with other measures in progress at the date of authorization of these condensed consolidation financial statements, including but not limited to, the followings:

- (i) For borrowings maturing before 30 June 2024, the Group is in the process of rearranging its borrowing plans with its banks. The Directors have assessed the relevant facts available to them and are of the opinion that the Group will be able to renew the borrowings when they become due;
- (ii) The Group will sell some of its investment properties to improve the financial position, liquidity and cash flow of the Group; and
- (iii) The Group applies cost control measures in cost of sales and administrative expenses.

Having regard to the above considerations and measures, the Directors are satisfied that the Group will be able to meet its financial obligations when they become due. Accordingly, the Directors consider it appropriate to prepare these condensed consolidated financial statements on a going concern basis.

3. REVENUE

Disaggregation of revenue from contracts with customers and the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

	For the six months ended June 30, 2024				
	Property development RMB'000 (Unaudited)	Primary land construction and development services RMB'000 (Unaudited)	Property investment RMB'000 (Unaudited)	Property management and related services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Timing of revenue recognition					
At a point in time	792,314	-	-	-	792,314
Over time	-	24,612	-	12,413	37,025
Revenue from contracts with customers	792,314	24,612	-	12,413	829,339
Leases	-	-	158,120	-	158,120
Total revenue	792,314	24,612	158,120	12,413	987,459

	For the six months ended June 30, 2023				
	Property development RMB'000 (Unaudited)	Primary land construction and development services RMB'000 (Unaudited)	Property investment RMB'000 (Unaudited)	Property management and related services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Timing of revenue recognition					
At a point in time	1,186,247	-	-	-	1,186,247
Over time	-	50,246	-	16,093	66,339
Revenue from contracts with customers	1,186,247	50,246	-	16,093	1,252,586
Leases	-	-	204,281	-	204,281
Total revenue	1,186,247	50,246	204,281	16,093	1,456,867

4. SEGMENT INFORMATION

The Group is organized into business units based on their types of activities. These business units are the basis of information that is prepared and reported to the Group's chief operating decision makers (i.e. the executive Directors of the Company) for the purposes of resource allocation and assessment of performance. The Group's operating segments under IFRS 8 Operating Segments are identified as the following four business units:

Property development: This segment develops and sells commercial and residential properties.

Primary land construction and development services: This segment derives revenue from primary land development, including services for resettlement, construction of land infrastructure and ancillary public facilities on land owned by the local governments.

Property investment: This segment derives rental income from investment properties.

Property management and related services: This segment derives income from property management and related services.

Segment revenue and results

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

	Property Development RMB'000 (Unaudited)	Primary land construction and development services RMB'000 (Unaudited)	Property Investment RMB'000 (Unaudited)	Property management and related services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Six months ended June 30, 2024					
Revenue from external customers and segment revenue	792,314	24,612	158,120	12,413	987,459
Segment (loss)/profit	201,190	1,172	91,561	(18,381)	275,541
Six months ended June 30, 2023					
Revenue from external customers and segment revenue	1,186,247	50,246	204,281	16,093	1,456,867
Segment (loss)/profit	(155,247)	2,393	153,450	(12,102)	(11,505)

4. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

The segment (loss) can be reconciled to the (loss) before tax as follows:

	Six months ended June 30,	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Segment profit/(loss)	275,541	(11,505)
Other (losses),net	(30,013)	(61,077)
Other income	1,582	17,974
Change in fair value of investment properties	(269,961)	–
Unallocated administrative expenses	(45,859)	(74,348)
Other expenses	(12,748)	(2,622)
Share of (loss) of associates	(1,085)	(11,233)
Share of (loss) of joint ventures	(4,103)	–
Finance costs	(38,517)	(142,455)
(Loss) before income tax	(125,163)	(285,266)

The accounting policies applied in determining segment revenue and segment (loss)/profit of the operating segments are the same as the Group's accounting policies. Segment (loss)/profit represents the (loss incurred)/profit earned by each segment without allocation of other gains and losses, net, other income, change in fair value of investment properties, other expenses, share of (loss)/profit of joint ventures, share of profit of associates, finance costs and unallocated administrative expenses, including auditor's remuneration and Directors' emoluments. This is the measure reported to the Group's chief operating decision makers for the purpose of resources allocation and performance assessment.

4. SEGMENT INFORMATION (Continued)

Other segment information

Amounts included in the measurement of segment (loss):

	Property Development RMB'000 (Unaudited)	Primary land construction and development services RMB'000 (Unaudited)	Property Investment RMB'000 (Unaudited)	Property management and related services RMB'000 (Unaudited)	Unallocated Amount RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Six months ended June 30, 2024						
Depreciation and amortisation of non-current assets	(585)	-	(30,987)	(5,009)	(3,167)	(39,748)
Impairment losses under expected credit loss model, net of reversal	-	-	-	-	-	-
Six months ended June 30, 2023						
Depreciation and amortisation of non-current assets	(28,599)	-	-	(876)	(6,023)	(35,498)
Impairment losses under expected credit loss model, net of reversal	(16,762)	-	-	-	-	(16,762)

No segment assets and liabilities are presented as they were not regularly provided to the chief operating decision makers for the purpose of resources allocation and performance assessment.

Geographical information

All the revenue and operating results of the Group is derived from the PRC based on location of the operations. All the Group's non-current assets (excluding financial instruments and deferred tax assets) are located in the PRC based on geographical location of the assets or the associates' and joint ventures' operation, as appropriate.

Revenue from major customers

No revenue from transactions with a single external customer amounted to 10% or more of the Group's revenue during the six months ended June 30, 2024 and 2023.

5. OTHER INCOME AND OTHER (LOSSES)

	Six months ended June 30,	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Other income		
Interest income	410	17,646
Others	1,172	328
	1,582	17,974
Other (losses)		
Net foreign exchange (losses) on operating activities	(26,390)	(40,523)
(Losses) on disposal of property, plant and equipment	(30)	(17,465)
Other (losses)	(3,593)	(3,089)
	(30,013)	(61,077)

6. FINANCE COSTS

	Six months ended June 30,	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Interest on bank borrowings	23,421	170,146
Interest on trust borrowings	–	14,573
Interest on loans from financial institutions	18,007	45,660
Interest on contract liabilities	75,067	21,110
Interest on senior notes	–	206,412
Interest on lease liabilities	86	–
Exchange loss on senior notes and borrowings	22,012	92,273
Total borrowing costs	138,593	550,174
Less: Amounts capitalised in the cost of qualifying assets	(100,076)	(407,719)
	38,517	142,455

Capitalized interest is derived from borrowings obtained specifically for the construction of qualifying assets at an interest rate of 4.8% to 15% per annum (six months ended 30 June 2023:4.8% to 13%) and general borrowings, is calculated at the capitalized annual interest rate of 8.7%(six months ended 30 June 2023:9.2%) of eligible asset expenses.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2024

7. INCOME TAX (CREDIT)

	Six months ended June 30,	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax		
PRC enterprise income tax	(41)	5,419
Land appreciation tax ("LAT")	15,347	60,688
	15,306	66,107
Deferred tax	(76,025)	(81,556)
Income tax (credit)	(60,719)	(15,449)

Pursuant to the PRC Enterprise Income Tax Law promulgated on 16 March 2007, the PRC enterprise income tax for both domestic and foreign-invested enterprises has been unified at the income tax rate of 25% effective from 1 January 2008 onwards. The PRC enterprise income tax has been calculated on the estimated assessable profit derived from the PRC at the rate of 25% for both periods.

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

8. (LOSS) FOR THE PERIOD

(Loss) for the period has been arrived at after charging/(crediting):

	Six months ended June 30,	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Directors' remunerations:		
– Salaries and other benefits	5,800	3,552
– Retirement benefit contributions	68	61
Other staff costs:		
– Salaries and other benefits	64,717	65,240
– Retirement benefit contributions	6,227	6,742
Total staff costs	76,812	75,595
Less: Amounts capitalised to properties under development and investment properties under construction (<i>note</i>)	(22,198)	(18,748)
	54,614	56,847
Cost of properties sold recognised as expense	517,505	1,223,134
Depreciation of property, plant and equipment	36,463	34,910
Depreciation of right-of-use assets	3,542	578
Amortisation of intangible assets (included in administrative expenses)	321	588
Amortisation of contract costs	36,600	43,008
Expense relating to short-term leases	7,374	3,089
Gross rental income from investment properties	(158,120)	(204,281)
Less: direct operating expenses incurred for investment properties that generated rental income during the period	66,559	50,831
	(91,561)	(153,450)

Note: The amount capitalised mainly represents costs of certain staff of the project management department and the design department, who were assigned to construction sites and engaged in specific construction projects directly.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2024

9. (LOSS) PER SHARE

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

	Six months ended June 30,	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
(Loss)		
(Loss) for the purposes of basic and diluted (loss) per share		
((loss) for the period attributable to owners of the Company)	(58,659)	(266,874)
<hr/>		
	Six months ended June 30,	
	2024 '000 (Unaudited)	2023 '000 (Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss) per share	4,444,418	4,444,418
<hr/>		
Weighted average number of ordinary shares for the purpose of diluted (loss) per share	4,444,418	4,444,418

As there were no dilutive potential ordinary shares in existence during the six months ended June 30, 2024 and 2023. Therefore, the amount of diluted (loss) per share is the same as the amount of basic (loss) per share for the six months ended June 30, 2024 and 2023.

10. DIVIDENDS

No dividend was proposed by the board of directors in respect of the six months ended June 30, 2024 and 2023.

11. INVESTMENT PROPERTIES

The Group leased out various offices, shopping mall and retail stores under operating leases with rentals payable monthly. The leases typically run for an initial period of 1 to 20 years, with unilateral rights to extend the lease beyond initial period held by lessees only. Majority of the lease contracts contain market review clauses in the event the lessee exercises the option to extend.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the functional currency of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

	Investment Properties RMB'000	Investment properties under construction RMB'000	Total RMB'000
At January 1, 2023 (Audited)	16,651,500	3,870,000	20,521,500
Additions	–	–	–
Net (decrease)/increase in fair value recognised in profit or loss	340,500	(77,000)	263,500
Transfer to PPE	(207,834)	–	(207,834)
At December 31, 2023 and January 1, 2024 (Audited)	16,784,166	3,793,000	20,577,166
Additions	–	–	–
Disposal	(309,736)	–	(309,736)
At June 30, 2024 (Unaudited)	16,474,430	3,793,000	20,267,430

The investment properties are all situated in the PRC. The fair value of the Group's investment properties as at June 30, 2024 have been arrived at on the basis of valuations carried out by the Directors (December 31, 2023: Colliers Appraisal & Advisory Services Co., Ltd., a firm of independent qualified external valuer not connected with the Group), who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

The valuations of investment properties are arrived at with adoption of direct comparison approach assuming sale of each of these properties in its existing state by making reference to comparable sales transactions as available in the relevant market and also consider income approach by undertaking an estimation of future cash flows and taking into account the time value of money. The income is projected over the investment cycle and the net income is calculated after the deduction of capital, operating, and other necessary expenses.

Fair values of the investment properties under construction are generally derived using the residual method. This valuation method is essentially a means of valuing the land and building by reference to its development potential by deducting development costs together with developer's profit and risk from the estimated capital value of the proposed development assuming completed in accordance with the existing development plans as at the date of valuation, which duly reflected the risks associated with the development.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The fair value of the Group's investment properties at June 30, 2024 and December 31, 2023 are grouped into Level 3 of fair value measurement. There were no transfers into or out of Level 3 in both years.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2024

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

For the six months ended 30 June 2024, additions to property, plant and equipment (mainly comprising works in progress and electrical equipment and furniture) were RMB 3,036,000 (six months ended 30 June 2023: RMB413,474,000)

13. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVTOCI”)

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Unlisted investments:		
– Equity securities (<i>note</i>)	13,481	13,481

Note:

The above unlisted equity securities represent the Group's equity interest in private entities: (1) 0.15% (December 31, 2023: 0.15%) equity interest in Bohai Life Insurance Co., Ltd.* (渤海人壽保險股份有限公司) (“Bohai Life”), a private entity established in the PRC, which is principally engaged in insurance business, with a carrying amount of approximately RMB8,481,000 (December 31, 2023: RMB8,481,000); and (2) 10% (December 31, 2023:10%) equity interest in Yongqing Jiyin Rural Bank Co., Ltd.* (永清吉銀村鎮銀行股份有限公司) (“Yongqing Jiyin Rural Bank”), a private entity established in the PRC, which is principally engaged in banking operation, with a carrying amount of approximately RMB5,000,000 (December 31, 2023: RMB5,000,000). The equity investments were irrevocably designated at FVTOCI as the Group considers these investments to be strategic in nature.

* The English name of the companies which were established in the PRC are for reference only and have not been registered.

14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Trade receivables mainly comprise of rental receivables and receivables for sales of properties.

Pursuant to the lease agreements, rental payment is generally required to be settled in advance with no credit period being granted to the tenants. In respect of sale of properties, a credit period of six to twelve months may be granted to specific customers on a case-by-case basis.

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Trade receivables, gross		
– contracts with customers (<i>note (i)</i>)	150,953	223,140
– lease receivables	252,757	158,894
	403,710	382,034
Less: Allowance for credit losses	(155,984)	(155,984)
Trade receivables, net	247,726	226,050
Other receivables, deposits and prepayments, gross		
Advances to contractors and suppliers (<i>note (ii)</i>)	536,324	447,781
Performance guarantee deposit paid	14,940	14,940
Other receivables and prepayment (<i>note (iii)</i>)	1,377,202	1,388,712
Deposits	105,520	77,518
	2,033,986	1,928,951
Less: Allowance for credit losses	(120,996)	(120,996)
Other receivables, deposits and prepayments, net	1,912,990	1,807,955
Total trade and other receivables, deposits and prepayments, net	2,160,716	2,034,005

Notes:

- (i) As at June 30, 2024 and December 31, 2023, trade receivables from contract with customers mainly comprise trade receivables from property development.
- (ii) Advances to contractors and suppliers mainly included prepayment to contractors and suppliers for the construction of properties under development for sale. All of the advances to contractors and suppliers are expected to be utilized within the normal operating cycle of the Group.
- (iii) Other receivables mainly included payment on behalf of and receivables from independent third-parties which are mainly the project partners. All other receivables from independent third-parties are of non-trade nature, unsecured, interest-free and repayable on demand as at June 30, 2024 and December 31, 2023, except for the balance of RMB233,095,000 (December 31, 2023: RMB233,095,000), which was bearing interest at 8% (December 31, 2023: 8%) per annum and under legal proceedings. All of the other receivables are expected to be recovered within one year.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2024

14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

The following is an aging analysis of trade receivables presented, based on the date of recognition of revenue at the end of the reporting period:

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
0 to 60 days	37,073	45,988
61 to 180 days	23,967	13,735
181 to 365 days	68,756	20,891
1 to 2 years	101,094	19,603
Over 2 years	172,820	281,817
Less: Allowance for credit losses	-	(155,984)
	403,710	226,050

All other receivables from independent third-parties are of non-trade nature, unsecured, interest-free and repayable on demand as at June 30, 2024, except for the balance of RMB233,095,000, which was bearing interest at 8% per annum and under legal proceedings.

As at June 30, 2024, included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately RMB166,356,000 (December 31, 2023: RMB166,356,000) which are past due as at the reporting date. The balances which has been past due over 90 days is not considered as default since the Directors considered such balances could be recovered based on repayment history, the financial conditions and the current credit worthiness of each customer.

15. CONTRACT ASSETS

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Construction and development services	2,001,335	2,011,874
Less: Allowance for credit losses	(24,243)	(24,243)
	1,977,092	1,987,632

The contract assets primarily related to the Group's right to consideration for work completed and not billed because the rights are conditional upon the Group's future performance. The contract assets are transferred to trade receivables when the rights become unconditional.

All contract assets are expected to be settled within the Group's normal operating cycle, and are classified as current.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2024

16. TRADE AND OTHER PAYABLES

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Trade payables	2,665,640	2,594,993
Deposits received	203,982	361,583
Rental received in advance	133,435	126,615
Refund liabilities	331,269	404,105
Accrued payroll	50,484	46,761
Value added tax and other tax payables	667,743	869,056
Other payables and accruals	1,547,186	1,527,627
Dividends payables	135,500	135,500
	5,735,239	6,066,240
Analysed for reporting purposes as:		
Non-current (<i>note</i>)	104,065	112,412
Current	5,631,174	5,953,828
	5,735,239	6,066,240

Note:

Pursuant to the relevant agreements, rental deposits received as at June 30, 2024 are to be settled after twelve months from the end of the reporting period and are therefore classified as non-current liabilities.

Trade payables comprise of construction costs payable and other project-related expenses payable. The average credit period of trade payable is approximately 180 days.

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

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
0 to 60 days	383,236	253,488
61 to 365 days	593,740	697,245
1 to 2 years	214,748	534,342
Over 2 years	1,473,916	1,109,918
	2,665,640	2,594,993

17. BANK AND OTHER BORROWINGS

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Bank borrowings, secured	15,202,480	15,134,798
Loans from financial institutions, secured	3,196,187	3,327,945
Other borrowing, secured	113,587	113,587
	18,512,254	18,576,330
The borrowings are due to be repayable (note):		
On demand and within one year	8,370,029	6,638,827
More than one year, but not exceeding two years	2,954,012	3,370,836
More than two years, but not exceeding five years	3,033,558	3,687,090
More than five years	4,154,655	4,879,577
	18,512,254	18,576,330
Less: Amount due within one year shown under current liabilities	(8,370,029)	(8,002,459)
Amount due after one year shown under non-current liabilities	10,142,225	10,573,871

Note: These repayments due are presented in accordance with the scheduled repayment dates set out in the loan agreements.

The Group's bank and other borrowings and loans from financial institutions are all denominated in RMB. Details of assets that have been pledged to secure bank and other borrowings are set out in note 19.

Borrowings of approximately RMB6,135,999,000 (December 31, 2023: RMB6,212,615,000), bearing interest at variable rate ranging from 4.75% to 10.00% (December 31, 2023: 4.75% to 15.00%) per annum as at June 30, 2024 exposed the Group to cash flow interest rate risk. The remaining borrowings, bearing interest at fixed rate, ranging from 2.80% to 14.00% (December 31, 2023: 2.80% to 14.00%) per annum as at June 30, 2024, exposed the Group to fair value interest rate risk.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2024

18. SENIOR NOTES

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
2019 Senior Notes (<i>note (a)</i>)	45,715	45,433
2021 Senior Notes (<i>note (b)</i>)	78,267	77,782
2021 Private Placement Notes (<i>note (c)</i>)	412,635	410,082
2022 Senior Notes (<i>note (d)</i>)	3,083,452	3,064,760
	3,620,069	3,598,057
Less: Amount due within one year shown under current liabilities	(3,620,069)	(3,598,057)
Amount due after one year shown under non-current liabilities	–	–

Notes:

(a) 2019 Senior Notes

On February 27, 2019, the Company issued senior notes with an aggregate nominal value of United States dollars (“**US\$**”) 160,000,000 (“**2019 Original Notes**”) at 97.0% of the principal amount of the 2019 Original Notes. The 2019 Original Notes bearing interest at 13.50% per annum, payable semi-annually in arrears from August 28, 2019, will mature on February 28, 2022. The effective interest rate is approximately 15.74% per annum after the adjustment for transaction costs. The 2019 Original Notes are listed on the Stock Exchange.

On March 15, 2019, the Company issued senior notes with an aggregate nominal value of US\$295,000,000 (“**2019 Additional Notes**”) at 97.0% of the principal amount of the 2019 Additional Notes plus accrued interest from February 27, 2019 to March 14, 2019. The 2019 Additional Notes is to be consolidated and form a single series with the 2019 Original Notes (collectively referred to as the “**2019 Senior Notes**”). The principal terms of the 2019 Additional Notes are identical to the terms of the 2019 Original Notes, other than the aggregated principal amount and offer price. The effective interest rate is approximately 15.53% per annum after the adjustment for transaction costs.

On January 12, 2021, the Company commenced the exchange offer for the minimum acceptance amount of the outstanding 2019 Senior Notes and the consent solicitation from eligible holders to the amendments to the indenture governing the 2019 Senior Notes (“**Exchange Offer**”). The Exchange Offer and consent solicitation are being made upon the terms and subject to the conditions set forth in the Exchange Offer and Consent Solicitation Memorandum. On January 20, 2021, holders of US\$300,600,000 of the 2019 Senior Notes, representing approximately 66.80% of the total aggregate principal amount of the outstanding 2019 Senior Notes, have been validly tendered for exchange (and deemed to have given Consents to the proposed amendments) and accepted pursuant to the Exchange Offer and consent solicitation.

18. SENIOR NOTES (Continued)

Notes: (Continued)

(a) 2019 Senior Notes (Continued)

On January 25, 2021, the Company completed the exchange offering of US\$300,600,000 of the 2019 Senior Notes (“**Exchange Notes**”) with US\$323,745,000 of new issue of senior notes due January 25, 2024 (the “**2021 Senior Notes**”) which bearing interest at 14.25% per annum (detailed in note (b)). After the completion of the exchange offering, the remaining aggregate principal amount of US\$154,400,000 of the 2019 Senior Notes and an aggregate principal amount of US\$323,745,000 of the 2021 Senior Notes remain outstanding.

The Directors consider that the terms of the 2021 Senior Notes are not substantially different as the discounted present value of the cash flows under the new terms discounted using the original effective interest rate is different from the discounted present value of the remaining cash flows of the original financial liability by less than 10 per cent. Accordingly, such modification of terms is not accounted for as an extinguishment of the original financial liability. Therefore, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities’ original effective interest rate. An adjustment to the carrying amount of the financial liability of RMB41,661,000 is recognised in finance costs at the date of modification during the year ended December 31, 2021.

As at March 1, 2021, certain holders, whom have not accepted the Exchange Offer, of the 2019 Senior Notes exercised their redemption options. Therefore, the Company redeemed part of the 2019 Senior Notes, at a price of US\$159,591,000 equal to the aggregate principal amount of US\$149,500,000 plus accrued interest to the date of redemption.

Upon the completion of the redemption and as at December 31, 2021, the remaining outstanding principal amount of the 2019 Senior Notes were US\$4,900,000 (“**2019 Outstanding Notes**”) with the maturity date on February 28, 2022. On June 30, 2024 and up to the date of authorization of these condensed consolidated financial statements, the 2019 Outstanding Notes are not yet settled and might be demanded for immediate repayment.

The fair value of 2019 Senior Notes as at December 31, 2021 is approximately RMB41,069,000 based on quoted market price and classified as level 1 of fair value hierarchy. As at June 30, 2024, the Directors consider that the carrying amounts of 2019 Senior Notes approximate their fair values.

(b) 2021 Senior Notes

Pursuant to note (a) above, the Company issued 2021 Senior Notes to settle part of the 2019 Senior Notes of US\$300,600,000 on January 25, 2021. The 2021 Senior Notes bearing interest at 14.25% per annum, payable semi-annually in arrears from July 25, 2021, will mature on January 25, 2024. The effective interest rate is approximately 15.74% per annum after the adjustment for transaction costs. The 2021 Senior Notes are listed on the Stock Exchange and Singapore Exchange Securities Trading Limited.

On February 23, 2022, the Company completed the exchange offering of US\$315,159,000 of the 2021 Senior Notes with US\$334,790,000 of new issue of senior notes due August 23, 2024 (the “**2022 Senior Notes**”) which bearing interest at 14.25% per annum (detailed in note (d)). After the completion of the exchange offering, the remaining aggregate principal amount of US\$8,586,000 of the 2021 Senior Notes and an aggregate principal amount of US\$334,790,000 of the 2022 Senior Notes remain outstanding.

During the year ended June 30, 2024, interest for the outstanding 2021 Senior Notes are not repaid in accordance with their scheduled repayment dates and the outstanding 2021 Senior Notes might be demanded for immediate repayment. On June 30, 2024 and up to the date of authorization of these consolidated financial statements, the outstanding 2021 Senior Notes are not yet settled and the Group is actively negotiating with the note holders so as to extend the repayment date of the principal and interest. The Directors do not consider that it is probable that the holders of the 2021 Senior Notes will exercise their discretion to demand immediate repayment.

18. SENIOR NOTES (Continued)

Notes: (Continued)

(c) 2021 Private Placement Notes

On March 26, 2021, the Company issued the notes with an aggregate nominal value of US\$50,000,000 ("**2021 Private Placement Notes**"). 2021 Private Placement Notes bearing interest at 16.0% per annum, is payable quarterly in advance on March 26, June 26, September 26 and December 26 in each year, commencing on June 26, 2021.

During the year ended June 30, 2024, interest for the outstanding 2021 Private Placement Notes are not repaid in accordance with their scheduled repayment dates and the outstanding 2021 Private Placement Notes might be demanded for immediate repayment. On June 30, 2024 and up to the date of authorization of these consolidated financial statements, the outstanding 2021 Private Placement Notes are not yet settled and the Group is actively negotiating with the note holders so as to extend the repayment date of the principal and interest. The Directors do not consider that it is probable that the holders of the 2021 Private Placement Notes will exercise their discretion to demand immediate repayment.

(d) 2022 Senior Notes

Pursuant to note (b) above, the Company issued 2022 Senior Notes to settle part of the 2021 Senior Notes of US\$315,159,000 on February 23, 2022. The 2022 Senior Notes bearing interest at 14.25% per annum, payable semi-annually in arrears from August 23, 2022, will mature on August 23, 2024. The effective interest rate is approximately 15.74% per annum after the adjustment for transaction costs. The 2022 Senior Notes are listed on Singapore Exchange Securities Trading Limited.

The 2022 Senior Notes may be redeemed in the following circumstances:

- (1) At any time prior to May 25, 2024, the Company may at its option redeem the 2022 Senior Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the redeemed 2022 Senior Notes plus accrued and unpaid interest, if any, to (but not including) the redemption date.
- (2) At any time on or after May 25, 2024, the Company may at its option redeem the 2022 Senior Notes, in whole but not in part, at a redemption price equal to 106.63% of the principal amount of the redeemed 2022 Senior Notes plus accrued and unpaid interest, if any, to (but not including) the redemption date.
- (3) Under the mandatory redemption clause, the Company shall redeem the 2022 Senior Notes in aggregate principal amount equal to at least (i) US\$9,600,000 by April 25, 2022; (ii) an additional 7.5% of the principal amount of the 2022 Senior Notes by November 30, 2022; (iii) an additional 10% of the principal amount of the 2022 Senior Notes by August 31, 2023; (iv) an additional 15% of the principal amount of the principal amount of the 2023 Senior Notes by November 30, 2023 and (v) an additional 15% of the principal amount of the 2023 Senior Notes by May 31, 2024, in each case, at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, to (but not including) the redemption date.

The Company will give not less than 15 days' nor more than 30 days' notice of any redemption to the 2022 Senior Notes holders and the trustee. The Directors consider that the fair value of the above early redemption options was insignificant on initial recognition and as at December 31, 2022.

On April 25, 2022, the Company and the holders of the 2022 Senior Notes entered into the Supplemental Indenture to extend the deadline for the first instalment of US\$9,600,000 for three months to July 25, 2022.

The Directors consider that the terms of the 2022 Senior Notes are not substantially different as the discounted present value of the cash flows under the new terms discounted using the original effective interest rate is different from the discounted present value of the remaining cash flows of the original financial liability by less than 10 per cent. Accordingly, such modification of terms is not accounted for as an extinguishment of the original financial liability. Therefore, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate.

During the period ended June 30, 2024, principal amount and interest for 2022 Senior Notes are not repaid according to their scheduled repayment dates and might be demanded for immediate repayment. Up to the date of authorization of these condensed consolidated financial statements, the Company and the holders of the 2022 Senior Notes are still negotiating the extension of the repayment schedules of the 2022 Senior Notes. The Directors do not consider that it is probable that the holders of the 2022 Senior Notes will exercise their discretion to demand immediate repayment.

19. PLEDGE OF ASSETS

The following assets were pledged to secure certain bank and other borrowings facilities granted to the Group at the end of each reporting period:

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Investment properties	17,969,929	17,843,801
Property, plant and equipment	917,565	929,150
Other non-current assets	26,210	50,000
Properties under development for sale	10,716,593	10,635,994
Properties held for sale	590,143	590,927
Restricted bank deposits	200	200
	30,220,640	30,050,072

As at June 30, 2024, bank deposits of approximately RMB105,280,000(December 31, 2023: RMB150,735,000) were pledged as security for mortgage loans of the Group's customers.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2024

19. PLEDGE OF ASSETS (Continued)

The equity interest of the following subsidiaries were pledged to secure certain bank and other loans facilities granted to the Group and the senior notes of the Group:

	As at June 30, 2024 % (Unaudited)	As at December 31, 2023 % (Audited)
Foshan Glory Southern Real Estate Development Co., Ltd.* (佛山市國瑞南方地產開發有限公司)	99.8	99.8
Glory Xingye (Beijing) Investment Co., Ltd.* (國瑞興業 (北京) 投資有限公司)	100	100
Beijing Wenhushengda Real Estate Development Co., Ltd.* (北京文華盛達房地產開發有限公司)	80	80
Shantou Guorui Hospital Co., Ltd.* (汕頭市國瑞醫院有限公司)	100	100
Suzhou Glory Real Estate Co., Ltd.* (蘇州國瑞地產有限公司)	80	80
Beijing Guorui Deheng Real Estate Development Co., Ltd.* (北京國瑞德恒房地產開發有限公司)	80	80
Hainan Junhe	99.8	99.8
Glory Xingye (Beijing) Industrial Co., Ltd.* (國瑞興業 (北京) 實業股份有限公司)	91	91
Original Beijing Glory	80	80
Langfang Guoxing Real Estate Development Co., Ltd.* (廊坊國興房地產開發有限公司)	100	100
Qidong Glory Properties Limited* (啟東市國瑞置業有限公司)	100	100
Shaanxi Huawei Shida Industrial Co., Ltd.* (陝西華威世達實業有限公司)	80	80
Shenzhen Guorui Technology Investment Co., Ltd.* (深圳國瑞科技投資有限公司)	80	80
Shenyang Great Eastern Real Estate Co., Ltd.* (瀋陽大東方置業有限公司)	80	80

In addition, the Group pledged 100% equity interest in Hainan Glory Investment & Development Co., Ltd.* (海南國瑞投資開發有限公司) (“Hainan Glory Investment”) to Hainan Haidao Linkong Industry Group Co., Ltd.* (海南海島臨空產業集團有限公司) in order to secure the performance obligation as at June 30, 2024 and December 31, 2023. The pledge shall be released within 10 days after the completion of the construction contract.

* The English name of the companies which were established in the PRC are for reference only and have not been registered.

20. COMMITMENTS

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Contracted but not provided for in the condensed consolidated financial statements:		
– Expenditure in respect of investment properties under development	173,273	126,280
– Construction of properties for own use	511,187	511,187
	684,460	637,467

In addition to the above capital commitments, the Group had contracted expenditure in respect of properties under development for sale of approximately RMB 5,457,731,000 (December 31, 2023: RMB3,862,540,000) as at June 30, 2024, which have not provided for in the consolidated financial statements.

21. CONTINGENT LIABILITIES

	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Guarantees provided by the Group in respect of loan facilities utilized by		
– individual property buyers (<i>note</i>)	2,580,969	3,803,973
– corporate property buyers (<i>note</i>)	8,557	9,214
	2,589,526	3,813,187

Note:

The Group has pledged certain bank deposits and provided guarantees to banks in favor of its customers in respect of the mortgage loans provided by the banks to those customers for the purchase of the Group's properties. These guarantees provided by the Group to the banks will be released upon receiving the building ownership certificate of the respective properties by the banks from the customers as security of the mortgage loans granted.

In the opinion of the Directors, the fair value of the financial guarantee contracts at initial recognition is not significant and the Directors consider the default rate is low and a large portion of consideration from property pre-sales contract has been received and recognized as contract liabilities. Accordingly, no loss allowance has been recognized as at June 30, 2024 and December 31, 2023.

21. CONTINGENT LIABILITIES (Continued)

As at June 30, 2024, Garden Group has provided guarantee to a bank for a banking facility granted to related parties, Jiangmen Yinghuiwan Real Estate Co., Ltd.* (江門映暉灣房地產有限公司) and Shantou Huirui Hotel Management Co., Ltd.* (汕頭市薈瑞酒店管理有限公司), of which the bank borrowings guaranteed by the Group was amounting to approximately RMB258,230,000 (December 31, 2023: RMB307,310,000) in aggregate, with the maturity date in June 2025 and September 2024, respectively.

As at June 30, 2024 and December 31, 2023, the Group was the defendant of certain non-material litigations, and also a party to certain litigations arising from the ordinary course of business. The likely outcome of these contingent liabilities, litigations or other legal proceedings cannot be ascertained at present, but the Directors believe that any possible legal liability which may be incurred from these cases will not have any material impact on the financial performance and financial position of the Group.

* The English name of the companies which were established in the PRC are for reference only and have not been registered.

22. LIQUIDITY RISK MANAGEMENT

The Group's objective is to maintain a balance between continuity of funding and the flexibility through the use of borrowings and its available credit facilities. The Directors closely monitor the liquidity position and ensure it has adequate sources of funding to finance the Group's projects and operations.

As at June 30, 2024, the Group's bank and other borrowings with aggregate carrying amount of approximately RMB8,370,029,000 was due within one year, while its cash and cash equivalents amounted to only approximately RMB104,540,000 and restricted bank deposits for construction of pre-sale properties and for mortgage loans granted to customers amounted to approximately RMB121,164,000, which can be used for payments for project costs when approval from related government authority is obtained. The Group monitored its compliance with covenants and repayment schedules of bank and other borrowings and senior notes, and took measures to improve the Group's financial position.

Based on the business model, the Group relied to a great extent on proceeds received from properties pre-sale to finance its development and construction of real estate projects. As there is no assurance that proceeds received from future pre-sales of the Group's current real estate projects will be sufficient to meet the Group's needs, the Group's operating plan requires it to raise additional funds to finance the development and construction of its current real estate projects. If the Group is unable to raise additional equity or debt financing, the Group's operations might need to be curtailed.

The management of the Group performed cash flow forecasts for the Group's operations and monitors the forecasts of the Group's liquidity requirements from time to time to ensure the Group has sufficient cash to meet its operational needs and settle liabilities when they fall due. The management of the Group takes into account the following considerations in projecting their cash flow forecasts: (a) successful negotiation with the senior notes holders and the banks for the extension of the repayment schedules; (b) successful disposal of certain investment properties and timely collection of the relevant sales proceeds; (c) successful implementation of the plans and measures to the pre-sales and sales of properties under development for sale and properties held for sales and timely collection of the relevant sales proceeds; and (d) control the administrative costs and capital expenditures. The Directors consider that the Group will be able to maintain sufficient financial resources to meet its operational needs. However, the current economic conditions continue to create uncertainty particularly over the level of demand for the Group's properties for sale and the availability of banking facility for the foreseeable future. Any delay or unavailability of any of the above measure or sources of finance would impact the Group's liquidity position. The management of the Group will closely monitor the liquidity position and set out alternative measures which include adjusting the construction progress as appropriate, reducing the Group's spending on land investments, accelerating sales with flexible pricing and obtaining other external financing through security market.

23. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the condensed consolidated financial statements, the Group has the following related party balances and transactions.

a) The following parties are identified as related parties to the Group and the respective relationships are set out below:

Name of related parties	Relationship
Mr. Zhang Zhangsun	Executive Director and controlling shareholder of the Group
Ms. Ruan Wenjuan	Executive Director and spouse of Mr. Zhang Zhangsun
Ms. Zhang Jin	Daughter of Mr. Zhang Zhangsun
Mr. Lin Yaoquan	Brother-in-law of Mr. Zhang Zhangsun
Mr. Zhang Zhangqiao	Younger brother of Mr. Zhang Zhangsun
Beijing Glory Commercial Management Co., Ltd.* (北京國瑞興業商業管理有限公司) ("Glory Commercial Management")	Controlled by Ms. Zhang Jin
Jinming Wujin Material Co., Ltd.* (汕頭市金明五金材料有限公司) ("Jinming Wujin")	Controlled by Mr. Zhang Zhangsun
Foshan Yinhe Ruixing Commercial Management Co., Ltd.* (佛山市銀和瑞興商業管理有限公司) ("Foshan Yinhe")	Controlled by Ms. Zhang Jin
Shenyang Glory Xingda Management Co., Ltd.* (瀋陽國瑞興達企業管理有限公司) ("Shenyang Xingda")	Controlled by Ms. Zhang Jin
Longhu Huamu Market Co., Ltd.* (汕頭市龍湖花木市場有限公司) ("Longhu Huamu")	Controlled by Ms. Zhang Youxi, sister of Mr. Zhang Zhangsun

23. RELATED PARTY TRANSACTIONS (Continued)

a) The following parties are identified as related parties to the Group and the respective relationships are set out below: (Continued)

Name of related parties	Relationship
Alltogether Land	Parent and ultimate holding company controlled by Mr. Zhang Zhangsun
Shenzhen Glory Industrial Development Co., Ltd.* (深圳國瑞興業發展有限公司) ("Shenzhen Glory Industrial")	Controlled by Mr. Zhang Zhangsun
Beijing Maorui Properties Co., Ltd.* (北京茂瑞置業有限公司) ("Maorui Zhive")	Joint venture
Zhongyu Properties (HK) Limited (中裕置業(香港)有限公司) ("Zhongyu")	Controlled by daughter and spouse of Mr. Zhang Zhangqiao
Well Ample Holding Ltd. (note (i)) (國益控股有限公司)	Controlled by daughter and spouse of Mr. Zhang Zhangqiao
Well Ample Holding (HK) Ltd. (note (i)) (國益控股(香港)有限公司)	Controlled by daughter and spouse of Mr. Zhang Zhangqiao
Shantou Guorui Zhiye Co., Ltd.* (note (i)) (汕頭國瑞置業有限公司)	Controlled by daughter and spouse of Mr. Zhang Zhangqiao
Shantou Huirui Hotel Management Co., Ltd.* (note (ii)) (汕頭市薈瑞酒店管理有限公司)	Controlled by daughter and spouse of Mr. Zhang Zhangqiao
Ruida Zhiye	Associate

Note:

- i. The related parties were then subsidiaries of the Company and were acquired by Zhongyu during the year ended December 31, 2022.

23. RELATED PARTY TRANSACTIONS (Continued)

a) The following parties are identified as related parties to the Group and the respective relationships are set out below: (Continued)

Name of related parties	Relationship
Beijing Ruimao Zhiye Co., Ltd.* (北京瑞茂房地產開發有限公司) ("Ruimao Real Estate")	Joint venture
Guangdong Guosha Investment Holding Group Co., Ltd.* (廣東國廈投資控股集團有限公司) ("Guangdong Guosha Investment")	Controlled by Mr. Zhang Zhangqiao
Hainan Glory Commercial Management Co., Ltd.* (海南國瑞興業商業管理有限公司) ("Hainan Glory Commercial Management")	Controlled by Ms. Zhang Jin
Xi'an Ruihe Xingda Commercial Management Co., Ltd.* (西安瑞和興達商業管理有限公司) ("Xi'an Ruihe")	Controlled by Ms. Zhang Jin
Wuxi Glory	Associate
Shantou Garden Property Services Co., Ltd.* (汕頭市花園物業管理有限公司) ("Shantou Garden Services")	Controlled by Ms. Zhang Jin
Beijing Guoyin Investment Fund Management Co., Ltd.* (北京國銀投資基金管理有限公司) ("Guoyin Fund Investment Management")	Controlled by Ms. Zhang Jin
Beijing Yinhe Guorui Commercial Investment Co., Ltd.* (北京銀和國瑞商業投資有限公司) ("Beijing Yinhe")	Controlled by Ms. Zhang Jin
Beijing Dayuan Tongrui Investment Center (limited partnership)* (北京達源通瑞投資中心(有限合夥)) ("Beijing Dayuan Tongrui")	Controlled by Ms. Zhang Jin

23. RELATED PARTY TRANSACTIONS (Continued)

a) The following parties are identified as related parties to the Group and the respective relationships are set out below: (Continued)

Name of related parties	Relationship
Beijing Huirui Capital Investment Co., Ltd.* (北京匯瑞資本投資有限公司) ("Beijing Huirui")	Controlled by Ms. Zhang Youxi
Shijiazhuang Guolong Properties Development Co., Ltd.* (石家莊國龍房地產開發有限公司) ("Shijiazhuang Guolong")	Controlled by Ms. Zhang Youxi
Shantou Chenghai Garden Hotel Co., Ltd.* (汕頭市澄海花園酒店有限公司) ("Shantou Chenghai")	Controlled by Mr. Zhang Zhangsun
Guangdong Guosha Real Estate Co., Ltd.* (廣東國廈地產有限公司) ("Guangdong Guosha Real Estate")	Controlled by Mr. Zhang Zhangqiao
Jiangmen Yinghuiwan Real Estate Co., Ltd.* (江門映暉灣房地產有限公司)	Controlled by Mr. Zhang Zhangqiao
Shantou Chenghai Glory Howard Johnson Guorui Hotel Co., Ltd.* (汕頭市澄海國瑞豪生大酒店有限公司) ("Shantou Chenghai Glory")	Controlled by Ms. Zhang Youxi
Shenzhen Glory Medical Industry Development Co., Ltd.* (深圳國瑞醫療產業發展有限公司) ("Shenzhen Glory Medical")	Controlled by Ms. Zhang Jin
Shenzhen Aiguoyi Children's Paradise Management Co., Ltd.* (深圳愛國懿兒童樂園管理有限公司) ("Shenzhen Aiguoyi")	Controlled by Mr. Zhang Zhangsun
Shenzhen Guoyu Network Technology Co., Ltd.* (深圳國裕網絡科技有限公司) ("Shenzhen Guoyu")	Controlled by Ms. Zhang Jin
Shenzhen Diyun Real Estate Consulting Co., Ltd.* (深圳地雲地產諮詢有限公司) ("Shenzhen Diyun")	Controlled by Mr. Zhang Zhangsun

23. RELATED PARTY TRANSACTIONS (Continued)

a) The following parties are identified as related parties to the Group and the respective relationships are set out below: (Continued)

Name of related parties	Relationship
Shenzhen Diyun Network Technology Co., Ltd. (深圳地雲網科技有限公司) ("Shenzhen Diyun Network")	Controlled by Ms. Zhang Jin
Shenzhen Kesong Investment Co., Ltd.* (深圳科松投資有限公司) ("Shenzhen Kesong")	Controlled by Ms. Zhang Jin
Shenzhen Ruibutler Electronic Commerce Co., (深圳瑞管家電子商務有限公司) ("Shenzhen Ruibutler")	Controlled by Mr. Zhang Zhangsun
Guangzhou Yipiantian Tourism Development Co., (廣州一片天旅遊開發有限公司) ("Guangzhou Yipiantian")	Controlled by Ms. Zhang Jin
Beijing Fangyun Online Network Technology Co., Ltd.* (北京房雲在線網絡科技有限公司) ("Beijing Fangyun")	Controlled by Ms. Zhang Jin
Beijing Guorui Commercial Operation Management Co., Ltd.* (北京國瑞商業運營管理有限公司) ("Beijing Guorui Commercial Operation")	Controlled by Ms. Zhang Jin
Shenzhen Xiangrui Investment Co., Ltd.* (深圳祥瑞投資有限公司) ("Shenzhen Xiangrui")	Non-controlling shareholders of a subsidiary
Guorui Better Life Health Technology (Shenzhen) Co., Ltd (國瑞美好生活健康科技(深圳)有限公司) ("Guorui Better Life")	Controlled by Ms. Zhang Jin
Langfang Guorui Agricultural Development Co., Ltd. (廊坊國瑞農業開發有限公司) ("Langfang Agricultural")	Controlled by Ms. Zhang Jin
Shenzhen Guole Cultural Industry Investment Co., Ltd. (深圳國樂文化產業投資有限公司) ("Shenzhen Guole Cultural")	Controlled by Mr. Zhang Zhangsun

23. RELATED PARTY TRANSACTIONS (Continued)

- b) At the end of the reporting period, the Group has deposit paid to or amounts receivable from the following related parties and the details are set out below:

Name of related parties	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Trade nature (<i>note (i)</i>):		
Foshan Yinhe	31,516	31,516
Non-trade nature (<i>note (ii)</i>):		
Ruida Zhiye	1,466,327	1,477,419
Maorui Zhiye	1,193,947	1,194,670
Wuxi Glory	46,707	46,905
Foshan Yinhe	42,818	–
Shenzhen Xiangrui	28,557	29,279
Shenzhen Diyun	23,879	23,284
Shenzhen Diyun Network	16,659	16,659
Shantou Chenghai	13,491	13,651
Shenzhen Glory Industrial	8,327	8,327
Beijing Huirui	7,475	7,475
Shenzhen Guoyu	7,081	7,081
Shenzhen Glory Medical	5,526	5,526
Beijing Dayuan Tongrui	4,000	4,000
Shenyang Xingda	2,533	2,817
Jinming Wujin	2,224	2,522
Hainan Glory Commercial Management	2,327	2,112
Shenzhen Kesong	2,000	2,000
Shenzhen Aiguoyi	1,843	1,843
Beijing Guorui Commercial Operation	1,360	1,323
Shantou Garden Services	1,337	1,150
Shantou Chenghai Glory	747	1,077
Guorui Better Life	851	851
Guoyin Fund Investment Management	522	522
Guangzhou Yipiantian	330	194
Shenzhen Guole Cultural	122	122
Shenzhen Ruibutler	17	105
	2,881,007	2,850,914
Amounts due from related parties, gross	2,912,523	2,882,430
Allowance for credit losses	(11,478)	(11,478)
Amounts due from related parties, net	2,901,045	2,870,952

Notes:

- i. Balances of trade nature are unsecured, interest-free and aged within one year.
- ii. Balances of non-trade nature are unsecured and repayable on demand. Included in the balances were approximately RMB2,660,274,000 (December 31, 2023: RMB2,016,576,000) bearing interest ranging from 4.75% to 9.30% (December 31, 2023: 4.75% to 9.30%).

23. RELATED PARTY TRANSACTIONS (Continued)

- c) At the end of the reporting period, the Group has amounts due to the following related parties and the details are set out below:

Name of related parties	As at June 30, 2024 RMB'000 (Unaudited)	As at December 31, 2023 RMB'000 (Audited)
Trade nature: <i>(note (i))</i>		
Glory Commercial Management	33,219	33,191
Foshan Yinhe	21,120	20,738
	54,339	53,929
Non-trade nature: <i>(note (ii))</i>		
Guangdong Guosha Investment	1,439,822	1,438,322
Alltogether Land <i>(note (iii))</i>	1,057,649	934,207
Longhu Huamu	996,449	799,716
Ruimao Real Estate	240,755	241,255
Shijiazhuang Guolong	193,925	193,925
Guangdong Guosha Real Estate	76,000	76,000
Langfang Agricultural	13,413	14,807
Mr. Lin Yaoquan	5,779	5,779
Shenzhen Xiangrui	4,000	4,000
Ms. Zhang Jin	1,810	1,810
Mr. Zhang Zhangsun	500	500
Beijing Yinhe	148	148
	4,030,250	3,710,469
Amounts due to related parties	4,084,589	3,764,398

Notes:

- i. Balances of trade nature are unsecured, interest-free and aged within one year.
- ii. Balances of non-trade nature are unsecured, interest-free and repayable on demand.
- iii. The amount represented dividend payable and advance from shareholder of the Company recorded under amounts due to related parties.

23. RELATED PARTY TRANSACTIONS (Continued)

d) During the reporting period, the Group entered into the following transactions with its related parties:

Name of related parties	Nature of transaction	Six months ended June 30,	
		2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Glory Commercial Management	Commercial management services fee	-	9,049
Shenyang Xingda	Commercial management services fee	189	188
Foshan Yinhe	Commercial management services fee	382	239
Hainan Glory Commercial Management	Commercial management services fee	372	578
Xi'an Ruihe	Commercial management services fee	-	168

e) Financial guarantees

Mr. Zhang Zhangsun and Ms. Ruan Wenjuan have provided guarantees for certain bank and other borrowings granted to certain subsidiaries of the Group and senior notes of the Company for nil consideration. As at June 30, 2024, the Group has bank and other borrowings amounting to approximately RMB14,442,491,000 (December 31, 2023: RMB15,058,788,000) and senior notes amounting to approximately RMB3,187,975,000 (December 31, 2023: RMB3,187,975,000) guaranteed by Mr. Zhang Zhangsun and Ms. Ruan Wenjuan.

As at June 30, 2024, Garden Group has provided guarantee to a bank for a banking facility granted to related parties, Jiangmen Yinghui Bay real estate Co., Ltd. and Huirui Hotel Management Co., Ltd., of which the bank borrowing guaranteed by the Group was amounting to approximately RMB258,230,000 (December 31, 2023: RMB307,310,000) with the maturity date in June 2025 and September 2024, respectively.

f) Key management personnel emoluments

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including Directors and other key management of the Group. The key management personnel compensation is as follows:

	Six months ended June 30,	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Short-term employee benefits	6,815	3,552
Retirement benefit contributions	68	61
	6,883	3,613

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

In addition, for financial reporting purposes, fair value measurements are categorized into Levels 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- i. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- ii. Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- iii. Level 3 inputs are unobservable inputs for the asset or liability.

The Group's investment in unlisted investments were measured at fair value, and grouped into Level 3.

	Fair value as at		Fair value hierarchy
	June 30, 2024 RMB'000 (Unaudited)	December 31, 2023 RMB'000 (Audited)	
Financial assets			
Equity instruments at FVTOCI (see note 13)			
– 0.15% equity investment in Bohai Life	8,481	8,481	Level 3
– 10% equity investment in Yongqing Jiyin Rural Bank	5,000	5,000	Level 3
	13,481	13,481	

The fair value of the unlisted equity instruments at FVTOCI, was determined by the Directors, based on market approach using the net book value of the investee multiply to the market price-to-book ratio, and adjusted for the lack of marketability. The change in unobservable inputs would not have significant impact to the fair value measurement.

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

The movements during the periods in the balance of Level 3 fair value measurement is as follows:

	0.15% equity investment in Bohai Life RMB'000	10% equity investment in Yongqing Jiyin Rural Bank RMB'000	Total RMB'000
At January 1, 2024 (Audited)	8,481	5,000	13,481
At June 30, 2024 (Unaudited)	8,481	5,000	13,481

During the six months ended June 30, 2024, there was no transfer between Level 1 and Level 2, or transfer into or out of Level 3 (six months ended June 30, 2023: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Except as disclosed in note 18 the Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the condensed consolidated statement of financial position approximate their fair values.



GLORY 国瑞

GLORY HEALTH INDUSTRY LIMITED

國瑞健康產業有限公司