



佳兆業集團控股有限公司*
KAISA GROUP HOLDINGS LTD.

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 1638

KAISA 2024 INTERIM REPORT GROUP

* For identification purposes only



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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. KWOK Ying Shing *(Chairman)*
Mr. MAI Fan *(Vice Chairman)*
Mr. LI Haiming
Mr. KWOK Hiu Kwan
Ms. LUO Tingting *(appointed on 12 September 2024)*
Mr. SONG Wei *(appointed on 12 September 2024)*
Mr. LIU Lihao *(appointed on 12 September 2024)*
Mr. SUN Yuenan *(Vice Chairman) (retired on 12 September 2024)*

Independent Non-Executive Directors

Mr. RAO Yong
Mr. ZHANG Yizhao
Mr. LIU Xuesheng

AUDIT COMMITTEE

Mr. RAO Yong *(Chairman)*
Mr. ZHANG Yizhao
Mr. LIU Xuesheng

REMUNERATION COMMITTEE

Mr. ZHANG Yizhao *(Chairman)*
Mr. RAO Yong
Mr. KWOK Ying Shing

NOMINATION COMMITTEE

Mr. KWOK Ying Shing *(Chairman)*
Mr. RAO Yong
Mr. ZHANG Yizhao

AUTHORISED REPRESENTATIVES

Mr. MAI Fan
Ms. LUO Tingting *(appointed on 12 September 2024)*
Mr. SUN Yuenan *(retired on 12 September 2024)*

COMPANY SECRETARY

Mr. YU Kwok Leung

REGISTERED OFFICE

Cricket Square
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PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE PRC

Room 3306, Kerry Center
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Shenzhen
China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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99 Queen's Road Central
Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman, KY1-1110
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

PRINCIPAL BANKERS

Bank of China Limited
Industrial and Commercial Bank of China Limited
Ping An Bank Company Limited
China Citic Bank Corporation Limited
China Minsheng Banking Corp. Ltd.

LEGAL ADVISERS

As to Hong Kong and U.S. law:

Sidley Austin

As to PRC law:

King & Wood Mallesons

As to Cayman Islands law:

Harney Westwood & Riegels

AUDITOR

Elite Partners CPA Limited

LISTING INFORMATION

The Company's ordinary shares are listed on
the Main Board of The Stock Exchange of
Hong Kong Limited
(Stock Code: 1638)

COMPANY'S WEBSITE

<http://www.kaisagroup.com>

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board of directors (the “**Board**”) of Kaisa Group Holdings Ltd. (“**Kaisa**” or the “**Company**”, which together with its subsidiaries is referred to as the “**Group**”), I present the results of the Group for the six months ended 30 June 2024 (the “**period**”) and the comparative figures for the corresponding period in 2023.

RESULTS AND DIVIDEND

For the six months ended 30 June 2024, the Group's turnover and gross profit were approximately RMB5,428.6 million and RMB744.3 million, representing decreases of approximately 60.0% and 75.0% as compared to the corresponding period in 2023, respectively. Loss attributable to equity holders of the Company and basic loss per share amounted to approximately RMB9,115.4 million and RMB1.299, respectively (corresponding period in 2023: loss of approximately RMB6,973.9 million and basic loss per share of RMB0.994).

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: nil).

BUSINESS REVIEW

Property Market and Policies

In the first half of 2024, the complexity and uncertainty of the external environment increased, and the deepening of domestic structural adjustment posed challenges, but the release of the effects of macro-policies, the increase in overseas demand, and the accelerated development of new productive forces formed effective support. The macro economy was generally stable, with GDP in the PRC amounting to RMB61.7 trillion in the first half of the year, representing a year-on-year growth of 5.0%. CPI rose by 0.1% year-on-year, and the surveyed urban unemployment rate averaged 5.1%, representing a year-on-year decrease of 0.2 percentage points. The development quality and transformation upgrade progressed steadily, and the trend of industrial transformation towards “new” and “green” became more obvious. On the whole, during the first half of the year, the national economy continued to restore the positive momentum, and the economic operation was generally stable, making progress amidst stability.

In respect of the property market, since the beginning of the year, relaxation has been the keynote in real estate policies, but the industry as a whole continued to face great downward pressure. In the first quarter of the year, under the guidance of the spirit of the Central Government and the National People's Congress and Chinese People's Political Consultative Conference, the direction of real estate policies became clearer and formed a joint force while remaining loosen. The market continued to bottom out, and certain data from certain regions and cities showed signs of improvement. In the second quarter, the persistent effects of policies such as abolishing the lower limit of loan interest rates and lowering the down payment ratio, promoted the release of demand. Following the implementation of a number of policies, secondary housing transactions in some core cities have started to show improvement, but the overall new housing market has not improved significantly, and it still takes time for the policy to take effect.

Securing Livelihood, Ensuring Delivery, and Guaranteeing Quality

For the six months ended 30 June 2024, the Group, together with its joint ventures and associates, recorded contract sales of approximately RMB3,556 million.

Kaisa closely followed changes brought by new policies and based on market trends, implemented city-specific policies and one strategy for one property project, while adopting flexible marketing strategies and making greater efforts in project sales. At the same time, Kaisa promoted the sale of precipitated assets such as parking spaces and shops, and the operation of asset leasing to effectively revitalize funds to guarantee delivery and operation.

During the period, Kaisa fulfilled its responsibilities, overcame difficulties, and resolutely implemented the work of "securing livelihood, ensuring delivery, and guaranteeing quality. Half a year before delivery, the customer service team led the formation of a working group for project delivery, formulated an overall project delivery plan. We ensured construction quality from the perspective of customers, and carried out several rounds of simulated inspection and risk investigation with engineering teams to strictly control delivery quality. One-stop occupancy services were provided to property owners at the delivery sites, and property owners were accompanied by a professional home inspector throughout the one-on-one inspection and acceptance process. In the first half of 2024, the Group delivered total GFA of approximately 280,000 sq.m. in 12 projects in various cities including Shenzhen, Beijing, Chongqing, Xuzhou, Jieyang and Zhongshan etc., vigorously promoting the work of ensuring delivery.

Stepping into the new competition cycle, Kaisa has always insisted on putting products as its first priority, designing and building high-quality and high-standard products based on customers' needs. During the first half of the year, various projects delivered by the Group, including Shenzhen Jiayuan, Shenzhen Kaisa Cloud, Beijing Xishan Palace and Taizhou Royal Mansion etc., amounting to a total GFA of more than 192,000 sq.m., met the nationally certified 2-star green building standard. Adhering to the concept of green design, Kaisa is committed to achieving sustainable social efficiency by controlling the energy consumption of buildings to provide customers with comfortable working and living environment while minimizing the negative impacts of urban development on the ecological environment.

Land Bank

Deepening its penetration in the first-tier and major second-tier cities has always been the development strategy of the Group. As at 30 June 2024, the Group has a total of 186 real estate projects in 50 cities nationwide, with a total land bank of approximately 23.30 million sq.m., of which approximately 13.64 million sq.m. or 59% of the Group's total land bank are located in the Greater Bay Area. Among cities in the Greater Bay Area, Shenzhen and Guangzhou are the Group's core markets that have been intensely developed over the years, accounting for 43% of its land bank in the Greater Bay Area.

Urban Renewal

To respond to the Guiding Opinions on the Active and Steady Promotion of Urban Village Transformation in Supercities and Megacities (《關於在超大特大城市積極穩步推進城中村改造的指導意見》) issued by the State Council, Shenzhen officially issued the Implementation Opinions on Proactively and Steadily Pushing Forward the Transformation of Urban Villages to Achieve High-Quality Development (《關於積極穩步推進城中村改造實現高質量發展的實施意見》), which clarified that future urban village transformation will take a new path of transformation, which featured government-led initiatives and the separation of the first and second levels. Land will be reserved by means of vacant land, and the land transferee determined by public means such as transfer based on comprehensive evaluation or design plans. The land in urban village reconstruction projects under the category of demolition for reconstruction has to be reserved by means of vacant land, and subsequently the land transferee can be determined by public means such as transfer based on comprehensive evaluation or design plans, and development and construction shall be carried out by the land transferee. Under the model of land preparation, central and state-owned enterprises play a key role in urban village transformation, while private enterprises mainly focus on providing whole process services for central and state-owned enterprises.

On the other hand, the government is also conducting research on proposals to steadily promote historical projects. The "Consultation Draft on Certain Measures for Promoting Urban Renewal Work in a Steady and Orderly Manner" (《關於穩妥有序推進城市更新工作的若干措施》的徵求意見稿) mainly focuses on the difficulties of project advancement, and proposes to provide support from the aspects of planning indicators, preferential tax policies and financial support. At the same time, support in areas such as approval process and taxation is also provided for relief projects that introduce "a bona fide third party" for contracting.

With 25 years of experience in urban renewal, the Group has been involved in more than ten core cities and regions across the country. Of these, most of the renewal projects are located in the Greater Bay Area. As at 30 June 2024, the Group together with its joint ventures and associates had over a hundred urban renewal projects in the Greater Bay Area which were yet to be converted into land bank of the Group, covering a site area of approximately 38 million sq.m.. The Group plans to replenish the land bank with urban renewal project reserve as the source of high-quality inventory through continuous conversion each year and at the same time to provide a full-process urban renewal service model, empowering industrial upgrading and practicing high-quality and sustainable development.

Financial Management

As at 30 June 2024, the Group's cash and bank deposits (including bank deposits, cash and bank balances and restricted cash) amounted to approximately RMB2,751.0 million. The Group's liabilities to assets ratio excluding receipts in advance (including contract liabilities) decreased to 104.8%; and cash to short-term debt ratio (excluding restricted cash) was 0.01.

Financing

In the first half of 2024, at the financing level, regulatory policies have continued to relax. Local governments have introduced a range of favorable measures, including “reducing the down payment ratio”, “lowering loan interest rates”, “recognising houses, not loans”, “new regulations on operating property loans”, and “establishing an urban real estate financing coordination mechanism”. These measures collectively convey a positive signal of policy support for financing of real estate enterprises. City-specific policies were implemented to optimize regulation of the real estate industry, lower costs of housing mortgage, actively promote work on guaranteed delivery, and promote the stable and healthy development of the real estate market. However, the industrial risks have not yet been fully resolved, and financial institutions still have a relatively weak expectation on real estate enterprises, especially private real estate enterprises. The substantive beneficiaries of the favorable financing policies are limited, and the recovery of confidence in the real estate market is expected to take some time. The market is currently still in an adjustment period and is still in a sluggish state. The stabilization and recovery of the market and the prevention of debt risk of housing enterprises still need to be consolidated by policies.

Against such backdrop, the Group persisted in proactively making great efforts in debt management, and looked for additional financing to provide itself with liquidity support. At the same time, the Group actively negotiated for financing extensions and interest rate cuts. Financing costs have continued to decline compared with the end of 2023. The Group continued to actively introduce cooperations and realized revitalization. Based on the existing experience of project revitalization, the Group will further promote the implementation of cooperative revitalization plans for various projects during the year. The Group will continue to explore practical development paths. Relying on the abundant land bank in the Greater Bay Area and the core advantages in the field of urban renewal, and leveraging positive signals of policy financing, the Group will continue to promote the acceleration of revitalization of core assets and onshore and offshore debt restructuring.

In terms of offshore debt restructuring, the Group with its financial and legal advisors have been actively engaging with the Ad Hoc Group of creditors (the “**AHG**”) and its advisors on the formulation of a mutually agreed holistic debt restructuring plan over the past years. On 20 August 2024, the Company had entered into a restructuring support agreement (the “**RSA**”) with the AHG which is a notable milestone regarding the restructuring of the Group's offshore indebtedness (the “**Restructuring**”). The contemplated Restructuring is intended to (i) provide the Company with a long-term, sustainable capital structure; (ii) allow adequate financial flexibility and sufficient runway to stabilize the business; and (iii) protect the rights and interests, and maximize value, for all stakeholders. Broad-based support is required to facilitate a successful Restructuring. The Group will continue to maintain active and constructive dialogues with its creditors to facilitate and implement the Restructuring as soon as practicable, and make announcement on the latest progress of the Restructuring as and when appropriate.

PROSPECTS

Looking ahead, the global economy may continue to show recovery. Central banks of various countries are actively making deployments for the downward trend of interest rates, and a global trend of interest rate cuts has started which is expected to support the economic growth. More than a dozen countries have held or will soon hold key elections, and uncertainty related to trade policy will be intensified. More potential policies that could affect the trade outlook and economic activities may be launched. In the second half of the year, it is expected that China's economy will remain stable on the whole, but the domestic economy will face the issues of insufficient short-term demand, weak expectations and challenges of medium- and long-term structural transformation, and the pressure on maintaining stable economy growth while preventing risks still exists. In respect of the property market, under an environment of relaxing policy, the real estate market is seeking recovery from the downturn, and it is expected that the downward trend of the primary property market will slow down in the second half of the year. However, as residents' income expectations and expectation of falling house prices have not been significantly improved, the national real estate market is still facing adjustment pressure, and the primary property market is still in a stage of bottoming out.

In the future, we will take active initiatives to mitigate operating risks, return to the right track of healthy development, adhere to the business strategy of profit and cash flow as the core, and actively explore a new model of light-asset, high-quality and sustainable development.

ACKNOWLEDGEMENT

The Board will continue to mitigate negative impacts and implement measures to manage any risks regarding the Group's operations and reputation, and enhance the Group's core advantages to achieve sustainable development.

On behalf of the Board, I would like to take this opportunity to extend my wholehearted gratitude to all shareholders, investors, business partners and customers of the Company. We will overcome the difficulties together hand in hand to maximize the value and returns to our shareholders and investors.

KWOK Ying Shing

Chairman

Hong Kong, 29 August 2024

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL PERFORMANCE

During the six months ended 30 June 2024, the Group recorded revenue of approximately RMB5,428.6 million, representing a decrease of 60.0% as compared with approximately RMB13,564.6 million for the corresponding period in 2023. Loss for the period amounted to approximately RMB8,993.9 million as compared to loss of RMB6,600.5 million for the six months ended 30 June 2023. Loss for the period attributable to owners of the Company amounted to approximately RMB9,115.4 million as compared to loss of approximately RMB6,973.9 million for the six months ended 30 June 2023. Basic loss per share amounted to RMB1.299 (six months ended 30 June 2023: loss of RMB0.994).

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: nil).

CONTRACTED SALES IN THE FIRST HALF OF 2024

In the first half of 2024, the Group together with its joint ventures and associates recorded contracted sales of approximately RMB3,556 million. Aggregated GFA sold for the period was 329,915 sq. m.. The table below shows the contracted sales by region in the first half of 2024:

Region	Contracted sales area (sq.m.)	Contracted sales amount (RMB in millions)
Greater Bay Area	188,683	2,386
Yangtze River Delta	37,407	266
Central China	54,560	444
Western China	17,963	92
Pan-Bohai Bay Rim	31,302	368
Total	329,915	3,556

Property development

Projects completed in the first half of 2024

The Group adopts a strict and prudent practice in project development and adjusts its pace of business expansion as and when appropriate. During the six months ended 30 June 2024, the GFA of newly completed projects of the Group together with its joint ventures and associates amounted to approximately 1.2 million sq. m..

Projects under development

As at 30 June 2024, the Group together with its joint ventures and associates had 65 projects under development with an aggregate of GFA of approximately 7.9 million sq. m..

Property management

The Group generated revenue from providing property management services. During the six months ended 30 June 2024, the Group managed a total GFA of approximately 104.5 million sq. m.. The Group's property management is striving to deliver excellent and professional services to its customers and enhance its brand and corporate image. As at 30 June 2024, the Group's property management services penetrated into 77 cities nationwide, covering residential, commercial, office, tourism and large-scale stadiums.

Investment properties

The Group adopts a diversified business strategy. The portfolio of investment properties will generate steady and reliable income and enlarge the overall income base of the Group. The Group develops commercial properties such as office buildings, retail stores and car parks for leasing purpose. In managing its investment property portfolio, the Group takes into account long-term growth potential, the overall market conditions, and its cash flows and financial condition. As at 30 June 2024, the Group held 9 investment property projects, with an aggregate GFA of approximately 0.39 million sq. m..

Land bank

The Group remained cautious in replenishing its land bank nationwide by making reference to the development of the Company, availability of land supply and its existing land bank in the regions. By ways such as joint development, acquisition and bidding, auction and listing as well as urban renewal, the Group continues to seek project resources in China's regions where economy prospers.

As at 30 June 2024, the Group together with its joint ventures and associates had a total land bank of approximately 23.30 million sq. m. and approximately 59% of land bank was located in the Greater Bay Area, which is sufficient for the Group's development needs for the next five years.

FINANCIAL REVIEW

Revenue

The Group's revenue was primarily derived from the following business segments: (i) property development, (ii) property investment, (iii) property management, (iv) hotel and catering operations, (v) cultural centre operations, (vi) healthcare operations and (vii) others. Revenue for the six months ended 30 June 2024 decreased by 60.0% to approximately RMB5,428.6 million from approximately RMB13,564.6 million for the corresponding period in 2023. 68.0% of the Group's revenue was generated from the sales of properties (six months ended 30 June 2023: 86.5%) and 32.0% from other segments (six months ended 30 June 2023: 13.5%).

Sales of properties

Revenue from sales of properties decreased by approximately RMB8,036.7 million, or 68.5%, to approximately RMB3,691.0 million for the six months ended 30 June 2024 from approximately RMB11,727.7 million for the corresponding period in 2023. The decrease was attributable to the decrease in total delivered GFA to approximately 0.28 million sq. m. for the six months ended 30 June 2024 from approximately 0.54 million sq. m. for the corresponding period in 2023 and the drop in the selling price of the GFA delivered for the six months ended 30 June 2024.

Rental income

Revenue from rental income increased by approximately RMB9.8 million, or 5.0%, to approximately RMB207.3 million for the six months ended 30 June 2024 from approximately RMB197.5 million for the corresponding period in 2023.

Property management

Revenue from property management services decreased by approximately RMB1.1 million, or 0.1%, to approximately RMB826.4 million for the six months ended 30 June 2024 from approximately RMB827.5 million for the corresponding period in 2023.

Hotel and catering operations

Revenue from hotel and catering operations of the Group decreased by approximately RMB43.3 million, or 27.1% to approximately RMB116.6 million for the six months ended 30 June 2024, from approximately RMB159.9 million for the corresponding period in 2023. The decrease was due to lower hotel occupancy in the first half of the year.

Cultural centre operations

Revenue from cultural centre operations decreased by approximately RMB1.7 million, or 2.0%, to approximately RMB82.9 million for the six months ended 30 June 2024 from approximately RMB84.6 million for the corresponding period in 2023.

Healthcare operations

Revenue from healthcare operations increased by approximately RMB33.9 million, or 10.8%, to approximately RMB348.2 million for the six months ended 30 June 2024 from approximately RMB314.3 million for the corresponding period in 2023. The increase was mainly due to an increase in sales in healthcare operations as a result of an increase in demand.

Gross profit

As a result of the foregoing, the Group's gross profit decreased by approximately RMB2,228.6 million, or 75.0%, to approximately RMB744.3 million for the six months ended 30 June 2024 from approximately RMB2,972.9 million for the corresponding period in 2023. The Group's gross profit margin decreased from 21.9% for the six months ended 30 June 2023 to 13.7% for the six months ended 30 June 2024, primarily attributable to a decrease in selling price attained in general for the properties completed and delivered to the purchasers during the six months ended 30 June 2024.

Other gains and losses – net

The Group had net other losses of approximately RMB3,293.4 million for the six months ended 30 June 2024, as compared with approximately RMB4,035.1 million for the corresponding period in 2023. The Group's net other gains and losses for the six months ended 30 June 2024 mainly comprised the write-down of completed properties held for sale and properties under development of approximately RMB1,590.6 million, net exchange losses of approximately RMB452.4 million and net loss on disposal of property, plant and equipment of approximately RMB813.5 million. The Group's net other gains and losses for the six months ended 30 June 2023 mainly comprised net fair value losses on financial assets at FVTPL of approximately RMB262.4 million, write-down of completed properties held for sale and properties under development of approximately RMB376.3 million and net exchange losses of approximately RMB3,057.5 million.

Selling and marketing costs

The Group's selling and marketing costs decreased by approximately RMB114.6 million, or 32.0%, to approximately RMB244.0 million for the six months ended 30 June 2024 from approximately RMB358.6 million for the corresponding period in 2023. The decrease in selling and marketing costs was in line with the decrease in the Group's contracted sales for the six months ended 30 June 2024.

Administrative expenses

The Group's administrative expenses decreased by approximately RMB79.6 million, or 10.1%, to approximately RMB710.0 million for the six months ended 30 June 2024 from approximately RMB789.6 million for the corresponding period in 2023. The decrease was mainly due to decrease in depreciation and other taxes.

Net fair value losses on investment properties

The Group's net fair value losses on investment properties increased by approximately RMB365.2 million, or 294.5%, to approximately RMB489.2 million for the six months ended 30 June 2024 from approximately RMB124.0 million for the corresponding period in 2023.

Finance costs – net

The Group's net finance costs decreased by approximately RMB0.6 million, or 0.1% to approximately RMB939.2 million for the six months ended 30 June 2024 from approximately RMB939.8 million for the corresponding period in 2023.

Income tax credit/expense

The Group's income tax credit amounted to approximately RMB73.1 million for the six months ended 30 June 2024 as compared to income tax expense of approximately RMB667.6 million for the corresponding period in 2023.

Loss and total comprehensive expense for the six months ended 30 June 2024

As a result of the foregoing, the Group's loss and total comprehensive expense for the six months ended 30 June 2024 amounted to approximately RMB8,993.9 million and approximately RMB8,998.1 million, respectively (six months ended 30 June 2023: loss and total comprehensive expense amounted to approximately RMB6,600.5 million and RMB6,573.3 million, respectively).

Liquidity, financial and capital resources

Cash position

As at 30 June 2024, the carrying amount of the Group's cash and bank deposits (including restricted bank balances and cash) was approximately RMB2,751.0 million (31 December 2023: RMB3,401.1 million), representing a decrease of 19.1% as compared to that as at 31 December 2023. Certain property development companies of the Group placed a certain amount of pre-sales proceeds to designated bank accounts as collateral for the construction loans. Such collateral will be released after the completion of the pre-sales properties or the issuance of the title of the properties, whichever is the earlier. Additionally, as at 30 June 2024, certain of the Group's cash was deposited in certain banks as collateral for the benefit of mortgage loan facilities granted by the banks to the purchasers of the Group's properties. The aggregate of the above collaterals (i.e. balance of pre-sale escrow funds) amounted to approximately RMB2,005.4 million as at 30 June 2024 (31 December 2023: RMB2,406.3 million).

Borrowings and charges on the Group's assets

As at 30 June 2024, the Group had aggregate borrowings of approximately RMB135,078.4 million (31 December 2023: RMB133,624.0 million), of which approximately RMB117,604.1 million (31 December 2023: RMB117,051.6 million) will be repayable on demand or within 1 year, approximately RMB3,128.3 million (31 December 2023: RMB1,837.3 million) will be repayable between 1 and 2 years, approximately RMB11,061.2 million (31 December 2023: RMB4,112.3 million) will be repayable between 2 and 5 years and approximately RMB3,284.8 million (31 December 2023: RMB10,622.8 million) will be repayable over 5 years.

As at 30 June 2024, the senior notes issued by the Company were secured by the share pledge of the Company's subsidiaries incorporated outside the PRC, and are jointly and severally guaranteed by certain subsidiaries of the Company. The Group's domestic bank loans carried a floating interest rate linking up with the base lending rate of the People's Bank of China. The Group's interest rate risk is mainly from the floating interest rate of domestic bank loans.

Key financial ratios

As at 30 June 2024, the Group has a leverage ratio (i.e. its net debts (total borrowings, net of cash and bank balances, restricted bank balances and cash) over total assets) of 58.9% (31 December 2023: 55.9%). The Group's net current liabilities amounted to approximately RMB30,952.4 million as at 30 June 2024 as compared to net current liabilities of approximately RMB25,442.9 million as at 31 December 2023. The quick ratio (cash and bank balances divided by short-term borrowings) was 0.1 times as at 30 June 2024 (31 December 2023: 0.1 times), and the current ratio was 0.9 times as at 30 June 2024 (31 December 2023: 0.9 times).

The cash to short-term debt ratio is calculated by dividing cash and bank balances (excluding restricted bank balances and cash) by short-term borrowings. As at 30 June 2024, the Group's cash and bank balances (excluding restricted bank balances and cash) were approximately RMB745.7 million (31 December 2023: RMB994.8 million), and short-term borrowings were approximately RMB117,604.1 million (31 December 2023: RMB117,051.6 million). Therefore, the cash to short-term debt ratio was 0.01 (31 December 2023: 0.01).

The liabilities to assets ratio, after excluding contract liabilities, is calculated by subtracting contract liabilities from total liabilities (including perpetual capital securities) and dividing by total assets minus contract liabilities. As of 30 June 2024, the Group's contract liabilities were approximately RMB18,790.7 million (31 December 2023: RMB20,325.5 million), total liabilities (including perpetual capital securities) were approximately RMB234,520.0 million (31 December 2023: RMB226,446.4 million), and total assets were approximately RMB224,581.8 million (31 December 2023: RMB232,820.7 million). The total liabilities (including perpetual capital securities but excluding contract liabilities) and total assets (excluding contract liabilities), were approximately RMB215,729.3 million (31 December 2023: RMB206,120.9 million) and approximately RMB205,791.2 million (31 December 2023: RMB212,495.2 million), respectively. Therefore, the liabilities to asset ratio after excluding contract liabilities was 104.8%, compared to 97.0% of 31 December 2023, representing an increase of approximately 7.8 percentage points.

Cost of borrowings

For the six months ended 30 June 2024, the Group's total interest expenses were approximately RMB6,583.5 million, representing an increase of approximately RMB349.2 million or 5.6% as compared with approximately RMB6,234.3 million for the corresponding period in 2023.

Foreign currency risks

The Group's property development projects are substantially located in China and most of the related transactions are settled in RMB. The Company and certain of the Group's intermediate holding companies which operate in Hong Kong have recognised assets and liabilities in currencies other than RMB. As at 30 June 2024, the Group had borrowings in US dollar and HK dollar with an aggregate carrying amount of approximately RMB85,004.2 million, which are subject to foreign currency exposure.

The Group does not have a foreign currency hedging policy. However, management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Financial guarantees

As at 30 June 2024, the Group had contingent liabilities relating to guarantees in respect of mortgage facilities provided by domestic banks to its customers amounting to approximately RMB25,150.2 million (31 December 2023: RMB26,269.5 million). Pursuant to the terms of the guarantees, upon default in mortgage payments by a purchaser, the Group would be responsible for repaying the outstanding mortgage principal together with accrued interest and penalties owed by the defaulting purchaser to the bank, but the Group would be entitled to assume legal title to and possession of the related property. These guarantees will be released upon the earlier of (i) the satisfaction of the mortgage loan by the purchaser of the property; and (ii) the issuance of the property ownership certificate for the mortgage property and the completion of the deregistration of the mortgage.

As of 30 June 2024, the financial guarantees given by the Group relating to the liabilities of the Group's joint ventures and associates and third parties were approximately RMB20,797.5 (31 December 2023: RMB21,730.8 million). The proceeds of the financings were mainly applied towards property development projects of the joint ventures and associates of the Group.

Employees and remuneration policy

As at 30 June 2024, the Group had 16,036 employees (31 December 2023: 16,667 employees) including 12,440 employees of Kaisa Prosperity Holdings Limited (2168.HK), 890 employees of Kaisa Health Group Holdings Limited (876.HK) and 105 employees of Kaisa Capital Investment Holdings Limited (936.HK). The related employees' costs (including the directors' remuneration), for the six months ended 30 June 2024 amounted to approximately RMB446.4 million (six months ended 30 June 2023: RMB456.5 million). The remuneration of employees was based on their performance, skills, knowledge, experience and market trend. The Group reviews the remuneration policies and packages on a regular basis and will make necessary adjustment commensurate with the pay level in the industry. In addition to basic salaries, employees may be offered with discretionary bonus and cash awards based on individual performance. The Group provides trainings for its employees so that new employees can master the basic skills required to perform their functions and existing employees can upgrade or improve their production skills. Further, the Company has adopted a share option scheme and a subsidiary share option scheme. Further information of the share option schemes are set out in the Disclosure of Interests section of this interim report.

DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 30 June 2024, the combined statement of financial position of the affiliated companies (as defined in Rule 13.11(2)(A) of the Listing Rules) that the Group had provided financial assistance is set out below:

	Combined financial position RMB'000
Non-current assets	11,394,657
Current assets	223,784,376
Current liabilities	(201,391,983)
Non-current liabilities	(26,785,384)
Net assets	7,001,666
<hr/>	
Share capital	8,143,373
Reserves	(1,141,708)
Total equity	7,001,666

As at 30 June 2024, the Group's attributable interests in these affiliated companies amounted to RMB3,596,500.

The combined statement of financial position of the affiliated companies has been prepared by combining the statements of financial position of those companies and has been adjusted to conform to the Group's principal accounting policies.

In order to achieve a wider geographical coverage, as well as the number of projects in various strategically important cities, it has been the Group's business model to develop certain large scale property developments through co-operations with various strategic partners. For example, for some property development projects, the Group is in the capacity a non-controlling shareholder, and these investments have been accounted as joint ventures or associates of the Group. These projects are part of the Group's ordinary course of business. The funds provided by the Group to the joint ventures or associates were mainly for the development of the property projects with a view of generating return to the Group.

As at 30 June 2024, the major terms of the amounts due from associates of RMB9,048,999,000 and joint ventures of RMB15,589,997,000 are unsecured, interest-free, repayable on demand.

For the six months ended 30 June 2024, the Group considered that there was an increase in credit risk regarding the amounts due from associates and joint ventures having considered the unexpected slow recovery of the PRC's economy and unfavorable condition in the PRC property sector. For the six months ended 30 June 2024, the provision for ECL allowance relating to amounts due from associates and joint ventures (which were included in "debtors, deposits and receivables") were approximately RMB695,859,000 and RMB513,790,000 respectively (year ended 31 December 2023: RMB322,586,000 and RMB676,552,000 respectively).

PROJECT PORTFOLIO

AS AT 30 JUNE 2024

No.	Project	Address	Location	Type ⁽¹⁾
The Greater Bay Area⁽⁶⁾				
1	Shenzhen Woodland Height	Junction of Shenhui Road and Lilang Road, Buji Town, Longgang District	Shenzhen	Residential
2	Shenzhen Mocha Town	Busha Road, Longgang District	Shenzhen	Residential
3	Shenzhen Kaisa Center ⁽²⁾	East of Shangbu Nan Road and North of Nanyuan Road, Futian District	Shenzhen	Residential
4	Shenzhen Lake View Place	Junction of Xincheng Road and Pingxi Road, Longgang District	Shenzhen	Residential
5	Shenzhen Xiangrui Garden	North of Beihuan Highway, Nanshan District	Shenzhen	Residential
6	Shenzhen Jincui Garden	Cuizhu Road, Luohu District	Shenzhen	Residential
7	Shenzhen Shangpin Garden	Bantian Community, Bantian Street, Longgang District	Shenzhen	Residential
8	Shenzhen Metro City ⁽²⁾	Buji Station, Shenhui Road, Nanmendun, Buji Town, Longgang District	Shenzhen	Residential
9	Shenzhen Kaisa City Plaza	Banxuegang Avenue, Longgang District	Shenzhen	Residential
10	Shenzhen Kaisa Metropolitan Homeland ⁽²⁾	Mumianwan Station, Longgang Avenue, Buji, Longgang District	Shenzhen	Residential
11	Shenzhen Dapeng Kaisa Peninsula Resort	Yingbin Avenue, Dapeng New District	Shenzhen	Commercial
12	Shenzhen Kaisa Yuefeng Garden	Bulong Road, Bantian, Longgang District	Shenzhen	Residential
13	Shenzhen Yantian Kaisa City Plaza	Mingzhu Avenue, Yantian District	Shenzhen	Residential
14	Shenzhen Golden Bay International Park ⁽⁷⁾	Xiasha Community, Dapeng Street, Dapeng New District	Shenzhen	Commercial
15	Shenzhen Marriott Hotel Golden Bay	No.8 Jinsha Road, Xiasha Community, Dapeng Street, Dapeng New District	Shenzhen	Commercial
16	Shenzhen Kaisa Qianhai Plaza	Junction of Yueliangwan Avenue and Mianshan Road, Nanshan District	Shenzhen	Residential
17	Shenzhen Pinghu Kaisa Plaza	Junction of Shouzhen Street and Pinghu Avenue, Pinghu Street, Longgang District	Shenzhen	Residential
18	Shenzhen Kaisa Future City	Junction of Ruyi Road and Dayun Road, Longcheng Street, Longgang District	Shenzhen	Residential
19	Shenzhen Nan'ao Project	Shuitousha Beach, Nan'ao Street, Dapeng New District	Shenzhen	Commercial
20	Shenzhen Kaisa Dongmen New World ⁽²⁾	Dongmen Street, Luohu District	Shenzhen	Commercial & Residential
21	Shenzhen Kaisa E Cube	Junction of Huanguan Nan Road and Guantian Road, Guanlan Street, Longhua District	Shenzhen	Commercial & Residential
22	Shenzhen Marine Mangrove Bay ⁽⁷⁾	Intersection of Honghua Road and Xiangzhang Road, Futian District	Shenzhen	Residential

Project Portfolio (continued)

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1-8	160,514	580,135	580,135	-	-	100%
1-7	185,724	735,299	735,299	-	-	100%
1	5,966	98,241	98,241	-	-	100%
1-5	182,064	388,626	388,626	-	-	100%
1	57,984	143,796	143,796	-	-	100%
1	9,066	105,830	105,830	-	-	100%
1	45,829	231,572	231,572	-	-	100%
1-4	5,241	124,479	124,479	-	-	100%
1-4	242,172	1,755,673	1,541,065	214,608	-	100%
1-4	19,393	138,892	138,892	-	-	100%
1-2	48,256	186,466	186,466	-	-	100%
1-2	47,890	165,455	165,455	-	-	100%
1-3	230,315	794,562	540,349	254,213	-	100%
1-4	869,838	508,670	154,722	195,219	158,729	-
1	34,449	77,834	77,834	-	-	100%
1-2	49,582	295,941	295,941	-	-	51%
1-3	118,488	666,848	666,848	-	-	100%
1-2	48,773	310,131	310,131	-	-	100%
1	25,966	51,930	-	51,930	-	87%
1	5,992	50,556	50,556	-	-	100%
1	34,129	160,970	160,970	-	-	51%
1	9,467	40,321	40,321	-	-	<1%

Project Portfolio (continued)

No.	Project	Address	Location	Type ⁽¹⁾
23	Shenzhen The Kaisa Park	Junction of Jiuwei Road and Huangmabu Road, Bao'an District	Shenzhen	Residential
24	Shenzhen Town Centre	Junction of Jianhui Road and Zhicheng Road, Longhua District	Shenzhen	Commercial & Residential
25	Shenzhen The Corniche (Phase I of Futian Dongshan Project)	No.8008 Binhe Avenue, Futian District	Shenzhen	Residential
26	Shenzhen Kaisa Metropolis Plaza	Buji Street, Longgang District	Shenzhen	Commercial & Residential
27	Shenzhen Kaisa Cloud	Guangming Avenue, Guangming District	Shenzhen	Commercial & Residential
28	Shenzhen Luohu Sanshun Project	Dongxiao Street, Luohu District	Shenzhen	Industrial
29	Shenzhen Kaisa Shenwei	North of Shahe Street, intersection of Qiaofa Road and Qiaoshen Road, Nanshan District	Shenzhen	Commercial
30	Shenzhen Nanmendun Project (P1) ⁽³⁾	North side of the interchange of Longgang Avenue and Tiedong Road, Buji Street, Longgang District	Shenzhen	Residential
31	Shenzhen Kaisa Levana Park	Bantian Street, Longgang District	Shenzhen	Residential
32	Shenzhen Kaisa Skyline Residence (Hengling Old Village Project) ⁽³⁾	Intersection of Minfeng Road and Minrong Road, Longhua Street	Shenzhen	Residential & Commercial
33	Shenzhen Fengming Riverside	Intersection of Jiangangshan Avenue and Wolong 4th Road, Fuhua Community, Xixiang Street, Baoan District, Shenzhen	Shenzhen	Residential & Commercial
34	Shenzhen Dongjiaotou Project ⁽⁷⁾	Northeast corner of the junction of Wanghai Road and Houhaibin Road, Nanshan District, Shenzhen	Shenzhen	Residential & Commercial
35	Guangzhou Kaisa Plaza ⁽²⁾	No.191 Tiyu West Road, Tianhe District	Guangzhou	Commercial
36	Guangzhou Monarch Residence	No.99 Jiangnan Avenue Central, Haizhu District	Guangzhou	Residential
37	Guangzhou One Kaisa Palace	No.505 Huangpu Avenue, Financial Center, Tianhe District	Guangzhou	Residential
38	Guangzhou Kaisa Sky Villa	Tongbao Road, Guangzhou Avenue North, Baiyun District	Guangzhou	Residential
39	Guangzhou Kaisa Honor Mansion	Lot No.20, Meihua Garden, Shatai Road, Baiyun District	Guangzhou	Residential
40	Guangzhou Kaisa City Plaza	Lot No.49, Nangang, Yunpu Industrial Zone, Huangpu District	Guangzhou	Residential
41	Guangzhou Kaisa Future City	No.3889 Huangpu Avenue East, Huangpu District	Guangzhou	Commercial
42	Guangzhou Kaisa Center	East of Beihao Yong, Northwest to the Luoxi Bridge, Haizhu District	Guangzhou	Commercial
43	Guangzhou Kaisa Baiyun City Plaza	West of Baiyun New Town, South of Huangshi West Road, and East of Shicha Road, Baiyun District	Guangzhou	Residential
44	Guangzhou Kaisa Riverview Mansion	Lingshan Island, Mingzhu Bay, Nansha Free Trade Zone	Guangzhou	Residential

Project Portfolio (continued)

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1	35,239	150,820	150,820	-	-	40%
1	9,321	37,265	37,265	-	-	100%
1	7,590	25,389	25,389	-	-	46%
1	6,033	68,686	68,686	-	-	100%
1	28,841	138,820	96,150	42,670	-	54%
1	5,427	30,021	-	30,021	-	51%
1	7,241	58,400	-	58,400	-	22%
1	34,422	262,371	-	-	262,371	100%
1	29,500	113,031	-	113,031	-	100%
1	24,781	100,782	-	-	100,782	90%
1	21,051	67,360	-	67,360	-	5%
1-2	44,145	216,994	-	-	216,994	<1%
1-9	14,192	233,322	233,322	-	-	100%
1	7,707	56,666	56,666	-	-	94%
1	15,178	86,138	86,138	-	-	95%
1-2	65,627	226,946	226,946	-	-	94%
1	19,671	80,854	80,854	-	-	94%
1-4	190,742	776,317	776,317	-	-	99%
1-3	240,089	592,832	309,647	50,644	232,541	78%
1-3	52,176	328,459	-	48,998	279,461	39%
1-4	158,071	543,007	-	15,768	527,239	39%
1-2	47,626	94,960	94,960	-	-	94%

Project Portfolio (continued)

No.	Project	Address	Location	Type ⁽¹⁾
45	Guangzhou Jiaze Garden	Huangniukan, Wuyi Village, Licheng Street, Zengcheng District	Guangzhou	Residential
46	Guangzhou Kaisa Turquoise Mansion ⁽⁷⁾	Jiuru Village, Ningxi Street, Zengcheng District	Guangzhou	Residential
47	Guangzhou Kaisa Phoenix Mansion	East of Huangge West Road, Huangge Town, Nansha District	Guangzhou	Residential & Commercial
48	Guangzhou Xiajing Village Project ⁽³⁾	West of Guanghe Highway, East of Zhonghua Road, middle of Zhongxin Town, Zengcheng District	Guangzhou	Residential & Commercial
49	Guangzhou Shixi Village Project ⁽³⁾	Shixi Village, Haizhu District	Guangzhou	Residential & Commercial
50	Qingyuan Kaisa City Plaza	South of Guang Qing Avenue, Longtang Town, Qingcheng District	Qingyuan	Residential
51	Foshan Shunde Kaisa Golden World	West of Waihuan Road, Ronggui Town, Shunde District	Foshan	Residential
52	Foshan Kaisa Metro City	No.169 Guangfo Road, Huangqi Town, Nanhai District	Foshan	Commercial
53	Foshan Kaisa Yue Metropolis	No. 97 Yanbu Huanzhen North Road, Dali Town, Nanhai District	Foshan	Commercial
54	Foshan Kaisa Mansion	South of Kuiqi West Road, West of Zhenzhong Road, Shiwan Sub-district, Chancheng District	Foshan	Residential
55	Foshan Kaisa Fantasia Guangya Court	North of Xiaping Road, East of Foshan 1st Ring Road, Guicheng Street, Nanhai District	Foshan	Residential & Commercial
56	Dongguan Zhongyang Haomen	Longsheng Road, Xincheng District, Shilong Town	Dongguan	Residential
57	Dongguan Dongjiang Haomen	South of Dongjiang Road, Yangwu Village and Qishi Village, Qishi Town	Dongguan	Residential
58	Dongguan Shui'an Haomen	Fengshen Avenue, Fenggang Town	Dongguan	Residential
59	Dongguan Dijingwan	Jinshawan Square, Xincheng District, Shilong Town	Dongguan	Residential
60	Dongguan Le Grand Bleu	Xinwei Village Group, Qisha Village, Shatian Town	Dongguan	Residential
61	Dongguan Oasis Town	Junction of Huancheng Road and Green Road, Xiping Community, Nancheng District	Dongguan	Residential
62	Dongguan Yulongshan Garden	Jinzhou Community, Humen Town	Dongguan	Residential
63	Dongguan Shilong Project ⁽³⁾	Junction of Jiangnan Middle Road and Xihu No. 1 Road, Xihu District, Shilong Town	Dongguan	Residential
64	Dongguan Riverside Woods Palace ⁽³⁾	Junction of Dongshen Road and Bihu Avenue, Fenggang Town	Dongguan	Residential
65	Dongguan Riverside Hillview Palace ⁽³⁾	Junction of Dongshen Road and Bihu Avenue, Fenggang Town	Dongguan	Residential
66	Dongguan Kaisa Glamourous Riverscape Garden	Douchi Island, Zhongtang Town	Dongguan	Residential
67	Dongguan Kaisa Yango The Rhythm	Dingshan Community, Houjie Town	Dongguan	Residential
68	Dongguan Kaisa Enchanting Garden	Douchi Island, Zhongtang Town	Dongguan	Residential
69	Dongguan Kaisa Glossy Riverscape Garden	Douchi Island, Zhongtang Town	Dongguan	Residential

Project Portfolio (continued)

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1	22,215	68,704	68,704	-	-	100%
1-3	113,300	351,200	-	246,100	105,100	-
1-2	102,392	336,709	71,297	265,412	-	55%
1-3	243,200	393,700	-	-	393,700	79%
1-4	1,013,800	945,618	-	-	945,618	55%
1-5	343,749	1,191,258	343,012	54,584	793,662	100%
1-9	197,584	499,112	499,112	-	-	94%
1	14,387	71,934	-	71,934	-	94%
1	15,271	61,082	61,082	-	-	100%
1	31,054	93,052	93,052	-	-	90%
1	62,406	178,392	178,392	-	-	51%
1	82,742	377,481	377,481	-	-	100%
1	86,324	243,296	243,296	-	-	100%
1	70,734	200,386	200,386	-	-	80%
1-2	46,474	155,432	155,432	-	-	100%
1-4	239,050	555,735	555,735	-	-	100%
1-4	65,021	150,772	150,772	-	-	100%
1	33,910	79,573	79,573	-	-	100%
1	5,567	10,131	-	-	10,131	100%
1	63,325	164,603	-	-	164,603	85%
1	65,310	218,698	-	-	218,698	90%
1	38,096	97,281	97,281	-	-	51%
1	69,524	205,726	205,726	-	-	34%
1	22,451	68,102	68,102	-	-	49%
1	27,572	83,358	-	83,358	-	51%

Project Portfolio (continued)

No.	Project	Address	Location	Type ⁽¹⁾
70	Dongguan Kaisa Prosperous Villa	Douchi Island, Zhongtang Town	Dongguan	Residential & Commercial
71	Huizhou Kaisa Mansion No.1	Gutang'ao, Miaozaikeng	Huizhou	Residential
72	Huizhou Kaisa Center	No. 18 Sub-district, Jiangbei, Huicheng District	Huizhou	Commercial
73	Huizhou Yuanzhou Project	Tanjiao Section, Liangwu Gaotou Village, Yuanzhou Town, Boluo County	Huizhou	Residential
74	Huizhou Kaisa Riverbank New Age	Jiangnan Section, Cui Mei countryside Committee, Hengkeng, Luoyang Town, Boluo County	Huizhou	Residential
75	Huizhou Tianxin Village (Huizhou Riverbank New Age (P18))	Jiangnan Section, Hengkeng Village Committee and Cuimei Garden Village Committee, Luoyang Town	Huizhou	Residential
76	Huizhou Kaisa Mountain Bay	Huangbujiao, Lianfeng Village, Renshan Town, Huidong County	Huizhou	Residential
77	Huizhou Kaisa Times Park	Junction of Zhongkai Avenue and Jinbang Road, Huicheng District	Huizhou	Residential
78	Huizhou Kaisa River Yard	Jiangnanxincheng, Luoyang Town, Boluo County	Huizhou	Residential
79	Huizhou Longmen Kaisa Hot Spring Residence	Laiwu Village, Longtian Town, Longmen County	Huizhou	Residential
80	Huizhou Kaisa Monarch Residence	Junction of Huifeng West Second Road and Hechang West Fifth Road, Huicheng District	Huizhou	Residential
81	Huizhou Kaisa Jade Garden	Longsu Road, Center of Longxi Town, Boluo County	Huizhou	Residential
82	Huizhou Kaisa Cloud Mansion	Shangpu Road, Longxi Street, Boluo County	Huizhou	Residential
83	Huizhou Kaisa Cloud	Junction of Dongxiang South Road and Xinglian West Road	Huizhou	Residential
84	Huizhou Kaisa Times Avenue (Huicheng District Project)	Center of Ma'an Town, Huicheng District	Huizhou	Residential & Commercial
85	Huizhou Huidong Project	Renshan Town, Huidong County	Huizhou	Residential & Commercial
86	Huizhou Kaisa City Plaza	Pingnan Area, Huihuan Street, Zhongkai High-tech Zone, Huizhou	Huizhou	Residential & Commercial
87	Huizhou Kaisa The River One	South bank of Lujiangli, Huicheng District	Huizhou	Residential & Commercial
88	Zhuhai Macau Bay	Shangsha Street, Wanzai, Xiangzhou District	Zhuhai	Residential
89	Zhuhai Royal Hill	North of Huangyang Avenue, South of Wangbao Reservoir and Jintai Temple, Doumen Town, Doumen District	Zhuhai	Residential
90	Zhuhai Kaisa Monarch Residence	North of Zhufeng Avenue, Qianwu Town, Doumen District	Zhuhai	Residential
91	Zhuhai Kaisa Mansion	East of Xiewei village and South of Golden Coast Road, Golden Coast, Sanzao Town, Jinwan District	Zhuhai	Residential
92	Zhuhai Kaisa Gold Polis	Southeast of Nanda West Road, Northeast of Gangtong Second Road, Nanshui Town, Gaolangang	Zhuhai	Residential

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1	41,837	104,295	104,295	-	-	49%
1-10	89,998	260,577	260,577	-	-	51%
1-3	70,859	722,945	722,945	-	-	99%
1	20,400	61,200	-	-	61,200	100%
1-17	1,563,976	3,665,611	2,723,012	89,823	852,776	36%
1	40,000	104,000	-	-	104,000	100%
1-3	169,331	286,395	72,976	213,419	-	96%
1-7	252,117	641,781	629,213	-	12,568	50%
1-4	176,724	441,809	196,332	113,852	131,625	51%
1-2	112,896	225,791	-	225,791	-	70%
1	22,201	95,447	95,447	-	-	41%
1	17,392	78,264	78,264	-	-	27%
1	48,179	168,627	168,627	-	-	17%
1	27,820	66,768	66,768	-	-	26%
1-4	116,270	348,200	122,639	225,561	-	51%
1	72,710	343,700	-	-	343,700	95%
1-2	212,785	755,979	-	365,824	390,155	18%
1-6	165,998	576,745	-	153,820	422,925	51%
1-3	159,891	232,017	60,369	46,675	124,973	100%
1-4	192,710	316,037	316,037	-	-	99%
1	16,088	28,958	28,958	-	-	100%
1	21,970	73,815	73,815	-	-	100%
1	74,729	129,260	129,260	-	-	100%

Project Portfolio (continued)

No.	Project	Address	Location	Type ⁽¹⁾
93	Zhongshan Kaisa Royal Mansion	No. 3 Jinzhong Road, Jinzhong Village, Banfu Town	Zhongshan	Residential
94	Zhongshan Kaisa Upper Graceland	No. 1 Nanhu Road, Nanlang Town	Zhongshan	Residential
95	Zhongshan Kaisa Metro City	Junction of Xingbao Road and Yunsheng Road, Shaxi Town	Zhongshan	Residential
96	Zhongshan Kaisa Prosperous Garden	No. 68 Guangfu Avenue, Dongsheng Town	Zhongshan	Residential
97	Zhongshan The Kaisa Park ⁽⁸⁾	In close vicinity to Changjiang Water Plant, Eastern Area	Zhongshan	Residential
98	Yangjiang Kaisa Riverside Mansion	Longtang Road, Yangdong District	Yangjiang	Residential
99	Jieyang Kaisa City Plaza ⁽⁸⁾	Binhai New District, Yuedong New City, Huilai County, Jieyang	Jieyang	Residential & Commercial
100	Jieyang Kaisa Future City ⁽⁸⁾	Southwest of Xingyuan Road and Feifeng Road, Jiedong District	Jieyang	Residential & Commercial
101	Jiangmen Kaisa Yuefeng Mansion	North of Mingde 1st Road, East of Wenhua Road, Xinhui District	Jiangmen	Residential
102	Zhanjiang Kaisa The River One	Left side of Diaoshun Road Fishery Company, Chikan District, Zhanjiang City	Zhanjiang	Residential & Commercial
103	Shantou Kaisa Specular Moon ⁽⁸⁾	Zutuan D of East Coast New Town, Longhu District, Shantou City	Shantou	Residential
104	Shantou Kaisa Harmony Mansion Bay	Zutuan F of East Coast New Town, Longhu District, Shantou City	Shantou	Residential
105	Hong Kong The Concerto	No. 203 Yee Kuk Street, Sham Shui Po, Kowloon	Hong Kong	Residential
106	Kowloon Mongkok Shanghai Street/ Reclamation Street Project	Shanghai Street/Reclamation Street	Hong Kong	Residential & Commercial
107	Sanya Kaisa Haitang Mountain	Dongfeng Branch, Nantian Farm, Haitang Bay Town	Sanya	Residential
The West China Region				
108	Chengdu Kaisa Monarch Residence	Erjiangsi Village, Huayang Town, Shuangliu County	Chengdu	Residential
109	Chengdu Lijing Harbour	Groups 1 and 2, Huafeng Village, Yongquan Subdistrict, Wenjiang District	Chengdu	Residential
110	Chengdu Modern City	Yingchunqiao, Dongsheng Sub-district Office, Shuangliu County	Chengdu	Commercial
111	Chengdu Kaisa Mansion No.8	South Sanzhiq Area, Dongsheng Street, Shuangliu County	Chengdu	Residential
112	Chengdu Kaisa City Plaza	Groups 1 and 2, Machang Village, Wenjia Sub-district Office, Qingyang District	Chengdu	Residential
113	Chengdu Kaisa Leading Town	Groups 6 and 7, Taiji Community, Gongping Subdistrict Office, Wenjiang District	Chengdu	Residential
114	Chengdu Kaisa Joy Palace	Junction of Fengxiang Avenue and Fenghuang Avenue, Qingbaijiang District	Chengdu	Residential
115	Chengdu Kaisa Imperial Jade	No. 977, South of Fengxi Avenue, Wenjiang District	Chengdu	Residential

Project Portfolio (continued)

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1	21,061	52,579	52,579	-	-	100%
1	22,307	66,819	66,819	-	-	78%
1-2	61,873	176,471	176,471	-	-	99%
1-2	51,339	128,329	128,329	-	-	100%
1	33,333	83,333	83,333	-	-	80%
1-2	78,451	192,011	192,011	-	-	90%
1-2	159,004	461,678	378,365	83,313	-	100%
1-3	135,715	311,726	68,292	101,608	141,826	100%
1	45,937	114,842	-	114,842	-	26%
1	26,676	110,045	-	-	110,045	94%
1-2	66,002	268,109	120,711	147,398	-	1%
1	50,200	223,390	-	-	223,390	5%
1	382	3,299	3,299	-	-	75%
1	252	1,637	-	1,637	-	31%
1	36,943	59,258	59,258	-	-	62%
1-3	182,666	1,041,531	1,041,531	-	-	100%
1	150,071	761,542	761,542	-	-	100%
1-2	133,269	362,420	362,420	-	-	100%
1-5	120,570	592,795	592,795	-	-	100%
1-4	112,194	460,901	460,901	-	-	100%
1-2	57,836	342,533	342,533	-	-	100%
1-2	113,411	447,537	447,537	-	-	100%
1	34,088	99,926	99,926	-	-	51%

Project Portfolio (continued)

No.	Project	Address	Location	Type ⁽¹⁾
116	Chengdu Kaisa Tianyue Mansion	No. 64 Jinxing Road, Jinjiang District	Chengdu	Commercial & Residential
117	Chengdu Kaisa Foreshore 1	North of Shenyang Road, South of Lushan Avenue, Tianfu New District	Chengdu	Residential & Commercial
118	Chengdu Longyue No.1 Project	North of Baohe East Road, West of Fuxing North Road, Shiling Street, Longquanyi District	Chengdu	Residential
119	Chengdu Kaisa Aurora Project	Groups 6 and 11 of Erjiangsi Village, Huayang Street, Tianfu New District, Group 2 of Helin Village	Chengdu	Residential & Commercial
120	Chengdu Kaisa Harmony Mansion	Youjiadu Community, Tianfu Street, Wenjiang District	Chengdu	Residential
121	Pengzhou Kaisa Golden Metro	West of Chengde Avenue (Beixin Avenue), Mengyang Town	Chengdu	Residential
122	Nanchong Kaisa Plaza	No. 39 Zhengyang East Road, Shunqing District	Nanchong	Residential
123	Nanchong Monarch Residence	No. 308 Baituba Road, Shunqing District	Nanchong	Residential
124	Chongqing Kaisa Plaza	Longzhouwan Street, Banan District	Chongqing	Residential
125	Chongqing Kaisa Bright Harbour	Baqiao Town, Dadukou District	Chongqing	Residential
126	Chongqing Kaisa Riverside Paradise	Ertang Village, Jingkou Street, Jingkou Town, Shapingba District	Chongqing	Residential
127	Chongqing Kaisa Garden	North end of Changjiang River Bridge, Jiangjin District	Chongqing	Residential
128	Chongqing Kaisa Nature Symphony Dream	East of Ganghua Middle Road, Dadukou District	Chongqing	Residential
129	Chongqing The Kaisa Park	Xiyong, Shapingba District	Chongqing	Residential
130	Chongqing Kaisa Clouds By The River ⁽⁸⁾	Xiyong, Shapingba District	Chongqing	Residential
131	Chongqing Kaisa Longyue No.1	Xiyong, Shapingba District	Chongqing	Residential
132	Kunming Kaisa Dianchi Mansion	Intersection of Feihu Road and Haiyan Road, Chenggong District	Kunming	Residential
133	Guiyang The Kaisa Park	Near Jianshan Temple, Jinqing Avenue, Qingzhen City and within boundaries of Shiguan Village, Qinglongshan Street	Guiyang	Residential & Commercial

Project Portfolio (continued)

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1	3,286	32,876	32,876	-	-	100%
1	45,635	128,393	-	128,393	-	100%
1	39,588	83,578	83,578	-	-	56%
1	50,538	101,100	-	101,100	-	24%
1	28,912	86,737	-	-	86,737	100%
1-4	104,964	379,388	176,165	203,223	-	100%
1-2	29,541	116,634	116,634	-	-	100%
1-3	256,187	813,746	813,746	-	-	100%
1-3	119,767	384,219	384,219	-	-	100%
1-10	238,017	778,153	778,153	-	-	100%
1	56,644	132,178	73,241	58,937	-	90%
1-3	77,544	222,479	85,803	124,209	12,467	90%
1	41,724	104,311	-	104,311	-	90%
1-2	126,443	249,909	105,230	144,679	-	94%
1-3	116,773	218,185	99,336	46,580	72,269	1%
1	57,460	86,158	-	86,158	-	88%
1	33,693	53,909	53,909	-	-	39%
1-3	182,989	549,165	-	261,443	287,722	91%

Project Portfolio (continued)

No.	Project	Address	Location	Type ⁽¹⁾
The Pan-Bohai Bay Rim				
134	Beijing Kaisa Fantasia Xishan Palace	Intersection of Chengzi Street and Heishan Street, Mentougou District	Beijing	Residential
135	Bazhou Kaisa Peacock Mansion	West of Rose Garden Hot Spring Resort, Development District	Bazhou	Residential
136	Gu'an Kaisa Fengyuan Tianci Project	Near the Niutuo Hot Spring Peacock City, Niutuo Town	Gu'an	Residential
137	Qingdao Kaisa Lake View Place	East of Zhongjing Second Road, West of Wangsha Road and South of Baishahe, Xiazhuang Street, Chengyang District	Qingdao	Residential
138	Qingdao Kaisa Mansion	No.777 Huicheng Road, Chengyang District, Qingdao	Qingdao	Residential
139	Shenyang Kaisa Center	East of Qingnian Avenue, Shenhe District	Shenyang	Commercial
140	Shenyang Kaisa Yuefeng	Changbai South Road, Heping District	Shenyang	Residential
141	Shenyang Kaisa Shiguangdao	East of Wencong Street, North of Huiquan East Road, Hunnan District	Shenyang	Residential
142	Anshan Kaisa Monarch Residence ⁽⁸⁾	South of Ziyou Dong Road, East of Anqian Road, Lishan District	Anshan	Residential
143	Anshan Kaisa Waterfront Mansion	North bank of Wanshui River, Lishan District	Anshan	Residential
144	Anshan Kaisa Plaza ⁽²⁾	Renmin Road, Tiexi District	Anshan	Commercial
145	Benxi Kaisa Lake View Place	Binhe North Road, Mingshan District	Benxi	Residential
146	Huludao Suizhong Kaisa Dongdaihe	South of Binhai Road, Dongdaihe New District, Suizhong County	Huludao	Residential & Commercial
147	Huludao Enjoy Bay Park	North of Binhai Road, south of Bohai Street, Dongdaihe New District, Suizhong County	Huludao	Residential & Commercial
148	Huilai Jingbei Kaisa Mansion	Liuhe Village, Tanghe Town, Gongchangling District	Zhangjiakou	Residential
149	Yanjiao Wangjing Court	Intersection of Shenwei North Street South and Hanwang Road, Yanjiao, Langfang	Langfang	Residential
150	Liaoyang Kaisa Hot Spring Residence	Liuhe Village, Tanghe Town, Gongchangling District	Liaoyang	Commercial
151	Dandong Kaisa Mansion No.1	South of Huanghai Avenue, Zhenxing District	Dandong	Residential
152	Dalian Kaisa Center	No.24 Zhujin Street, Donggang Business District, Zhongshan District	Dalian	Commercial
153	Dalian Kaisa Plaza	No.271 Tianjin Street, Zhongshan District	Dalian	Commercial
154	Dalian Kaisa Mansion No. 1	Junction of Zhonggang North Road and Hugang Road, Dalian Free Trade Zone	Dalian	Commercial & Residential
155	Dalian Kaisa Yuejing	East of Shengli Road, Jinpu New District	Dalian	Residential
The Central China Region				
156	Changsha Kaisa Lake View Place	Jinping Village, Tiaoma County	Changsha	Residential
157	Changsha Kaisa Times Square	Yingpan East Road, Furong District	Changsha	Residential

Project Portfolio (continued)

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1	20,039	40,077	37,412	2,665	-	12%
1	36,576	75,067	75,067	-	-	100%
1	32,484	48,726	48,726	-	-	49%
1-3	229,865	296,725	296,725	-	-	99%
1	61,492	111,254	111,254	-	-	50%
1	21,423	292,331	292,331	-	-	100%
1-2	12,947	38,844	38,844	-	-	100%
1-2	130,658	261,315	-	95,560	165,755	1%
1-4	129,739	253,256	213,462	6,525	33,269	100%
1-3	120,591	135,385	51,532	40,431	43,422	100%
1-2	11,238	85,148	85,148	-	-	89%
1	122,200	324,480	324,480	-	-	99%
1-11	1,339,750	2,183,154	1,340,545	56,022	786,587	99%
1-5	307,292	735,476	110,697	172,848	451,931	100%
1	45,183	119,881	-	-	119,881	67%
1	52,714	105,993	-	-	105,993	17%
1-10	372,427	311,034	108,570	-	202,464	99%
1-4	133,340	331,542	331,542	-	-	99%
1-2	26,610	119,700	82,050	37,650	-	100%
1	15,955	78,454	78,454	-	-	90%
1	41,150	105,912	105,912	-	-	100%
1	24,334	85,168	-	85,168	-	100%
1-4	673,536	938,203	938,203	-	-	100%
1	21,770	108,731	108,731	-	-	30%

Project Portfolio (continued)

No.	Project	Address	Location	Type ⁽¹⁾
158	Changsha Kaisa Plaza	Wuyi Road, Furong District	Changsha	Commercial
159	Changsha Kaisa Meixi Lake Project	Meixi Lake, Yuelu District	Changsha	Residential
160	Changsha Kaisa City Plaza	Northeast of Xiangzhang Road and Yuhua Avenue Intersection, Yuhua District	Changsha	Residential & Commercial
161	Changsha Kaisa Metropolis	Junction of Huahou Road and Xiangzhang Road, Gaotie New Town, Yuhua District	Changsha	Commercial
162	Changsha Kaisa Bright Harbour Seasons	Southwest of intersection of Shuangyang Road and Huangyuan Road, Furong District	Changsha	Commercial & Residential
163	Hengyang Kaisa Mansion	North of Chuanshan West Road, South of Lixin Avenue, West of Cailun Avenue	Hengyang	Residential
164	Wuhan Kaisa Golden World	Junction of Baisha Road and Qingling East Road, Qingling County, Hongshan District	Wuhan	Residential
165	Wuhan Kaisa Riverside Mansions	North of Zhiyin Avenue, West of Yangcheng West Road, Hangyang District	Wuhan	Residential
166	Wuhan Kaisa Plaza	No.336 Wuluo Road, Wuchang District	Wuhan	Residential
167	Wuhan Kaisa Joy Palace	South of Shefa Shan Road, East of the 2nd Chuanjiangchi Road, Economic and Technology Development Area	Wuhan	Residential
168	Wuhan Kaisa New Riverside City	South of Shefa Shan Road, East of the 2nd Chuanjiangchi Road, Economic and Technology Development Area	Wuhan	Residential
169	Wuhan Kaisa Stream Jade Garden	East of Jintai Road, West of Fenghua Road and North of Guanhu Road, Xinzhou District	Wuhan	Residential
170	Ezhou Zhongliang Kaisa The One Mansion	West of Yingbin Avenue, Echeng District	Ezhou	Residential
171	Xiaogan Kaisa Airport Science and Technology City	Airport Economic Development Zone	Xiaogan	Industrial
172	Xinzheng Kaisa Yuefeng	South of Zhongxing Road, West of Wenhua Road	Xinzheng	Residential
173	Xinxiang Kaisa Yuefeng	West of Hongyuan Street, North of Guihua Road, Hongqi District	Xinxiang	Residential
174	Luoyang Huayaocheng Kaisa Phoenix Riverside	Intersection of Zhongxin Road and Zhuge Street, Yibin District	Luoyang	Residential & Commercial
175	Luoyang HYC Kaisa Lake View Place	Junction of Simaguang Road and Liujingxiang, Luolong District	Luoyang	Residential
176	Luoyang Kaisa Riverside Palace	Intersection of Yibin Road and Fumin Lane, Yibin District	Luoyang	Residential
177	Luoyang Huayaocheng Kaisa Center	Intersection of Guanlin Road and Longmen Avenue, Luolong District	Luoyang	Residential & Commercial

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1	14,324	171,592	171,592	-	-	30%
1-6	253,693	892,604	892,604	-	-	99%
1-4	117,077	372,290	-	372,290	-	63%
1-2	20,108	171,932	114,626	57,306	-	32%
1	34,300	89,047	-	89,047	-	77%
1-2	50,054	161,595	88,237	73,358	-	51%
1-3	181,493	605,941	605,941	-	-	90%
1	40,351	156,763	156,763	-	-	99%
1	26,861	142,355	142,355	-	-	100%
1-2	128,539	257,078	257,078	-	-	100%
1	56,901	142,252	142,252	-	-	89%
1	129,191	258,382	-	258,382	-	62%
1	103,175	281,668	281,668	-	-	31%
1-3	218,814	257,629	31,722	225,907	-	27%
1-2	69,499	156,619	156,619	-	-	100%
1	23,165	81,068	-	81,068	-	100%
1-5	120,649	361,947	285,475	76,472	-	51%
1-3	90,234	225,585	225,585	-	-	51%
1	95,613	239,023	-	239,023	-	51%
1-3	238,073	873,288	-	320,219	553,069	75%

Project Portfolio (continued)

No.	Project	Address	Location	Type ⁽¹⁾
The Yangtze River Delta				
178	Shanghai Shanhuwan Garden	No.4333 Alley, Haima Road, Haiwan Town, Fengxian District	Shanghai	Residential
179	Shanghai Shangpin Garden	Kangfeng North Road and Kangnian Road, Malu Town, Jiading District	Shanghai	Residential
180	Shanghai Kaisa Mansion No.8	No.99 Alley, Juting Road, Zhuanghang Town, Fengxian District	Shanghai	Residential
181	Shanghai Kaisa City Plaza (Phase 1-3)	Junction of Shengzhu East Road and Chengliu Road, Xuhang Town, Jiading District	Shanghai	Residential
182	Shanghai Kaisa City Plaza (Phase 4-7)	Xuhang Town, Jiading District	Shanghai	Residential
183	Shanghai Kaisa Monarch Residence	Junction of Songjian Road and Fumao Road, Chonggu Town, Qingpu District	Shanghai	Residential
184	Shanghai Kaisa City Garden	East of Qiyuan Road, West of Xiaoxin River, South of Shupindong Road and North of Xinjian No. 1 Road, Xuhang Town, Jiading District	Shanghai	Residential
185	Shanghai Shangpin Jiayuan	East of Xiaoxin River, West of Base Boundary, South of Gengpu River and North of Xinjian No.1 Road, Xuhang Town, Jiading District	Shanghai	Residential
186	Shanghai Kaisa Future City	North of Yinggang East Road, Xiayang Street, Qingpu District	Shanghai	Residential
187	Hangzhou Jade Dragon Court	North of Zhennan Road, Zhijiang National Holiday Resort, West Lake District	Hangzhou	Residential
188	Hangzhou Kaisa Monarch Residence	North of Shitang Road and West of Donghu Road, Qiaosi Street, Yuhang District	Hangzhou	Residential
189	Hangzhou Puyu Court	Jingfeng Community, Wuchang Street, Yuhang District	Hangzhou	Residential
190	Hangzhou Fuyang Yinhu Project	Dashanjiao Village, Yinhu Street, Fuyang District	Hangzhou	Residential
191	Hangzhou Kaisa Cloud	Xianlin Street, Yuhang District	Hangzhou	Residential
192	Hangzhou Kaisa Specular Moo	Pengbu Street, Jianggan District	Hangzhou	Residential
193	Shaoxing Kaisa Honor Palace	Lanting Street, Keqiao District	Shaoxing	Residential
194	Shaoxing Kaisa Monarch Residence	Fuquan Street, Keqiao District	Shaoxing	Residential
195	Ningbo Kaisa The One Jade	Junction of Century Avenue and Min'an Road, Yinzhou District	Ningbo	Commercial
196	Ningbo Kaisa Emerald Residence (Qubi Project)	Dongjiao Street, Yinzhou District	Ningbo	Residential
197	Ningbo Harmony Mansion	South of Dannan Road, north of Planning Road 1, both sides of Baihe Road, Xiangshan County, Ningbo, China	Ningbo	Residential

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1-4	104,796	140,151	140,151	-	-	100%
1	23,307	84,448	84,448	-	-	62%
1-2	143,052	171,659	171,659	-	-	100%
1-3	117,257	222,199	222,199	-	-	100%
4-7	126,923	213,514	161,325	52,189	-	56%
1-2	90,642	212,240	212,240	-	-	100%
1	23,638	42,549	42,549	-	-	41%
1	44,590	80,262	80,262	-	-	41%
1	27,819	88,584	88,584	-	-	51%
1	39,376	98,041	98,041	-	-	100%
1	36,595	100,849	100,849	-	-	100%
1	74,779	207,476	207,476	-	-	100%
1	26,000	19,500	-	-	19,500	95%
1	19,175	38,350	38,350	-	-	100%
1	36,748	88,195	88,195	-	-	54%
1	61,133	46,657	46,657	-	-	99%
1	19,852	47,943	47,943	-	-	100%
1	15,086	56,285	56,285	-	-	30%
1	26,647	93,881	93,881	-	-	1%
1	45,034	92,997	-	92,997	-	26%

Project Portfolio (continued)

No.	Project	Address	Location	Type ⁽¹⁾
198	Jiaxing Xitang Project	East of Hongfu Road and South of Nanyuan Road, Xitang Town	Jiaxing	Residential
199	Suzhou Kaisa Plaza	West of Tayuan Road and South of Zhuyuan Road, Shishan Street, High-tech District	Suzhou	Residential
200	Suzhou Kaisa Monarch Residence	South of Xingye Road and East of Sudai Road, Huangqiao Street, Xiangcheng District	Suzhou	Residential
201	Suzhou Mudu Peaceful Yard Project	West of Xinhua Road, South of Xiangyanghe Road, Mushu Town, Wuzhong District	Suzhou	Residential
202	Zhangjiagang Kaisa Phoenix Riverside	Southwest Corner of the Junction of Yingshan Road and Jingu Road, Phoenix Town	Zhangjiagang	Residential
203	Nanjing Kaisa City Plaza	Junction of Nanjing Foreign Language School and Taiqing Road, South of Hexi Area, Jianye District	Nanjing	Residential
204	Nanjing Kaisa Yanran Mansion	No.560 Heyan Road, Qixia District	Nanjing	Residential
205	Nanjing Kaisa Mansion	East of Vanke City, Lishui District	Nanjing	Residential
206	Nanjing Kaisa HongYang Riverside Mansion	18 Huqin Road, Lukou Avenue, Jiangning District	Nanjing	Residential
207	Nanjing Kaisa River Mansion	Intersection of Fangjiaying Road and Chenghe North Road, Gulou District	Nanjing	Residential
208	Wuxi Kaisa Landscape Garden	North of Yuexi Road, Ehu Town, Xishan District	Wuxi	Residential
209	Wuxi Xiangyi Xiyue (Donggang Cooperation Projects)	South of Yinxing West Road and west of Lianqun Road, Donggang Town, Xishan District	Wuxi	Residential
210	Xuzhou Fuchun Mountain Residence	West of Guangshan Park, East of Sanhuan East Road, Yunlong District	Xuzhou	Residential
211	Jiangyin Lake View Place	South of Xinhua Road, West of Dongwaihuan Road, and North of Renmin East Road	Jiangyin	Residential
212	Jiangyin Gushan Mocha Town	South of Golden Gushan Garden and West of Xingfu Avenue, Gushan Town	Jiangyin	Residential
213	Jiangyin Zhouzhuang Golden World	East of Zhouxi Dong Road, Zhouzhuang Town	Jiangyin	Residential
214	Jiangyin Changjing Lake View Waldorf	East of Xinglong Road and South of Dongshun Road, Changjing Town	Jiangyin	Residential
215	Jiangyin Tonghui Garden	North of Tonghui Road, West of Tongjiang Road, and South of Tongfu Road	Jiangyin	Residential
216	Jiangyin Fuqiao Homeland	North of Chengxi Road, West of Tongdu Road, and South of Binjiang Road	Jiangyin	Residential
217	Taizhou Kaisa Royal Mansion ⁽⁸⁾	North of Chenzhuang Road and West of No.11 Road, Taizhou Economic Development Area	Taizhou	Residential

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1	38,881	64,857	64,857	-	-	51%
1-2	33,234	123,216	123,216	-	-	100%
1-2	59,629	155,553	155,553	-	-	100%
1	32,006	47,861	47,861	-	-	100%
1	31,666	37,999	37,999	-	-	100%
1-3	109,783	290,946	290,946	-	-	100%
1	27,376	63,050	63,050	-	-	100%
1	65,698	144,520	144,520	-	-	90%
1	69,332	103,160	15,707	87,453	-	51%
1-2	40,522	89,183	89,183	-	-	49%
1	48,697	78,195	-	78,195	-	49%
1	50,732	91,802	-	91,802	-	49%
1-2	132,397	246,029	119,885	126,144	-	50%
1-3	225,533	272,274	272,274	-	-	94%
1-4	76,465	132,849	132,849	-	-	100%
1-2	103,589	186,738	186,738	-	-	99%
1-2	93,275	149,763	149,763	-	-	100%
1	41,440	73,615	73,615	-	-	100%
1	35,801	134,535	134,535	-	-	100%
1-4	192,506	360,724	360,724	-	-	51%

Project Portfolio (continued)

No.	Project	Address	Location	Type ⁽¹⁾
218	Hefei HC Kaisa Future City	Southwest of junction of Jianghuai Avenue and Zhenzhu Road, Shangpai Town, Feixi	Hefei	Residential
219	Hefei Kaisa Harmony Mansion	Intersection of Yungu Road and Guizhou Road, Binhu District	Hefei	Residential
Total				

Notes:

- 1 Residential properties include apartments, serviced apartments and townhouses, often with complementary commercial facilities, restaurants and community facilities.
- 2 The projects are renovation developments of once distressed assets and partially completed properties.
- 3 Including
 - (i) Dongguan Shilong Project;
 - (ii) Dongguan Riverside Woods Palace;
 - (iii) Dongguan Riverside Hillview Palace;
 - (iv) Shenzhen Nanmendun Project;
 - (v) Guangzhou Xiajing Village Project;
 - (vi) Shenzhen Xiaon Yunqi;
 - (vii) Guangzhou Shixi Project; for which as at 30 June 2024, the Group has not obtained the land use right certificate, but has entered into land grant contracts or obtained confirmation from the relevant land and resources bureau.
- 4 This has been prepared in accordance with our internal project plan and is subject to government approval.
- 5 As at 30 June 2024, the GFA of total completed properties for sale reached approximately 5,130,119 sq. m..
- 6 One project in Hainan included.
- 7 The Group has the trust income rights and has no equity relationship with the project.
- 8 Including
 - (i) No. 2, Marketing Center, Zhongshan The Kaisa Park;
 - (ii) Residential Building of Jieyang Kaisa City Plaza;
 - (iii) Building 6-19, Jieyang Kaisa Future City Phase 1;
 - (iv) Building 1, 3, 4, Shantou Kaisa Specular Moon Phase 1;
 - (v) Chongqing Kaisa Clouds By The River Phase 2 Batch 3;
 - (vi) Building 18, 31, 37, Anshan Kaisa Monarch Residence;
 - (vii) Taizhou Kaisa Royal Mansion Phase 3; for which as at 30 June 2024, the Group had not yet obtained the completion record of the above-mentioned project, but had obtained the phased acceptance certificate or joint acceptance opinion.

Project Portfolio (continued)

Project Phase	Site Area (sq. m.)	Total GFA (sq. m.)	Total GFA			Interest attributable to us
			Completed Properties (sq. m.)	Under Development (sq. m.)	Future Development (sq. m.)	
1-2	111,500	206,575	206,575	-	-	49%
1	37,485	75,966	-	75,966	-	15%
	22,322,815	57,674,758	39,503,346	7,901,534	10,269,878	

PROPERTIES UNDER DEVELOPMENT

The table below sets forth certain information of our property projects or project phases under development as at 30 June 2024. We have obtained land use rights certificates and construction works commencement permits for all of our properties under development.

Project	City	Project Phase	Total GFA or	Saleable GFA
			Estimated Total GFA (sq. m.)	or Estimated Saleable GFA (sq. m.)
Shenzhen Kaisa City Plaza	Shenzhen	3	214,608	154,567
Shenzhen Yantian Kaisa City Plaza	Shenzhen	1-3	254,213	11,327
Shenzhen Golden Bay International Park ⁽¹⁾	Shenzhen	1, 2, 4	195,219	87,150
Shenzhen Nan'ao Project	Shenzhen	1	51,930	51,810
Shenzhen Kaisa Cloud	Shenzhen	1	42,670	41,570
Shenzhen Luohu Sanshun Project	Shenzhen	1	30,021	23,029
Shenzhen Kaisa Shenwei	Shenzhen	1	58,400	56,930
Shenzhen Kaisa Levana Park	Shenzhen	1	113,031	53,764
Shenzhen Fengming Riverside	Shenzhen	1	67,360	36,098
Guangzhou Kaisa Future City	Guangzhou	2	50,644	43,259
Guangzhou Kaisa Center	Guangzhou	1	48,998	43,181
Guangzhou Kaisa Baiyun City Plaza	Guangzhou	1	15,768	15,768
Guangzhou Kaisa Turquoise Mansion ⁽¹⁾	Guangzhou	1-2	246,100	216,300
Guangzhou Kaisa Phoenix Mansion	Guangzhou	1-2	265,412	256,508
Qingyuan Kaisa City Plaza	Qingyuan	2	54,584	54,584
Foshan Kaisa Metro City	Foshan	1	71,934	71,249
Dongguan Kaisa Glossy Riverscape Garden	Dongguan	1	83,358	83,358
Huizhou Kaisa Riverbank New Age	Huizhou	13	89,823	88,580
Huizhou Kaisa Mountain Bay	Huizhou	2-3	213,419	209,388
Huizhou Kaisa River Yard	Huizhou	3	113,852	107,469
Huizhou Longmen Kaisa Hot Spring Residence	Huizhou	1-2	225,791	170,170
Huizhou Kaisa Times Avenue (Huicheng District Project)	Huizhou	2-4	225,561	224,083
Huizhou Kaisa City Plaza	Huizhou	1-2	365,824	288,275
Huizhou Kaisa The River One	Huizhou	1, 5	153,820	134,224
Zhuhai Macau Bay	Zhuhai	2	46,675	27,634
Jieyang Kaisa City Plaza	Jieyang	1-2	83,313	77,638
Jieyang Kaisa Future City	Jieyang	1, 3	101,608	91,142
Jiangmen Kaisa Yuefeng Mansion	Jiangmen	1	114,842	112,034
Shantou Kaisa Specular Moon	Shantou	1	147,398	125,083
Kowloon Mongkok Shanghai Street/ Reclamation Street Project	Hong Kong	1	1,637	958
Chengdu Kaisa Foreshore 1	Chengdu	1	128,393	70,173
Chengdu Kaisa Aurora Project	Chengdu	1	101,100	59,331
Pengzhou Kaisa Golden Metro	Chengdu	3-4	203,223	147,048
Chongqing Kaisa Riverside Paradise	Chongqing	1	58,937	57,937
Chongqing Kaisa Garden	Chongqing	2	124,209	124,209

Commencement Time	Status of Pre-sale Permit	Estimated Completion Time	Interest attributable to us
Dec-2017	Yes	2025 1Q	100%
Aug-2018	Yes	2024 3Q	100%
Oct-2018	No	2025 1Q	–
Sep-20	No	2025 4Q	87%
Jan-21	No	2026 4Q	54%
Apr-21	No	2025 2Q	51%
Apr-21	No	2026 4Q	22%
Jul-21	Yes	2024 4Q	100%
Aug-21	No	2024 3Q	5%
May-20	Yes	2024 3Q	78%
Feb-21	Yes	2025 1Q	39%
Sep-22	No	2024 4Q	39%
Oct-20	Yes	2024 4Q	–
Sep-20	Yes	2024 3Q	55%
Mar-21	Yes	2025 4Q	100%
Oct-19	No	2025 4Q	94%
Dec-20	Yes	2024 3Q	51%
Oct-20	Yes	2024 3Q	36%
Jan-19	Yes	2024 4Q	96%
Mar-21	No	2025 4Q	51%
Jun-19	Yes	2025 3Q	70%
Nov-20	Yes	2025 2Q	51%
Jul-21	Yes	2024 4Q	18%
Mar-21	Yes	2025 4Q	51%
May-21	No	2024 4Q	100%
Dec-20	Yes	2026 4Q	100%
Apr-21	Yes	2026 4Q	100%
Apr-21	Yes	2025 4Q	26%
May-21	Yes	2026 3Q	1%
Jun-21	No	2026 2Q	31%
Aug-20	Yes	2024 4Q	100%
Sep-21	No	2024 3Q	24%
Oct-19	Yes	2024 4Q	100%
Jun-20	Yes	2024 4Q	90%
Aug-19	Yes	2024 3Q	90%

Project Portfolio (continued)

Project	City	Project Phase	Total GFA or Estimated Total GFA (sq. m.)	Saleable GFA or Estimated Saleable GFA (sq. m.)
Chongqing Kaisa Nature Symphony Dream	Chongqing	1	104,311	104,311
Chongqing The Kaisa Park	Chongqing	2	144,679	144,679
Chongqing Kaisa Clouds By The River	Chongqing	2	46,580	36,580
Chongqing Kaisa Longyue No. 1	Chongqing	1	86,158	84,453
Guiyang The Kaisa Park	Guiyang	1-2	261,443	247,917
Beijing Kaisa Fantasia Xishan Palace	Beijing	1	2,665	2,665
Shenyang Kaisa Shiguangdao	Shenyang	1	95,560	95,543
Anshan Kaisa Monarch Residence	Anshan	4	6,525	6,218
Anshan Kaisa Waterfront Mansion	Anshan	2	40,431	39,916
Huludao Suizhong Kaisa Dongdaihe	Huludao	4	56,022	3,141
Huludao Enjoy Bay Park	Huludao	1	172,848	145,079
Dalian Kaisa Center	Dalian	2	37,650	37,650
Dalian Kaisa Yuejing	Dalian	1	85,168	83,428
Changsha Kaisa City Plaza	Changsha	2-3	372,290	217,996
Changsha Kaisa Metropolis	Changsha	2	57,306	56,546
Changsha Kaisa Bright Harbour Seasons	Changsha	1	89,047	88,276
Hengyang Kaisa Mansion	Hengyang	2	73,358	72,481
Wuhan Kaisa Stream Jade Garden	Wuhan	1	258,382	142,252
Xiaogan Kaisa Airport Science and Technology City	Xiaogan	2-3	225,907	96,767
Xinxiang Kaisa Yuefeng	Xinxiang	1	81,068	80,002
Luoyang Huayaocheng Kaisa Phoenix Riverside	Luoyang	5	76,472	76,055
Luoyang Kaisa Riverside Palace	Luoyang	1	239,023	227,756
Luoyang Huayaocheng Kaisa Center	Luoyang	1	320,219	248,041
Shanghai Kaisa City Plaza (Phase 4-7)	Shanghai	6-7	52,189	-
Ningbo Harmony Mansion	Ningbo	1	92,997	92,997
Nanjing Kaisa HongYang Riverside Mansion	Nanjing	1	87,453	84,034
Wuxi Kaisa Landscape Garden	Wuxi	1	78,195	76,078
Wuxi Xiangyi Xiyue (Donggang Cooperation Project)	Wuxi	1	91,802	89,301
Xuzhou Fuchun Mountain Residence	Xuzhou	2	126,144	54,455
Hefei Kaisa Harmony Mansion	Hefei	1	75,966	41,355
Total			7,901,534	6,191,799

Note:

1. The Group enjoys the trust income rights and has no equity relationship with the project.

Commencement Time	Status of Pre-sale Permit	Estimated Completion Time	Interest attributable to us
Dec-19	Yes	2024 3Q	90%
Mar-20	Yes	2024 4Q	94%
Jan-21	Yes	2024 4Q	1%
Jul-21	Yes	2024 3Q	88%
Nov-20	Yes	2024 4Q	91%
Jan-21	Yes	2024 3Q	12%
Nov-21	No	2025 2Q	1%
Sep-19	Yes	2024 4Q	100%
Jul-20	Yes	2024 4Q	100%
Sep-14	Yes	2024 3Q	99%
Sep-19	Yes	2024 4Q	100%
Aug-18	Yes	2024 4Q	100%
Jul-19	Yes	2024 4Q	100%
Apr-21	Yes	2026 4Q	63%
Sep-19	No	2026 4Q	32%
Dec-20	Yes	2027 4Q	77%
May-19	Yes	2027 4Q	51%
Dec-19	Yes	2024 4Q	62%
Jul-20	Yes	2025 1Q	27%
Apr-19	Yes	2024 3Q	100%
Aug-20	Yes	2024 3Q	51%
Mar-21	Yes	2024 3Q	51%
Jul-21	Yes	2024 3Q	75%
Jul-20	Yes	2024 3Q	56%
Sep-21	Yes	2024 3Q	26%
Oct-19	No	2024 4Q	51%
Apr-21	Yes	2024 4Q	49%
Sep-21	No	2027 4Q	49%
Mar-19	No	2024 4Q	50%
Apr-21	Yes	2024 3Q	15%

PROPERTIES HELD FOR FUTURE DEVELOPMENT

The table below sets forth certain information of our property projects held for future development as at 30 June 2024.

Project	Location	Project Phase	Estimated Total GFA (sq. m.)	Estimated Completion Time ⁽¹⁾
Shenzhen Golden Bay International Park	Shenzhen	3-4	158,729	2027
Shenzhen Nanmendun Project (P1)	Shenzhen	1	262,371	2027
Shenzhen Kaisa Skyline Residence (Hengling Old Village Project)	Shenzhen	1-2	100,782	2027
Shenzhen Dongjiaotou Project	Shenzhen	1-2	216,994	2026
Guangzhou Kaisa Future City	Guangzhou	3	232,541	2025
Guangzhou Kaisa Center	Guangzhou	1-3	279,461	2026
Guangzhou Kaisa Baiyun City Plaza	Guangzhou	2-3	527,239	2025
Guangzhou Kaisa Turquoise Mansion	Guangzhou	3	105,100	2026
Guangzhou Xiajing Village Project	Guangzhou	1-3	393,700	2026
Guangzhou Shixi Village Project	Guangzhou	1-4	945,618	2026
Qingyuan Kaisa City Plaza	Qingyuan	2-4	793,662	2025
Dongguan Shilong Project	Dongguan	1	10,131	2027
Dongguan Riverside Woods Palace	Dongguan	1	164,603	2027
Dongguan Riverside Hillview Palace	Dongguan	1	218,698	2027
Huizhou Yuanzhou Project	Huizhou	1	61,200	2027
Huizhou Kaisa Riverbank New Age	Huizhou	8, 15-17	852,776	2026
Huizhou Tianxin Village (Huizhou Riverbank New Age (P18))	Huizhou	1	104,000	2026
Huizhou Kaisa Times Park	Huizhou	7	12,568	2026
Huizhou Kaisa River Yard	Huizhou	4	131,625	2026
Huizhou Huidong Project	Huizhou	1	343,700	2026
Huizhou Kaisa City Plaza	Huizhou	2	390,155	2026
Huizhou Kaisa The River One	Huizhou	2-4, 6	422,925	2026
Zhuhai Macau Bay	Zhuhai	3	124,973	2027
Jieyang Kaisa Future City	Jieyang	2	141,826	2026
Zhanjiang Kaisa The River One	Zhanjiang	1	110,045	2026
Shantou Kaisa Harmony Mansion Bay	Shantou	1	223,390	2027
Chengdu Kaisa Harmony Mansion	Chengdu	1	86,737	2026
Chongqing Kaisa Garden	Chongqing	3	12,467	2027
Chongqing Kaisa Clouds By The River	Chongqing	3	72,269	2026
Guiyang The Kaisa Park	Guiyang	3	287,722	2027
Shenyang Kaisa Shiguangdao	Shenyang	1-2	165,755	2026
Anshan Kaisa Monarch Residence	Anshan	3	33,269	2027
Anshan Kaisa Waterfront Mansion	Anshan	3	43,422	2026

Project	Location	Project Phase	Estimated Total GFA (sq. m.)	Estimated Completion Time ⁽¹⁾
Huludao Suizhong Kaisa Dongdaihe	Huludao	4,7,10,11	786,587	2027
Huludao Enjoy Bay Park	Huludao	3-5	451,931	2027
Huailai Jingbei Kaisa Mansion	Zhangjiakou	1	119,881	2025
Yanjiao Wangjing Court	Langfang	1	105,993	2027
Liaoyang Kaisa Hot Spring Residence	Liaoyang	1-10	202,464	2027
Luoyang Huayaocheng Kaisa Center	Luoyang	2-3	553,069	2026
Hangzhou Fuyang Yinhu Project	Hangzhou	1	19,500	2026
Total			10,269,878	

Note:

1. For projects with multiple phases, the estimated time for completing the first phase of the project.

DISCLOSURE OF INTERESTS

THE 2019 SHARE OPTION SCHEME

The Company adopted a share option scheme on 22 November 2009 (the “**2019 Share Option Scheme**”), which expired in 2019. A summary of the principal terms of the 2019 Share Option Scheme is set out as follows:

(1) Purpose of the 2019 Share Option Scheme

The purpose of the 2019 Share Option Scheme was to enable the Company to grant options of the Company to Eligible Participants (as defined below) with the view to achieving the following objectives.

- (i) motivate the Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

(2) Participants of the 2019 Share Option Scheme

Participants of the 2019 Share Option Scheme included any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries, any directors (including non-executive directors and independent non-executive directors) of the Company or any of its subsidiaries and any suppliers, customers, consultants, advisers and agents to the Company or any of its subsidiaries (the “**Eligible Participants**”).

(3) Total number of Shares available for issue under the 2019 Share Option Scheme

The maximum number of Shares in respect of which options could be granted under the 2019 Share Option Scheme may not exceed 10% of the number of shares in issue on the adoption of the scheme, unless with the prior approval from the shareholders of the Company. The 2019 Share Option Scheme limit was refreshed at the extraordinary general meeting held on 31 March 2014. As at 30 June 2024, the number of outstanding options under the 2019 Share Option Scheme was 158,580,803 Shares, representing approximately 2.26% of the issued share capital of the Company as at the date of the report.

During the period, no share option was granted, exercised, cancelled nor lapsed in accordance with the terms of the scheme.

(4) Maximum entitlement of each Eligible Participant

Unless approved by the shareholders of the Company, the maximum number of Shares issued and to be issued upon exercise of the options pursuant to the Existing Share Option Scheme and any other share option schemes of the Company to each participant of the 2019 Share Option Scheme in any 12-month period up to and including the date of grant of the options may not exceed 1% of the total number of Shares in issue as at the date of grant.

(5) Period within which the securities must be taken up under an option

The period within which the options must be exercised was specified by the Company at the time of grant, provided that such period of time did not exceed a period of ten years commencing on the date on which the Share option was deemed to be granted and accepted.

(6) Payment on acceptance of option offer

HK\$1.00 was payable by the Eligible Participant of the 2019 Share Option Scheme to the Company upon acceptance of the option offered as consideration for the grant.

(7) Basis of determining the subscription price

The subscription price per Share under the 2019 Share Option Scheme was determined by the Board and notified to each Eligible Participant and could be no less than the highest of (i) the official closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant; (ii) the average of the official closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share on the date of grant.

(8) Termination of the 2019 Share Option Scheme

The 2019 Share Option Scheme was valid until 14 June 2019 after which no further options may be granted under the 2019 Share Option Scheme. In respect of all options which remained exercisable on such date, the provisions of the 2019 Share Option Scheme remained in full force and effect. The summary below sets out the details of the outstanding options granted under the 2019 Share Option Scheme as at 30 June 2024:

Grantee	Date of grant	Closing price of the securities immediately before the date on which the options were granted (HKD per share)	Exercise Period	Exercise Price (adjusted) (HKD)	Balance as at 1 January 2024	Granted during the period ended 30 June 2024	Exercised during the period ended 30 June 2024	Weighted average closing price of the securities immediately before the dates on which the options were exercised	Cancelled/ forfeited/ lapsed during the period ended 30 June 2024	Balance as at 30 June 2024
Directors										
SUN Yuenan	19 July 2017 (Note 1)	3.27	19 July 2018 to 18 July 2027	3.44	6,194,562	-	-	-	-	6,194,562
		3.27	19 July 2019 to 18 July 2027	3.44	6,194,563	-	-	-	-	6,194,563
		3.27	19 July 2020 to 18 July 2027	3.44	6,194,563	-	-	-	-	6,194,563
		3.27	19 July 2021 to 18 July 2027	3.44	12,389,126	-	-	-	-	12,389,126
MAI Fan	19 July 2017 (Note 1)	3.27	19 July 2018 to 18 July 2027	3.44	2,064,855	-	-	-	-	2,064,855
		3.27	19 July 2019 to 18 July 2027	3.44	2,064,854	-	-	-	-	2,064,854
		3.27	19 July 2020 to 18 July 2027	3.44	2,064,854	-	-	-	-	2,064,854
		3.27	19 July 2021 to 18 July 2027	3.44	4,129,708	-	-	-	-	4,129,708

Disclosure of Interests (continued)

Grantee	Date of grant	Closing price of the securities immediately before the date on which the options were granted (HKD per share)	Exercise Period	Exercise Price [adjusted] (HKD)	Balance as at 1 January 2024	Granted during the period ended 30 June 2024	Exercised during the period ended 30 June 2024	Weighted average closing price of the securities immediately before the dates on which the options were exercised	Cancelled/ forfeited/ lapsed during the period ended 30 June 2024	Balance as at 30 June 2024
LI Haiming	19 July 2017 (Note 1)	3.27	19 July 2018 to 18 July 2027	3.44	1,445,398	-	-	-	-	1,445,398
		3.27	19 July 2019 to 18 July 2027	3.44	1,445,398	-	-	-	-	1,445,398
		3.27	19 July 2020 to 18 July 2027	3.44	1,445,398	-	-	-	-	1,445,398
		3.27	19 July 2021 to 18 July 2027	3.44	2,890,796	-	-	-	-	2,890,796
RAO Yong	19 July 2017 (Note 1)	3.27	19 July 2018 to 18 July 2027	3.44	289,079	-	-	-	-	289,079
		3.27	19 July 2019 to 18 July 2027	3.44	289,080	-	-	-	-	289,080
		3.27	19 July 2020 to 18 July 2027	3.44	289,080	-	-	-	-	289,080
		3.27	19 July 2021 to 18 July 2027	3.44	578,159	-	-	-	-	578,159
ZHANG Yizhao	19 July 2017 (Note 1)	3.27	19 July 2018 to 18 July 2027	3.44	289,079	-	-	-	-	289,079
		3.27	19 July 2019 to 18 July 2027	3.44	289,080	-	-	-	-	289,080
		3.27	19 July 2020 to 18 July 2027	3.44	289,080	-	-	-	-	289,080
		3.27	19 July 2021 to 18 July 2027	3.44	578,159	-	-	-	-	578,159
LIU Xuesheng	19 July 2017 (Note 1)	3.27	19 July 2018 to 18 July 2027	3.44	247,782	-	-	-	-	247,782
		3.27	19 July 2019 to 18 July 2027	3.44	247,783	-	-	-	-	247,783
		3.27	19 July 2020 to 18 July 2027	3.44	247,783	-	-	-	-	247,783
		3.27	19 July 2021 to 18 July 2027	3.44	495,565	-	-	-	-	495,565

Disclosure of Interests (continued)

Grantee	Date of grant	Closing price of the securities immediately before the date on which the options were granted (HKD per share)	Exercise Period	Exercise Price (adjusted) (HKD)	Balance as at 1 January 2024	Granted during the period ended 30 June 2024	Exercised during the period ended 30 June 2024	Weighted average closing price of the securities immediately before the dates on which the options were exercised	Cancelled/ forfeited/ lapsed during the period ended 30 June 2024	Balance as at 30 June 2024
Other Employees	19 July 2017 (Note 1)	3.27	19 July 2018 to 18 July 2027	3.44	14,340,415	-	-	-	-	14,340,415
		3.27	19 July 2019 to 18 July 2027	3.44	14,288,793	-	-	-	-	14,288,793
		3.27	19 July 2020 to 18 July 2027	3.44	14,753,386	-	-	-	-	14,753,386
		3.27	19 July 2021 to 18 July 2027	3.44	35,701,320	-	-	-	-	35,701,320
	12 April 2019 (Note 2)	3.69	12 April 2020 to 11 April 2029	3.58	5,368,621	-	-	-	-	5,368,621
		3.69	12 April 2021 to 11 April 2029	3.58	5,368,621	-	-	-	-	5,368,621
		3.69	12 April 2022 to 11 April 2029	3.58	5,368,621	-	-	-	-	5,368,621
		3.69	12 April 2023 to 11 April 2029	3.58	10,737,242	-	-	-	-	10,737,242
Total					158,580,803	-	-	-	-	158,580,803

As at 30 June 2024, a total of 158,580,803 options were exercisable.

Notes:

1. The granted share options is divided into four tranches for a period of 48 months from the date of grant (i.e. 19 July 2017). Up to 20% of the granted share options were vested on 19 July 2018, up to 40% of the granted share options were vested on 19 July 2019, up to 60% of the granted share options were vested on 19 July 2020 and all the remaining granted share options were vested on 19 July 2021.
2. The granted share options is divided into four tranches for a period of 48 months from the date of grant (i.e. 12 April 2019). Up to 20% of the granted share options were vested on 12 April 2020, up to 40% of the granted share options were vested on 12 April 2021, up to 60% of the granted share options will be vested on 12 April 2022 and all the remaining granted share options will be vested on 12 April 2023.

THE NEW SHARE OPTION SCHEME

The Company adopted a new share option scheme on 14 June 2019 (the “**New Share Option Scheme**”). A summary of the principal terms of the New Share Option Scheme is set out as follows:

(1) Purpose of the New Share Option Scheme

The purpose of the New Share Option Scheme is to enable the Company to grant New Share Options (as defined below) to New Eligible Participants (as defined below) with the view to achieving the following objectives.

- (i) motivate the New Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attract and retain or otherwise maintain an on-going business relationship with the New Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

(2) Participants of the New Share Option Scheme

Participants of the New Share Option Scheme include any full-time or part-time employees, executives, officers or directors (including non-executive directors and independent non-executive directors) who, in the sole opinion of the Board, will contribute or have contributed to the Group (the “**New Eligible Participants**”).

(3) Total number of Shares available for issue under the New Share Option Scheme

The total number of Shares which may be issued upon exercise of all Share options (“**New Share Options**”) granted and yet to be exercised under the New Share Option Scheme and other schemes of the Company must not exceed 30% of the Shares in issue from time to time. As at 1 January 2024 and 30 June 2024, the number of shares that may be issued in respect of options granted under all schemes of the Company was 158,580,803, representing 2.26% of the issued shares as at the date of report. The maximum number of Shares in respect of which New Share Options may be granted under the New Share Option Scheme and options under the other schemes of the Company is 10% of the total number of Shares in issue on the Adoption Date, unless approval has been obtained from the shareholders of the Company, and adjusted for Right Issue in May 2021. As at 1 January 2024 and 30 June 2024, the maximum number of the Shares available for issue upon exercise of all New Share Options which may be granted under the New Share Option Scheme was 617,165,893 shares, represents approximately 8.80% of the issued share capital of the Company as at the date of the report.

During the period ended 30 June 2024, no share option was granted, exercised, cancelled nor lapsed under the New Share Option Scheme. As at 30 June 2024, there were no outstanding share options under the New Share Option Scheme.

(4) Maximum entitlement of each Participant

Unless approved by the shareholders of the Company, the maximum number of Shares in respect of which New Share Options may be granted under the New Share Option Scheme to each New Eligible Participant shall not, when aggregated with (a) any Shares issued upon exercise of New Share Options granted under the New Share Option Scheme or options under the other schemes which have been granted to that New Eligible Participant; (b) any Shares which would be issued upon the exercise of outstanding New Share Options granted under the New Share Option Scheme or options under the other schemes granted to that New Eligible Participant; and (c) any cancelled shares which were the subject of New Share Options granted under the New Share Option Scheme or options under the other schemes which had been granted to and accepted by that New Eligible Participant, in any 12-month period up to and including the date of grant of the options shall not exceed 1% of the total number of Shares in issue as at the date of grant.

(5) Period within which the securities must be taken up under a New Share Option

The period within which the New Share Options must be exercised will be specified by the Company at the time of grant, provided that such period of time shall not exceed a period of ten years commencing on the date on which the New Share Option is deemed to be granted and accepted.

(6) Payment on acceptance of New Share Option offer

HK\$1.00 is payable by the New Eligible Participant of the New Share Option Scheme to the Company upon acceptance of the New Share Option offered as consideration for the grant.

(7) Basis of determining the exercise price

The exercise price per Share under the New Share Option Scheme is determined by the Board in its absolute discretion but in any event must be at least the higher of: (i) the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the date of on which such New Share Option is offered in writing (the “**Offer Date**”); (ii) the average of the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the Offer Date; and (iii) the nominal value of a Share, provided that for the purpose of determining the exercise price where the Shares have been listed on the Stock Exchange for less than five (5) Business Days preceding the Offer Date, the issue price of the Shares in connection with such listing shall be deemed to be the closing price of the Shares for each Business Day falling within the period before the listing of the Shares on the Stock Exchange.

(8) Remaining life of the New Share Option Scheme

The New Share Option Scheme will remain valid until 14 June 2029 after which no further New Share Options shall be offered. However, the provisions of the New Share Option Scheme shall in all other respects remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of this New Share Option Scheme and the New Share Options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

THE SUBSIDIARY SHARE OPTION SCHEMES**Kaisa Prosperity Holdings Limited**

Kaisa Prosperity Holdings Limited (“**Kaisa Prosperity**”), the Group’s subsidiary engaged in the property management business, adopted a share option scheme (the “**Kaisa Prosperity Share Option Scheme**”) at the annual general meeting of Kaisa Prosperity held on 18 June 2019 (the “**Kaisa Prosperity Share Option Scheme Adoption Date**”). A summary of the principal terms of the Kaisa Prosperity Share Option Scheme is set out as follows:

(1) Purpose of the Kaisa Prosperity Share Option Scheme

The purpose of the Kaisa Prosperity Share Option Scheme is to enable Kaisa Prosperity to grant Kaisa Prosperity Share Options (as defined below) to Eligible Kaisa Prosperity Participants (as defined below) with the view to achieving the following objectives.

- (i) motivate the Eligible Kaisa Prosperity Participants to optimise their performance efficiency for the benefit of Kaisa Prosperity; and
- (ii) attract and retain or otherwise maintain an on-going business relationship with the Eligible Kaisa Prosperity Participants whose contributions are or will be beneficial to the long-term growth of Kaisa Prosperity.

(2) Participants of the Kaisa Prosperity Share Option Scheme

Participants of the Kaisa Prosperity Share Option Scheme include any full-time or part-time employees, executives, officers or directors (including non-executive directors and independent non-executive directors) who, in the sole opinion of the board of directors of Kaisa Prosperity, will contribute or have contributed to Kaisa Prosperity (the “**Eligible Kaisa Prosperity Participants**”).

(3) Total number of Kaisa Prosperity Shares available for issue under the Kaisa Prosperity Share Option Scheme

The total number of shares of Kaisa Prosperity (the “**Kaisa Prosperity Share(s)**”) which may be issued upon exercise of all Kaisa Prosperity Share Options (“**Kaisa Prosperity Share Options**”) granted and yet to be exercised under the Kaisa Prosperity Share Option Scheme and other schemes of Kaisa Prosperity must not exceed 30% of the Kaisa Prosperity Shares in issue from time to time. The maximum number of Kaisa Prosperity Shares in respect of which Kaisa Prosperity Share Options may be granted under the Kaisa Prosperity Share Option Scheme and options under the other schemes of Kaisa Prosperity is 10% of the total number of Kaisa Prosperity Shares in issue on the Kaisa Prosperity Share Option Scheme Adoption Date, unless approval has been obtained from the shareholders of Kaisa Prosperity. As at 1 January 2024 and 30 June 2024, the maximum number of the Kaisa Prosperity Shares available for issue upon exercise of all Kaisa Prosperity Share Options which may be granted under the Kaisa Prosperity Share Option Scheme is 11,620,000 shares and 11,620,000 shares, represents approximately 7.5% and 7.5% of the total number of 154,110,000 Shares in issue as at the date of the report.

During the period ended 30 June 2024, no Kaisa Prosperity Share Options were granted under the Kaisa Prosperity Share Option Scheme. The summary below sets out the details of options granted as at 30 June 2024 pursuant to the Kaisa Prosperity Share Option Scheme:

Grantee	Date of grant	Closing price of the securities immediately before the date on which the options were granted (HKD per share)	Exercise Period	Exercise Price (HKD)	Balance	Grant	Exercised	Cancelled/ forfeited/ lapsed	Balance
					as at 1 January 2024	during the period ended 30 June 2024	during the period ended 30 June 2024	during the period ended 30 June 2024	as at 30 June 2024

Directors of Kaisa Prosperity

LIAO Chuanqiang	19 July 2019	15.36	19 July 2020 to 18 July 2029	15.70	400,000	-	-	-	400,000
		15.36	19 July 2021 to 18 July 2029	15.70	400,000	-	-	-	400,000
		15.36	19 July 2022 to 18 July 2029	15.70	400,000	-	-	-	400,000
		15.36	19 July 2023 to 18 July 2029	15.70	800,000	-	-	-	800,000

Disclosure of Interests (continued)

Grantee	Date of grant	Closing price of the securities immediately before the date on which the options were granted (HKD per share)	Exercise Period	Exercise Price (HKD)	Balance as at 1 January 2024	Grant during the period ended 30 June 2024	Exercised during the period ended 30 June 2024	Cancelled/ forfeited/ lapsed during the period ended 30 June 2024	Balance as at 30 June 2024
MA Xiumin	19 July 2019	15.36	19 July 2020 to 18 July 2029	15.70	10,000	-	-	-	10,000
		15.36	19 July 2021 to 18 July 2029	15.70	10,000	-	-	-	10,000
		15.36	19 July 2022 to 18 July 2029	15.70	10,000	-	-	-	10,000
		15.36	19 July 2023 to 18 July 2029	15.70	20,000	-	-	-	20,000
LIU Hongbai	19 July 2019	15.36	19 July 2020 to 18 July 2029	15.70	10,000	-	-	-	10,000
		15.36	19 July 2021 to 18 July 2029	15.70	10,000	-	-	-	10,000
		15.36	19 July 2022 to 18 July 2029	15.70	10,000	-	-	-	10,000
		15.36	19 July 2023 to 18 July 2029	15.70	20,000	-	-	-	20,000
CHEN Bin	19 July 2019	15.36	19 July 2020 to 18 July 2029	15.70	10,000	-	-	-	10,000
		15.36	19 July 2021 to 18 July 2029	15.70	10,000	-	-	-	10,000
		15.36	19 July 2022 to 18 July 2029	15.70	10,000	-	-	-	10,000
		15.36	19 July 2023 to 18 July 2029	15.70	20,000	-	-	-	20,000

Disclosure of Interests (continued)

Grantee	Date of grant	Closing price of the securities immediately before the date on which the options were granted (HKD per share)	Exercise Period	Exercise Price (HKD)	Balance	Grant	Exercised	Cancelled/ forfeited/ lapsed	Balance
					as at 1 January 2024	during the period ended 30 June 2024	during the period ended 30 June 2024	during the period ended 30 June 2024	as at 30 June 2024
Other Employees	19 July 2019	15.36	19 July 2020 to 18 July 2029	15.70	1,580,000	-	-	-	1,580,000
		15.36	19 July 2021 to 18 July 2029	15.70	1,580,000	-	-	-	1,580,000
		15.36	19 July 2022 to 18 July 2029	15.70	1,580,000	-	-	-	1,580,000
		15.36	19 July 2023 to 18 July 2029	15.70	2,180,000	-	-	-	2,180,000
Total					9,070,000	-	-	-	9,070,000

(4) Maximum entitlement of each Participant

Unless approved by the shareholders of Kaisa Prosperity, the maximum number of Kaisa Prosperity Shares in respect of which Kaisa Prosperity Share Options may be granted under the Kaisa Prosperity Share Option Scheme to each Eligible Subsidiary Participant shall not, when aggregated with (a) any Kaisa Prosperity Shares issued upon exercise of Kaisa Prosperity Share Options granted under the Kaisa Prosperity Share Option Scheme or options under the other schemes which have been granted to that Eligible Subsidiary Participant; (b) any Kaisa Prosperity Shares which would be issued upon the exercise of outstanding Kaisa Prosperity Share Options granted under the Kaisa Prosperity Share Option Scheme or options under the other schemes granted to that Eligible Subsidiary Participant; and (c) any cancelled shares which were the subject of Kaisa Prosperity Share Options granted under the Kaisa Prosperity Share Option Scheme or options under the other schemes which had been granted to and accepted by that Eligible Subsidiary Participant, in any 12-month period up to and including the date of grant of the options shall not exceed 1% of the total number of Kaisa Prosperity Shares in issue as at the date of grant.

(5) Period within which the securities must be taken up under a Subsidiary Share Option

The period within which the Kaisa Prosperity Share Options must be exercised will be specified by Kaisa Prosperity at the time of grant, provided that such period of time shall not exceed a period of ten years commencing on the date on which the Subsidiary Share Option is deemed to be granted and accepted.

(6) Payment on acceptance of Subsidiary Share Option offer

HK\$1.00 is payable by the Eligible Subsidiary Participant of the Kaisa Prosperity Share Option Scheme to Kaisa Prosperity upon acceptance of the Subsidiary Share Option offered as consideration for the grant.

(7) Basis of determining the exercise price

The exercise price per Kaisa Prosperity Share under the Kaisa Prosperity Share Option Scheme is determined by the Board in its absolute discretion but in any event must be at least the higher of: (i) the official closing price of the Kaisa Prosperity Shares as stated in the daily quotation sheets of the Stock Exchange on the date of on which such Subsidiary Share Option is offered in writing (the "**Kaisa Prosperity Offer Date**"); (ii) the average of the official closing price of the Kaisa Prosperity Shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the Kaisa Prosperity Offer Date; and (iii) the nominal value of a Kaisa Prosperity Share, provided that for the purpose of determining the exercise price where the Kaisa Prosperity Shares have been listed on the Stock Exchange for less than five (5) Business Days preceding the Offer Date, the issue price of the Kaisa Prosperity Shares in connection with such listing shall be deemed to be the closing price of the Kaisa Prosperity Shares for each Business Day falling within the period before the listing of the Kaisa Prosperity Shares on the Stock Exchange.

(8) Remaining life of the Kaisa Prosperity Share Option Scheme

The Kaisa Prosperity Share Option Scheme will remain valid until 18 June 2029 after which no further Kaisa Prosperity Share Options shall be offered. However, the provisions of the Kaisa Prosperity Share Option Scheme shall in all other respects remain in full force and effect to the extent necessary to give effect to the exercise of any Kaisa Prosperity Share Options granted prior thereto or otherwise as may be required in accordance with the provisions of this Kaisa Prosperity Share Option Scheme and the Kaisa Prosperity Share Options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with the Kaisa Prosperity Share Option Scheme.

Kaisa Health Group Holdings Limited

Kaisa Health Group Holdings Limited ("**Kaisa Health**"), the Group's subsidiary engaged in dental prosthetics business and health care business, adopted a share option scheme (the "**Kaisa Health Share Option Scheme**") at the special general meeting of Kaisa Health held on 8 June 2015. A summary of the principal terms of the Kaisa Health Share Option Scheme is set out as follows:

(1) Purpose of the Kaisa Health Share Option Scheme

The purpose of the Kaisa Health Share Option Scheme is to recognise the contribution of the directors, employees and consultants of Kaisa Health by granting share options to them as incentives or rewards.

(2) Participants of the Kaisa Health Share Option Scheme

Participants of the Kaisa Health Share Option Scheme include all full-time or part-time employees, potential employees, executives or officers (including executive, non-executive and independent non-executive directors) of Kaisa Health or any of its subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the sole opinion of the board of directors of Kaisa Health, will contribute or has contributed to Kaisa Health and/or any of its subsidiaries (the "**Eligible Kaisa Health Participants**").

(3) Total number of Kaisa Health Shares available for issue under the Kaisa Health Share Option Scheme

The total number of Shares of Kaisa Health (the “**Kaisa Health Share(s)**”) which may be issued upon exercise of all Kaisa Health share options (“**Kaisa Health Share Options**”) granted and yet to be exercised under the Kaisa Health Share Option Scheme and other schemes of Kaisa Health must not exceed 30% of the Kaisa Health Shares in issue from time to time. The maximum number of Kaisa Health Shares in respect of which Kaisa Health Share Options may be granted under the Kaisa Health Share Option Scheme and options under the other schemes of Kaisa Health is 10% of the total number of Kaisa Health Shares in issue on the date of refreshment of scheme of the Kaisa Health Share Option Scheme (i.e. 22 June 2020) (“**Kaisa Health Share Option Scheme Refreshment Date**”). As at 30 June 2024, the maximum number of the Shares available for issue upon exercise of all Kaisa Health Share Options which may be granted under the Kaisa Health Share Option Scheme is 504,213,937 Kaisa Health Shares, being the sum of 10% of the issued share capital of Kaisa Health as at the Kaisa Health Share Option Scheme Refreshment Date and the Kaisa Health Share Options granted and yet to be exercised as at the Kaisa Health Share Option Scheme Refreshment Date minus the Kaisa Health Share Options exercised, cancelled, forfeited or lapsed, and represents approximately 2.81% of the total number of 5,042,139,374 Shares in issue as at the date of the report.

During the period ended 30 June 2024, no Kaisa Health Share Options were granted under the Kaisa Health Share Option Scheme. The summary below sets out the details of options granted as at 30 June 2024 pursuant to the Kaisa Health Share Option Scheme:

Grantee	Date of grant	Closing price of the securities immediately before the date on which the options were granted (HKD per share)	Exercise Period	Exercise Price (HKD)	Balance as at 1 January 2024	Granted during the period ended 30 June 2024	Exercised during the period ended 30 June 2024	Cancelled/ forfeited/ lapsed during the period ended 30 June 2024	Balance as at 30 June 2024
Directors of Kaisa Health									
Mr. Zhang Huagang	22 July 2020	0.142	22 July 2021 to 21 July 2030 ^(Note 1)	0.196	50,000,000 ^(Note 1)	-	-	-	50,000,000
Mr. Luo Jun	22 July 2020	0.142	22 July 2021 to 21 July 2030 ^(Note 1)	0.196	40,000,000 ^(Note 1)	-	-	-	40,000,000
Mr. Wu Tianyu ^(Note 2)	22 July 2020	0.142	22 July 2021 to 21 July 2030 ^(Note 1, 2)	0.196	20,000,000 ^(Note 1, 2)	-	-	-	20,000,000
Ms. Jiang Sisi ^(Note 2)	22 July 2020	0.142	22 July 2021 to 21 July 2030 ^(Note 1, 2)	0.196	10,000,000 ^(Note 1, 2)	-	-	-	10,000,000
Dr. Liu Yanwen	22 July 2020	0.142	22 July 2021 to 21 July 2030 ^(Note 1)	0.196	6,000,000 ^(Note 1)	-	-	-	6,000,000
Dr. Lyu Aiping	22 July 2020	0.142	22 July 2021 to 21 July 2030 ^(Note 1)	0.196	6,000,000 ^(Note 1)	-	-	-	6,000,000

Grantee	Date of grant	Closing price of the securities immediately before the date on which the options were granted (HKD per share)	Exercise Period	Exercise Price (HKD)	Balance as at 1 January 2024	Granted during the period ended 30 June 2024	Exercised during the period ended 30 June 2024	Cancelled/forfeited/lapsed during the period ended 30 June 2024	Balance as at 30 June 2024
Employees and participants									
Employees and consultants	22 July 2020	0.142	22 July 2021 to 21 July 2030 (Note 1)	0.196	10,000,000 (Note 1)	-	-	-	10,000,000
Total					142,000,000	-	-	-	142,000,000

Notes:

- These share options were granted on 22 July 2020. 30% of the granted share option would vest on 22 July 2021 and be exercisable from 22 July 2021 to 21 July 2030. Another 30% of the granted share options would vest on 22 July 2022 and be exercisable from 22 July 2022 to 21 July 2030. The remaining 40% of the granted share options would vest on 22 July 2023 and be exercisable from 22 July 2023 to 21 July 2030.
- Ms. Jiang Sisi is the Chief Operating Officer of the Kaisa Health and also the director of certain subsidiaries of the Kaisa Health. She is also the spouse of Mr. Wu Tianyu. As such, Ms. Jiang Sisi and Mr. Wu Tianyu were deemed or taken to be interested in the share options of each other for the purposes of the SFO. The aggregate family interest in share options is 30,000,000 as at 30 June 2024.

(4) Maximum entitlement of each Participant

Unless approved by the shareholders of Kaisa Health, the maximum number of Kaisa Health Shares in respect of which Kaisa Health Share Options may be granted under the Kaisa Health Share Option Scheme to each Eligible Kaisa Health Participant shall not, when aggregated with (a) any Kaisa Health Shares issued upon exercise of Kaisa Health Share Options granted under the Kaisa Health Share Option Scheme or options under the other schemes which have been granted to that Eligible Kaisa Health Participant; (b) any Kaisa Health Shares which would be issued upon the exercise of outstanding Kaisa Health Share Options granted under the Kaisa Health Share Option Scheme or options under the other schemes granted to that Eligible Kaisa Health Participant; and (c) any cancelled shares which were the subject of Kaisa Health Share Options granted under the Kaisa Health Share Option Scheme or options under the other schemes which had been granted to and accepted by that Eligible Kaisa Health Participant, in any 12-month period up to and including the date of grant of the Kaisa Health Share options shall not exceed 1% of the total number of Kaisa Health Shares in issue as at the date of grant.

(5) Period within which the securities must be taken up under a Kaisa Health Share Option

The period within which the Kaisa Health Share Options must be exercised will be specified by Kaisa Health at the time of grant, provided that such period of time shall not exceed a period of ten years commencing on the date on which the Kaisa Health Share Option is deemed to be granted and accepted.

(6) Payment on acceptance of Kaisa Health Share Option offer

The offer for the grant of options (the "Kaisa Health Offer") must be taken up within 14 days from the date of Kaisa Health Offer, with a payment of HK\$1.00 as consideration by the grantee.

(7) Basis of determining the exercise price

The exercise price per Kaisa Health Share under the Kaisa Health Share Option Scheme is determined at the highest of (i) the average closing prices of Kaisa Health Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the Kaisa Health Offer; (ii) the closing price of Kaisa Health Shares as stated in the Stock Exchange's daily quotations sheet on the date of the Kaisa Health Offer; and (iii) the nominal value of the Kaisa Health Shares.

(8) Remaining life of the Kaisa Health Share Option Scheme

The Kaisa Health Share Option Scheme will remain valid until 7 June 2025 after which no further Kaisa Health Share Options shall be offered. However, the provisions of the Kaisa Health Share Option Scheme shall in all other respects remain in full force and effect to the extent necessary to give effect to the exercise of any Kaisa Health Share Options granted prior thereto or otherwise as may be required in accordance with the provisions of this Kaisa Health Share Option Scheme and the Kaisa Health Share Options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with the Kaisa Health Share Option Scheme.

Kaisa Capital Investment Holdings Limited

Kaisa Capital Investment Holdings Limited ("**Kaisa Capital**"), the Group's subsidiary engaged in construction equipment business and property development business, adopted a share option scheme (the "**Kaisa Capital Share Option Scheme**") at the extraordinary general meeting of Kaisa Capital held on 30 July 2015 (the "**Kaisa Capital Share Option Scheme Adoption Date**"). A summary of the principal terms of the Kaisa Capital Share Option Scheme is set out as follows:

(1) Purpose of the Kaisa Capital Share Option Scheme

The purpose of the Kaisa Capital Share Option Scheme is to provide an incentive and/or a reward to eligible participants for their contribution to, and continuing efforts to promote the interest of Kaisa Capital.

(2) Participants of the Kaisa Capital Share Option Scheme

Participants of the Kaisa Capital Share Option Scheme include (a) full-time or part-time employees of Kaisa Capital (including any directors, whether executive or non-executive and whether independent or not, of Kaisa Capital); (b) any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of Kaisa Capital; and (c) any person who, in the sole discretion of the board of directors of Kaisa Capital, has contributed or may contribute to Kaisa Capital (the "**Eligible Kaisa Capital Participants**").

(3) Total number of Kaisa Capital Shares available for issue under the Kaisa Capital Share Option Scheme

The total number of shares of Kaisa Capital (the "**Kaisa Capital Share(s)**") which may be issued upon exercise of all Kaisa Capital share options ("**Kaisa Capital Share Options**") granted and yet to be exercised under the Kaisa Capital Share Option Scheme and other schemes of Kaisa Capital must not exceed 30% of the total number of the Kaisa Capital Shares in issue from time to time. The maximum number of Kaisa Capital Shares in respect of which Kaisa Capital Share Options may be granted under the Kaisa Capital Share Option Scheme and options under the other schemes of Kaisa Capital is 10% of the total number of Kaisa Capital Shares in issue on the Kaisa Capital Share Option Scheme Adoption Date (i.e. 30 July 2015). As at 30 June 2024, the maximum number of the Kaisa Capital Shares available for issue upon exercise of all Kaisa Capital Share Options which may be granted under the Kaisa Capital Share Option Scheme is 80,000,000 Kaisa Capital Shares, being 10% of the issued share capital of Kaisa Capital as at the Kaisa Capital Share Option Scheme Adoption Date, and represents approximately 7.55% of the issued share capital of the Kaisa Capital as at the date of the report.

No Kaisa Capital Share Options were granted under the Kaisa Capital Share Option Scheme since the Kaisa Capital Share Option Scheme Adoption Date and during the period ended 30 June 2024.

(4) Maximum entitlement of each Participant

Unless approved by the shareholders of Kaisa Capital, the maximum number of Kaisa Capital Shares in respect of which Kaisa Capital Share Options may be granted under the Kaisa Capital Share Option Scheme to each Eligible Kaisa Capital Participant shall not, when aggregated with (a) any Shares issued upon exercise of Kaisa Capital Share Options granted under the Kaisa Capital Share Option Scheme or options under the other schemes which have been granted to that Eligible Kaisa Capital Participant; (b) any Shares which would be issued upon the exercise of outstanding Kaisa Capital Share Options granted under the Kaisa Capital Share Option Scheme or options under the other schemes granted to that Eligible Kaisa Capital Participant; and (c) any cancelled shares which were the subject of Kaisa Capital Share Options granted under the Kaisa Capital Share Option Scheme or options under the other schemes which had been granted to and accepted by that Eligible Kaisa Capital Participant, in any 12-month period up to and including the date of grant of the options shall not exceed 1% of the total number of Shares in issue as at the date of grant.

In addition, approval taken on a poll in a general meeting from the shareholder of Kaisa Capital will be required where Kaisa Capital Share Options are proposed to be granted to a connected person who is also a substantial shareholder (as defined in the Listing Rules) of Kaisa Capital or an independent non-executive director of Kaisa Capital or their respective associates and if such grant would result in the total number of Kaisa Capital Shares issued and to be issued upon exercise of the Kaisa Capital Share Options granted and to be granted (including Kaisa Capital Share Options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant to such person representing in aggregate over 0.1% of the total number of Kaisa Capital Shares in issue and having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million. The grantee, his associates and all core connected persons of Kaisa Capital must abstain from voting in favour of the proposed grant at such general meeting.

(5) Period within which the securities must be taken up under a Kaisa Capital Share Option

The period within which the Kaisa Capital Share Options must be exercised will be specified by Kaisa Capital at the time of grant, provided that such period of time shall not exceed a period of ten years commencing on the date on which the Kaisa Capital Share Option is deemed to be granted and accepted.

(6) Payment on acceptance of Kaisa Capital Share Option offer

The offer for the grant of options (the “**Kaisa Capital Offer**”) must be taken up within 21 days from the date of Kaisa Capital Offer, with a payment of HK\$10.00 as consideration by the grantee.

(7) Basis of determining the subscription price

The subscription price per Kaisa Capital Share under the Kaisa Capital Share Option Scheme is determined by the Board but shall not be less than the highest of (i) the closing price of the Kaisa Capital Shares as stated in the Stock Exchange’s daily quotations sheet on the date of Kaisa Capital Offer (the “**Kaisa Capital Offer Date**”), which must be a business day; (ii) the average of the closing prices of the Kaisa Capital Shares as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the Kaisa Capital Offer Date; and (iii) the nominal value of the Kaisa Capital Share.

(8) Remaining life of the Kaisa Capital Share Option Scheme

The Kaisa Capital Share Option Scheme will remain valid until 29 July 2025 after which no further Kaisa Capital Share Options shall be offered. However, the provisions of the Kaisa Capital Share Option Scheme shall in all other respects remain in full force and effect to the extent necessary to give effect to the exercise of any Kaisa Capital Share Options granted prior thereto or otherwise as may be required in accordance with the provisions of this Kaisa Capital Share Option Scheme and the Kaisa Capital Share Options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with the Kaisa Capital Share Option Scheme.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

The interests and short positions of Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as at 30 June 2024 as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") are set out as follows:

(i) Long/short positions in the Shares:

Name of Company	Name of Director	Number of ordinary Shares held				Total	Approximate percentage of the total number of shares in issue
		Personal Interest	Family Interest	Interest in controlled corporation	Interest in trust		
Kaisa Group Holdings Ltd.	KWOK Ying Shing	-	1,617,000 (L)	819,506,003 (L) (Note 1)	970,533,735 (L) (Note 2)	1,791,656,738 (L)	25.54%
	MAI Fan	238,000 (L)	-	-	-	238,000 (L)	0.00%
	ZHANG Yizhao	7,600,000 (L)	-	-	-	7,600,000 (L)	0.11%
Kaisa Prosperity Holdings Limited	KWOK Ying Shing	-	-	258,250 (L)	-	258,250 (L)	0.17%
Kaisa Health Group Holdings Limited	KWOK Ying Shing	-	2,020,000 (L)	308,000,000 (L)	-	310,020,000 (L)	6.15%
Kaisa Capital Investment Holdings Limited	KWOK Ying Shing	-	275,600,000	-	-	275,600,000	26.0%

Notes:

- For further details, please refer to Note 2 to the table under the section headed "SUBSTANTIAL SHAREHOLDERS".
- For further details, please refer to Note 3 to the table under the section headed "SUBSTANTIAL SHAREHOLDERS".
- The percentages were calculated based on Shares in issue of the corresponding entity as at 30 June 2024.

(ii) Long positions in the underlying Shares:

Name of Director	Capacity	Number of underlying Shares	Approximate percentage of the issued share capital of the Company [Note] [%]
SUN Yuenan	Beneficial owner	30,972,814	0.44%
MAI Fan	Beneficial owner	10,324,271	0.15%
LI Haiming	Beneficial owner	7,226,990	0.10%
RAO Yong	Beneficial owner	1,445,398	0.02%
ZHANG Yizhao	Beneficial owner	1,445,398	0.02%
LIU Xuesheng	Beneficial owner	1,238,913	0.02%

Note:

Each of the directors is deemed to be interested in the underlying shares of the Company within the meaning of Part XV of the SFO in respect of the share options of the Company granted to him. Further details are set out in the sections headed "THE 2019 SHARE OPTION SCHEME" and "THE NEW SHARE OPTION SCHEME" of this report.

The percentages were calculated based on 7,015,468,487 Shares in issue as at 30 June 2024, assuming all the options granted under the Share Option Scheme have been exercised.

Save for those disclosed above, as at 30 June 2024, none of the Directors or chief executive had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2024, so far as the Directors were aware, persons other than the Directors or chief executive of the Company, who had interests or short positions in the Shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO are set out as follows:

Name of substantial shareholder	Capacity	Number of shares (Note 1)	Approximate percentage of the issued share capital of the Company (%)
Da Chang Investment Company Limited ("Da Chang")	Beneficial owner	819,506,003 (L) (Note 2)	11.68%
Da Feng Investment Company Limited ("Da Feng")	Beneficial owner	970,533,735 (L) (Note 3)	13.83%
BEA Trustees	Trustee	970,533,735 (L) (Note 3)	13.83%
Da Zheng Investment Company Limited	Beneficial owner	963,503,287 (L)	13.73%
Funde Sino Life Insurance Co., Ltd.	Beneficial owner	649,700,957 (L)	21.92%
	Interest in a controlled corporation	887,995,149 (L) (Note 4)	
Fund Resources Investment Holding Group Company Limited	Beneficial owner	887,995,149 (L)	12.66%

Notes:

- The letter "L" denotes the person's long position in the Shares and the letter "S" denotes the person's short position in the Shares.
- Da Chang is wholly owned by Mr. Kwok Ying Shing.
- Da Feng is wholly owned by Xingsheng Asia Limited, which is in turn wholly owned by Hongyi Asia Limited, which is in turn wholly owned by Junjia Enterprises Corporation. Junjia Enterprises Corporation is wholly owned by BEA Trustees. BEA Trustees is the trustee of 970,533,735 Shares under a family trust of which Mr. Kwok Ying Shing is the founder and a beneficiary of the trust.
- 887,995,149 Shares were held by Fund Resources Investment Holding Group Company Limited, which was wholly owned by Funde Sino Life Insurance Co., Ltd. as at 30 June 2024. By virtue of SFO, Funde Sino Life Insurance Co., Ltd. is deemed to be interested in Shares held by Fund Resources Investment Holding Group Company Limited.
- The percentage were calculated based on 7,015,468,487 shares in issue as at 30 June 2024.

Save for those disclosed above, as at 30 June 2024, to the best of the Directors' knowledge, no other persons had any interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept under section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	Notes	Unaudited Six months ended 30 June	
		2024 RMB'000	2023 RMB'000
Revenue	4	5,428,581	13,564,598
Cost of sales	5	(4,684,268)	(10,591,702)
Gross profit		744,313	2,972,896
Other gains and losses, net	6	(3,293,358)	(4,035,137)
Selling and marketing costs	5	(243,989)	(358,580)
Administrative expenses	5	(710,042)	(789,639)
Net fair value losses on investment properties	11	(489,190)	(124,000)
Net gain on disposals of subsidiaries	28	–	17,804
Provision for expected credit losses	6	(2,670,274)	(2,484,578)
Operating loss		(6,662,540)	(4,801,234)
Share of results of associates	13(a)	(1,517,311)	(516,837)
Share of results of joint ventures	13(b)	52,023	324,984
Finance income	7	5,945	42,021
Finance costs	7	(945,126)	(981,837)
Finance costs, net	7	(939,181)	(939,816)
Loss before income tax		(9,067,009)	(5,932,903)
Income tax credit/(expenses)	8	73,097	(667,597)
Loss for the period		(8,993,912)	(6,600,500)
(Loss)/Profit for the period attributable to:			
Owners of the Company		(9,115,416)	(6,973,892)
Non-controlling interests		121,504	373,392
		(8,993,912)	(6,600,500)
Loss per share for loss attributable to owners of the Company during the period (expressed in RMB per share)			
– Basic	9	(1.299)	(0.994)
– Diluted	9	(1.299)	(0.994)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)
For the six months ended 30 June 2024

		Unaudited	
		Six months ended 30 June	
		2024	2023
Note		RMB'000	RMB'000
Loss for the period		(8,993,912)	(6,600,500)
Other comprehensive (expense)/income for the period, including reclassification adjustments			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange (loss)/gain on translation of foreign operations		(5,462)	29,769
Share of other comprehensive income/(expense) of associates, net of income tax	13(a)	1,280	(2,602)
Other comprehensive (expense)/income for the period, including reclassification adjustments		(4,182)	27,167
Total comprehensive expense for the period		(8,998,094)	(6,573,333)
Total comprehensive (expense)/income for the period attributable to:			
Owners of the Company		(9,116,605)	(6,959,617)
Non-controlling interests		118,511	386,284
		(8,998,094)	(6,573,333)

The notes on pages 69 to 119 are an integral part of this condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 June 2024

	Notes	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Non-current assets			
Property, plant and equipment	11	4,566,649	5,029,514
Right-of-use assets	12	603,005	598,175
Investment properties	11	8,188,870	9,016,710
Land use rights	11	371,538	379,176
Interests in associates	13(a)	16,384,473	22,254,794
Interests in joint ventures	13(b)	8,463,211	8,450,839
Financial assets at fair value through profit or loss	14	1,626,560	4,562,844
Debtors, deposits and other receivables	15	8,981	28,608
Goodwill and intangible assets	16	923,613	939,729
Deferred tax assets		1,361,475	1,362,966
Total non-current assets		42,498,375	52,623,355
Current assets			
Properties under development	18	73,202,829	71,497,787
Completed properties held-for-sale		21,571,257	20,484,100
Inventories		370,572	378,757
Debtors, deposits and other receivables	15	43,445,949	44,486,906
Deposits for land acquisition		2,453,814	2,425,322
Prepayments for proposed development projects		37,282,725	36,555,406
Prepaid tax		133,210	–
Restricted bank balances and cash	17	2,005,376	2,406,284
Financial assets at fair value through profit or loss	14	872,074	967,978
Cash and bank balances	17	745,654	994,771
Total current assets		182,083,460	180,197,311
Current liabilities			
Contract liabilities		18,790,671	20,325,482
Accrued construction costs		9,490,777	8,695,203
Income tax payable		13,008,830	12,958,433
Lease liabilities	19	144,444	135,416
Borrowings	20	117,604,095	117,051,570
Other payables	21	53,997,083	46,474,111
Total current liabilities		213,035,900	205,640,215

Condensed Consolidated Statement of Financial Position (continued)
For the six months ended 30 June 2024

	Notes	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Net current liabilities		(30,952,440)	(25,442,904)
Total assets less current liabilities		11,545,935	27,180,451
Non-current liabilities			
Lease liabilities	19	425,900	441,389
Borrowings	20	17,474,332	16,572,447
Other payables	21	4,810	5,876
Deferred tax liabilities		2,228,991	2,436,384
Total non-current liabilities		20,134,033	19,456,096
Net (liabilities)/assets		(8,588,098)	7,724,355
Equity			
Share capital	22	613,530	613,530
Share premium	22	6,376,801	6,376,801
Perpetual capital securities	23	1,350,054	1,350,054
Reserves	24	(29,504,461)	(20,389,495)
Equity attributable to owners of the Company		(21,164,076)	(12,049,110)
Non-controlling interests		12,575,978	19,773,465
Total (deficit)/equity		(8,588,098)	7,724,355

The financial statements on pages 61 to 68 were approved by the board of directors on 29 August 2024 and were signed on its behalf by:

Kwok Ying Shing
Director

Mai Fan
Director

The notes on pages 69 to 119 are an integral part of this condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Unaudited						
	Attributable to owners of the Company						
	Share capital	Share premium	Perpetual Capital Securities	Reserves	Sub-total	Non-controlling interests	Total equity/ (deficit)
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2024 (audited)	613,530	6,376,801	1,350,054	(20,389,495)	(12,049,110)	19,773,465	7,724,355
Loss for the period	-	-	-	(9,115,416)	(9,115,416)	121,504	(8,993,912)
Other comprehensive expense for the period	-	-	-	(1,189)	(1,189)	(2,993)	(4,182)
Total comprehensive expense for the period	-	-	-	(9,116,605)	(9,116,605)	118,511	(8,998,094)
Deregistration of subsidiaries	-	-	-	-	-	(7,302,000)	(7,302,000)
Capital injection by non-controlling interests	-	-	-	-	-	663	663
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	(14,661)	(14,661)
Share-based payments	-	-	-	1,639	1,639	-	1,639
Balance as at 30 June 2024 (unaudited)	613,530	6,376,801	1,350,054	(29,504,461)	(21,164,076)	12,575,978	(8,588,098)

Condensed Consolidated Statement of Changes in Equity (continued)
For the six months ended 30 June 2024

	Unaudited						
	Attributable to owners of the Company						
	Share capital RMB'000	Share premium RMB'000	Perpetual Capital Securities RMB'000	Reserves RMB'000	Sub-total RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
Balance as at 1 January 2023 (audited)	613,530	6,376,801	1,350,054	(477,548)	7,862,837	27,382,127	35,244,964
Loss for the period	-	-	-	(6,973,892)	(6,973,892)	373,392	(6,600,500)
Other comprehensive income for the period	-	-	-	14,275	14,275	12,892	27,167
Total comprehensive expense for the period	-	-	-	(6,959,617)	(6,959,617)	386,284	(6,573,333)
Deregistration of subsidiaries	-	-	-	-	-	(4,900,000)	(4,900,000)
Capital injection by non-controlling interests	-	-	-	-	-	926	926
Disposals of subsidiaries (note 28)	-	-	-	-	-	(83,384)	(83,384)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	(24,280)	(24,280)
Share-based payments	-	-	-	4,071	4,071	-	4,071
Balance as at 30 June 2023 (unaudited)	613,530	6,376,801	1,350,054	(7,433,094)	907,291	22,761,673	23,668,964

The notes on pages 69 to 119 are an integral part of this condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

		Unaudited	
		Six months ended 30 June	
		2024	2023
Notes		RMB'000	RMB'000
Cash flows from operating activities			
Cash used in operations		(352,039)	(373,033)
Income tax paid		(257,161)	(286,613)
Interest paid		(39,510)	(160,578)
<i>Net cash used in operating activities</i>		(648,710)	(820,224)
Cash flows from investing activities			
Additions to property, plant and equipment		(27,050)	(57,281)
Additions to intangible assets		(1,184)	(4,899)
Additions to right-of-use assets		–	(834)
Acquisitions of subsidiaries, net of cash acquired		127,494	–
Increase in amounts due from joint ventures		(348,067)	(116,594)
Increase in amounts due from associates		(117,826)	(220,822)
Increase in amounts due from non-controlling interest of a subsidiary		(26)	(36,098)
Cash inflow/(outflow) from disposals of subsidiaries		–	(6,159)
Payment for consideration payables related to acquisition of subsidiaries		(5,530)	(60,014)
Proceeds from disposals of financial assets at FVTPL		105,249	32,431
Proceeds from disposals of property, plant and equipment		–	34,472
Cash inflow from other investing activities		5,845	42,021
<i>Net cash used in investing activities</i>		(261,095)	(393,777)

Condensed Consolidated Statement of Cash Flows (continued)
For the six months ended 30 June 2024

	Unaudited Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Cash flows from financing activities		
Increase in amounts due to associates	356,400	48,885
Increase/(decrease) in amounts due to joint ventures	579,831	(73,780)
Decrease in restricted cash relating to borrowings	26,061	50,246
Capital injection from non-controlling interests	663	926
(Decrease)/increase in amounts due to non-controlling interests of subsidiaries	(1,358)	1,602
Proceeds from bank and other borrowings	27,695	865,169
Proceeds from loan from the controlling shareholder of the Company	-	115,000
Repayments of bank and other borrowings	(578,870)	(449,612)
Cash outflow from other financing activities	(58,775)	(69,422)
<i>Net cash generated from financing activities</i>	351,647	489,014
Net decrease in cash and cash equivalents	(558,158)	(724,987)
Cash and cash equivalents at the beginning of period	994,771	2,067,642
Exchange adjustments	309,041	54,169
Cash and cash equivalents at the end of period, represented by cash and bank balances	745,654	1,396,824

The notes on pages 69 to 119 are an integral part of this condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

1. GENERAL INFORMATION

Kaisa Group Holdings Ltd. (the “**Company**”) was incorporated in the Cayman Islands on 2 August 2007 as an exempted company with limited liability under the Companies Act, Cap. 22 (2009 Revision as consolidated and revised from time to time) of the Cayman Islands.

The Company is engaged in investment holding and the subsidiaries (collectively, the “**Group**”) are principally engaged in property development, property investment, property management, hotel and catering operations, cultural centre operations and healthcare operations in the People’s Republic of China (the “**PRC**”).

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

These unaudited condensed consolidated interim financial statements are presented in Renminbi (“**RMB**”), the currency of the primary economic environment in which most of the group entities operate (the functional currency of the Company and most of the entities comprising the Group), and all values are rounded to the nearest thousand (‘000), unless otherwise stated. The condensed consolidated financial statements have not been audited and were authorised for issue by the Board of Directors on 29 August 2024.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation

These unaudited condensed consolidated interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Hong Kong Accounting Standard (“**HKAS**”) 34, “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA.

(ii) Application of amendments to HKFRSs

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with the accounting policies adopted in the Group’s annual financial statements for the year ended 31 December 2023, except for the adoption of following amended HKFRSs effective as of 1 January 2024.

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

The adoption of the amended HKFRSs in the current period had no material impact on the results and financial positions for the current and prior periods have been prepared and presented.

The Group has not early adopted any other standards, interpretation or amendment that has been issued but is not yet effective.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

(iii) Going concern basis

For the six months ended 30 June 2024, the Group incurred net loss of approximately RMB8,993,912,000. As at 30 June 2024, the Group's net current liabilities amounted to approximately RMB30,952,440,000 and the Group's current liabilities (including those that had become default or cross-default or contain early demand clauses) were amounted to approximately RMB213,035,900,000.

In addition, as at 30 June 2024, the Group did not repay certain bank and other borrowings of approximately RMB90,050,329,000 according to their scheduled repayment dates. As a result, as at 30 June 2024, bank and other borrowings with the aggregate principal amount of approximately RMB111,430,886,000 had become default or cross-default. Subsequent to 30 June 2024, the Group did not repay certain other bank and other borrowings according to their scheduled repayment dates.

Moreover, as disclosed in the Company's announcement dated 8 March 2024, Citicorp International Limited ("**Petitioner**") has applied to the High Court of the Hong Kong Special Administrative Region for the winding-up of the Company in relation to the Company's non-payment of the 10.875% notes due in 2023 issued with the outstanding principal amount of USD750,000,000 and accrued interests (the "**Petition**"). The hearing of the Petition has been adjourned a few times, with the latest being adjourned to 9 September 2024 as disclosed in the Company's announcement dated 12 August 2024.

These events or conditions indicate that material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern. In view of such circumstances, the directors of the Company (the "**Directors**") have given careful consideration to the future liquidity and performance of the Group and the Group's available sources of financing. The following plans and measures are formulated with the objective to mitigate the liquidity pressure of the Group:

The Company has been working with its financial advisor, Houlihan Lokey (China) Limited, and legal advisor, Sidley Austin, to assess its current financial and operational conditions with a view to formulating a comprehensive solution that respects the rights of all stakeholders and unlocks the inherent value of the Group's business and assets as the onshore operating environment recovers over time. In this regard, the Company has been communicating and constructively engaging with certain holders of the senior notes and other debts issued by the Group and their financial advisors, and legal advisors, to facilitate the formulation of a consensual and holistic restructuring proposal for the Group's debts. The Company, as disclosed in the Company's announcement dated 20 August 2024 (the "**Announcement**"), entered into a restructuring support agreement (the "**RSA**") on 20 August 2024 with the Ad Hoc Group of creditors (the "**AHG**") which, in the view of the Directors, represents significant progress on the restructuring of the Group's offshore indebtedness (the "**Restructuring**"). The AHG represented over 34% and over 36% of the aggregate outstanding principal amount of the Kaisa In-Scope Debt and the Rui Jing In-Scope Debt, (both as defined in the Announcement), as of 30 June 2024. The Restructuring is intended to (i) provide the Company with a long-term, sustainable capital structure; (ii) allow adequate financial flexibility and sufficient runway to stabilize the business; and (iii) protect the rights and interests, and maximize value, for all stakeholders.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

(iii) Going concern basis *(continued)*

In addition to the RSA, which signifies significant progress being made on the Restructuring, the Group will continue to perform the followings:

- a) To implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables. The Group will also continue to actively adjust sales and pre-sale activities to better respond to the changing markets to achieve the latest budgeted sales and pre-sales volumes and amounts;
- b) To seek suitable opportunities to dispose of its equity interest in certain project development companies to generate additional cash inflows. The Group's properties are predominantly located in higher tier cities that make it relatively more attractive to potential buyers and retain a higher value in current market conditions; and
- c) To control administrative costs and contain unnecessary capital expenditures to preserve liquidity. The Group will continue to actively assess additional measures to further reduce discretionary spending.

Despite the RSA, the Petition had not been withdrawn by the Petitioner as of the date when the condensed consolidated interim financial statements for the six months ended 30 June 2024 had been authorised for issue. The management believes that the purpose of the Petition used by the Petitioner is to facilitate the negotiation process until the completion of the Restructuring. As explained above, for the past few years, the Group has been actively communicating and maintaining constructive dialogue with the AHG and their financial advisors, which resulted in the entering into of the RSA in August 2024.

As explained in the Announcement, the Company hopes to start the relevant legal procedures concerning the Restructuring as soon as possible.

The Directors are of the opinion that, on the assumption that the above mentioned plans and measures can be successfully implemented as scheduled, the Group will have sufficient financial resources to finance its operations and to meet its financial obligations upon agreements with its creditors as and when they fall due within the twelve months from 30 June 2024. Accordingly, the Directors are satisfied that it is appropriate to prepare the condensed consolidated interim financial statements for the six months ended 30 June 2024 on a going concern basis.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

(iii) Going concern basis *(continued)*

Notwithstanding the above, material uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the followings:

- (a) the successful renewal of its debts including bank and other borrowings and senior notes;
- (b) the successful and timely implementation of the plans to accelerate the pre-sale and sale of properties under development and completed properties, speed up the collection of outstanding sales proceeds and other receivables, and control costs and control capital expenditure so as to generate adequate net cash inflows; and
- (c) the successful disposal of assets when needed.

Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the carrying amounts of the assets to their net recoverable amounts, to provide for any further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the condensed consolidated interim financial statements of the Group for the six months ended 30 June 2024.

3. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION OF FINANCIAL INSTRUMENTS

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2023.

There have been no material changes in the risk management policies of the Group since year ended 31 December 2023.

3. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION OF FINANCIAL INSTRUMENTS *(continued)*

3.2 Fair value estimation

The table below analyses financial instruments carried at fair value, by level of the inputs to valuation techniques used to measure fair value. The three levels of fair value hierarchy are defined based on the observability and significance of inputs to the measurements as follows:

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

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of inputs that is significant to the fair value measurement.

The following table presents the Group's financial assets and liabilities that are measured at fair value as at 31 December 2023 and 30 June 2024.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 30 June 2024 (unaudited)				
Assets				
Financial assets at FVTPL (note 14)	872,074	1,208,174	418,386	2,498,634
As at 31 December 2023 (audited)				
Assets				
Financial assets at FVTPL (note 14)	967,978	1,170,656	3,392,188	5,530,822

During the six months ended 30 June 2024, there were no transfers between level 1, 2 and 3 (31 December 2023: nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the reporting date in which they occur.

3.3 Valuation technique used to derive level 1 fair values

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

3. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION OF FINANCIAL INSTRUMENTS *(continued)*

3.4 Fair value measurements using significant unobservable inputs (level 2)

The reconciliation of the carrying amounts of the Group's financial assets at FVTPL within level 2 of the fair value hierarchy is as follows:

	Unaudited	
	2024 RMB'000	2023 RMB'000
Fair value as at 1 January (audited)	1,170,656	1,784,385
Fair value changes	3,740	118,918
Derecognition	(28,922)	(50,000)
Exchange realignment	62,700	-
Fair value as at 30 June (unaudited)	1,208,174	1,853,303

As of 30 June 2024 and 2023, the financial assets at FVTPL classified as Level 2 mainly represented unlisted managed funds and classified as Level 2.

Fair value gain on financial assets at FVTPL of RMB3,740,000 (unaudited) (six months ended 30 June 2023: RMB118,918,000 (unaudited)) was included in "other gains and losses, net", in the condensed consolidated statement of profit or loss and other comprehensive income.

The fair values of unlisted managed funds of RMB1,208,174,000 (unaudited) as at 30 June 2024 (six months ended 30 June 2023: RMB1,853,303,000 (unaudited)) in Level 2 were determined by reference to the net asset value of these investments provided by financial institutions.

3. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION OF FINANCIAL INSTRUMENTS *(continued)*

3.5 Fair value measurements using significant unobservable inputs (level 3)

The reconciliation of the carrying amounts of the Group's financial assets at FVTPL within level 3 of the fair value hierarchy is as follows:

	Unaudited	
	2024 RMB'000	2023 RMB'000
Fair value as at 1 January (audited)	3,392,188	4,575,269
Additions	-	31,360
Disposals	(4,452)	-
Transfer to other receivables (note 14)	(2,913,256)	-
Fair value changes	(53,600)	(365,351)
Exchange realignment	(2,494)	(21,339)
Fair value as at 30 June (unaudited)	418,386	4,219,939

Additions during the six months ended 30 June 2023 mainly represented unlisted equity securities.

Fair value loss on financial assets at FVTPL of RMB53,600,000 for the six months ended 30 June 2024 (unaudited) (six months ended 30 June 2023: RMB365,351,000 (unaudited)) was included in "Other gains and losses, net" in the condensed consolidated statement of profit or loss and other comprehensive income.

3. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION OF FINANCIAL INSTRUMENTS *(continued)*

3.5 Fair value measurements using significant unobservable inputs (level 3) *(continued)*

The fair value of major financial instruments are determined by using the market approach method and income approach model. The valuation techniques and significant unobservable inputs of these financial assets at FVTPL are as follows:

Financial instrument	Valuation Techniques	Significant unobservable inputs	30 June 2024 (Unaudited)	31 December 2023 (Audited)	Sensitivity relationship of unobservable inputs to fair value
Unlisted equity securities	Market approach method	Price to book ratios	N/A	0.45 to 2.39	Increase/(decrease) in price book ratio would result in increase/(decrease) in fair value
		Discount for lack of marketability	N/A	20.5%	Increase/(decrease) in discount would result in (decrease)/increase in fair value
Other financial asset	Income approach	Expected growth rate	0%	2%	Increase/(decrease) in expected growth rate would result in increase/(decrease) in fair value
		Discount rate	13.5%	12%	Increase/(decrease) in discount rate would result in (decrease)/increase in fair value

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

3.6 Fair value of financial assets and liabilities carried at amortised cost

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair value as at 31 December 2023 and 30 June 2024 except for the following financial instruments, for which their carrying amounts and fair value are disclosed below:

	Unaudited 30 June 2024		Audited 31 December 2023	
	Carrying amount RMB'000	Fair value RMB'000	Carrying amount RMB'000	Fair value RMB'000
Borrowings:				
– Senior notes (note 20(a))	82,560,236	2,747,276	82,049,361	3,042,735

4. REVENUE AND SEGMENT INFORMATION

The chief operating decision-maker (“**CODM**”) has been identified as the executive directors of the Company. The executive directors reviewed the Group’s internal reporting in order to assess performance and allocate resources. The management has determined the operating segments based on these reports. The executive directors assessed the performance of each single operating segment based on a measure of segment results. Net fair value losses on financial assets at FVTPL, corporate and other unallocated expenses, finance income, finance costs and income tax credit/expenses are not included in the result for each operating segment.

The CODM identified the segments based on the nature of business operations. Specifically, the CODM assessed the performance of property development, property investment, property management services, hotel and catering operations, cultural centre operations and healthcare operations regarded these being the reportable segments. The Group grouped its financial service business under other segment which was insignificant to present as a separate segment.

As the CODM of the Group considers most of the revenue and results of the Group are attributable to the market primarily in the PRC, and over 90% of the Group’s assets are located in the PRC, no geographical segment information is presented.

Revenue for the period consists of the following:

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB’000	RMB’000
Sales of properties	3,691,046	11,727,659
Rental income	207,262	197,456
Property management services	826,372	827,538
Hotel and catering operations	116,633	159,884
Cultural centre operations	82,884	84,634
Healthcare operations	348,183	314,281
Others	156,201	253,146
	5,428,581	13,564,598

4. REVENUE AND SEGMENT INFORMATION *(continued)*

The segment information provided to the CODM for the reportable segments for the six months ended 30 June 2024 is as follows:

	Property development RMB'000	Property investment RMB'000	Property management RMB'000	Hotel and catering operations RMB'000	Cultural centre operations RMB'000	Healthcare operations RMB'000	Others RMB'000	Total RMB'000
Revenue	3,691,046	266,661	940,371	118,784	95,546	348,183	158,053	5,618,644
Less: Inter-segment revenue	-	(59,399)	(113,999)	(2,151)	(12,662)	-	(1,852)	(190,063)
Revenue from external customers	3,691,046	207,262	826,372	116,633	82,884	348,183	156,201	5,428,581
Timing of revenue recognition under HKFRS 15								
At a point in time	3,691,046	-	-	-	-	348,183	156,201	4,195,430
Over time	-	-	826,372	116,633	82,884	-	-	1,025,889
Revenue from other sources of HKFRS 15	-	207,262	-	-	-	-	-	207,262
	3,691,046	207,262	826,372	116,633	82,884	348,183	156,201	5,428,581
Segment results before net fair value losses on investment properties and share of results of associates and joint ventures	(5,227,019)	101,731	141,424	6,238	(103,497)	23,141	(951,504)	(6,009,486)
Net fair value losses on investment properties (note 11)	-	(489,190)	-	-	-	-	-	(489,190)
Share of results of associates (note 13(a))	(1,478,863)	-	3,772	-	-	-	(42,220)	(1,517,311)
Share of results of joint ventures (note 13(b))	57,137	-	-	-	-	-	(5,114)	52,023
Segment results	(6,648,745)	(387,459)	145,196	6,238	(103,497)	23,141	(998,838)	(7,963,964)
Net fair value losses on financial assets at FVTPL								(73,888)
Corporate and other unallocated expenses								(89,976)
Finance income								5,945
Finance costs								(945,126)
Finance costs, net (note 7)								(939,181)
Loss before income tax								(9,067,009)
Income tax credit (note 8)								73,097
Loss for the period								(8,993,912)

4. REVENUE AND SEGMENT INFORMATION *(continued)*

The segment information provided to the CODM for the reportable segments for the six months ended 30 June 2023 is as follows:

	Property development RMB'000	Property investment RMB'000	Property management RMB'000	Hotel and catering operations RMB'000	Cultural centre operations RMB'000	Water-way passenger and cargo transportation RMB'000	Healthcare operations RMB'000	Others RMB'000	Total RMB'000
Revenue	11,727,659	224,406	935,230	161,740	101,731	-	314,281	289,058	13,754,105
Less: Inter-segment revenue	-	(26,950)	(107,692)	(1,856)	(17,097)	-	-	(35,912)	(189,507)
Revenue from external customers	11,727,659	197,456	827,538	159,884	84,634	-	314,281	253,146	13,564,598
Timing of revenue recognition under HKFRS 15									
At a point in time	11,727,659	-	-	-	-	-	314,281	253,146	12,295,086
Over time	-	-	827,538	159,884	84,634	-	-	-	1,072,056
Revenue from other sources of HKFRS 15	-	197,456	-	-	-	-	-	-	197,456
	11,727,659	197,456	827,538	159,884	84,634	-	314,281	253,146	13,564,598
Segment results before net fair value losses on investment properties and share of results of associates and joint ventures	(1,486,193)	99,494	126,070	21,384	(60,033)	(530)	102,483	(3,123,411)	(4,320,736)
Net fair value losses on investment properties (note 11)	-	(124,000)	-	-	-	-	-	-	(124,000)
Share of results of associates (note 13(a))	(401,422)	-	(4,179)	-	-	-	-	(111,236)	(516,837)
Share of results of joint ventures (note 13(b))	190,927	-	-	-	-	-	-	134,057	324,984
Segment results	(1,696,688)	(24,506)	121,891	21,384	(60,033)	(530)	102,483	(3,100,590)	(4,636,589)
Net fair value losses on financial assets at FVTPL									(262,369)
Corporate and other unallocated expenses									(94,129)
Finance income									42,021
Finance costs									(981,837)
Finance costs, net (note 7)									(939,816)
Loss before income tax									(5,932,903)
Income tax expense (note 8)									(667,597)
Loss for the period									(6,600,500)

4. REVENUE AND SEGMENT INFORMATION *(continued)*

The segment assets and liabilities as at 30 June 2024 are as follows:

	Unaudited								
	Property development RMB'000	Property investment RMB'000	Property management RMB'000	Hotel and catering operations RMB'000	Cultural centre operations RMB'000	Healthcare operations RMB'000	Others RMB'000	Elimination RMB'000	Total RMB'000
Segment assets	953,020,043	34,763,474	7,673,693	3,742,607	9,693,413	4,732,730	172,902,283	(965,752,730)	220,775,513
Unallocated									3,806,322
									224,581,835
Segment liabilities	807,451,677	2,472,228	3,851,243	3,293,774	11,110,434	3,954,033	164,847,797	(914,127,501)	82,853,685
Unallocated									150,316,248
									233,169,933

The segment assets and liabilities as at 31 December 2023 are as follows:

	Audited								
	Property development RMB'000	Property investment RMB'000	Property management RMB'000	Hotel and catering operations RMB'000	Cultural centre operations RMB'000	Healthcare operations RMB'000	Others RMB'000	Elimination RMB'000	Total RMB'000
Segment assets	957,755,020	37,214,630	7,377,524	3,740,927	9,723,261	4,688,673	174,113,543	(968,686,700)	225,926,878
Unallocated									6,893,788
									232,820,666
Segment liabilities	799,651,573	1,847,654	3,720,573	3,282,597	10,970,974	761,958	165,334,170	(909,492,025)	76,077,474
Unallocated									149,018,837
									225,096,311

For the six months ended 30 June 2024 and 2023, none of the Group's customer accounted for more than 10% of the Group's total revenue.

Sales between segments are carried out at agreed terms amongst relevant parties. The revenue from external parties reported to the management is measured in a manner consistent with that in the profit or loss.

There is no change in the basis of segmentation or basis of measurement of segment profit or loss for the six months ended 30 June 2024.

Segment assets consist primarily of all assets excluding financial assets at FVTPL, deferred tax assets and prepaid taxes.

Segment liabilities consist primarily of all liabilities excluding deferred tax liabilities, income tax payable, and corporate borrowings.

5. EXPENSES BY NATURE

Expenses included in cost of sales, selling and marketing costs and administrative expenses are analysed as follows:

	Unaudited Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Advertising and other promotional costs	112,695	133,371
Agency fees	60,231	149,588
Amortisation of land use rights (note 11)	6,738	6,738
Amortisation of intangible assets (note 16)	17,300	18,086
Cost of properties sold	3,507,579	9,312,469
Depreciation		
– Property plant and equipment (note 11)	144,800	175,142
– Right-of-use assets	32,823	30,184
Direct operating expenses arising from		
– Property investment	93,543	93,679
– Property management services	606,056	617,432
– Hotel and catering operations	89,193	103,247
– Cultural centre operations	63,643	199,182
– Healthcare operations	194,731	156,977
Donations	450	3
Legal and professional fees	86,433	104,168
Minimum lease payment under operating leases (note)	205	531
Other taxes	28,427	63,021
Staff costs – including directors' emoluments	446,356	456,458

6. OTHER GAINS AND LOSSES – NET

	Unaudited Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Dividend income from financial assets at FVTPL	–	–
Forfeited customer deposits	4,574	2,504
Government subsidy income (note)	8,768	86,045
Net losses on disposals of financial assets at FVTPL	–	(50,000)
Net fair value losses on financial assets at FVTPL (note 14)	(73,888)	(262,369)
Net (loss)/gains on disposal of property, plant and equipment	(813,454)	167
Write-down of completed properties held for sale and properties under development	(1,590,613)	(376,346)
Impairment loss on investments in an associate	(288,124)	–
Net exchange losses	(452,396)	(3,057,450)
(Provision)/Reversal for ECL allowance/written-off include:		
– relating to financial assets and contract assets	(2,734,238)	(605,305)
– relating to financial guarantees	63,964	(1,879,273)
	(2,670,274)	(2,484,578)

Note: The amount represented the subsidies received from the local government bureau in the PRC. There was no unfulfilled conditions and other contingencies attached to the receipts of subsidies.

7. FINANCE COSTS – NET

	Unaudited Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Finance income		
Interest income on bank deposits	5,945	42,021
Finance costs		
Interest expense:		
– Bank and other borrowings	2,251,398	2,013,463
– Senior Notes	4,331,127	4,216,531
– Lease liabilities	1,016	4,257
Total interest expenses	6,583,541	6,234,251
Less: interests capitalised	(5,638,415)	(5,252,414)
	945,126	981,837
Finance costs – net	(939,181)	(939,816)

8. INCOME TAX (CREDIT)/EXPENSES

	Unaudited Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Current income tax		
– PRC enterprise income tax	48,312	184,818
– PRC land appreciation tax	84,693	585,506
Deferred tax	(206,102)	(102,727)
	(73,097)	667,597

Income tax expenses for the six months ended 30 June 2024 and 2023 is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year.

Overseas income tax

The Company was incorporated in the Cayman Islands as an exempted Company with limited liability under the Company Act of Cayman Islands and, accordingly, is exempted from Cayman Islands income tax. The group companies in British Virgin Islands ("BVI") were incorporated under the International Business Companies Act of the British Virgin Islands and, accordingly, is exempted from British Virgin Islands income tax.

Hong Kong profits tax

No Hong Kong profits tax was provided for the six months ended 30 June 2024 and 2023 as the Group has no assessable profits arising in or derived from Hong Kong for the periods.

PRC withholding income tax

According to the Corporate Income Law of the PRC, starting from 1 January 2008, a withholding tax of 10% will be received on the immediate holding companies outside the PRC where their PRC subsidiaries declare dividend out of profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong according to the tax treaty arrangements between the PRC and Hong Kong.

PRC enterprise income tax

PRC enterprise income tax has been provided on the estimated assessable profits of subsidiaries operating in the PRC at 25% (Six months ended 30 June 2023: 25%).

PRC land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including costs of land use rights and all property development expenditures.

9. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Unaudited Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Loss attributable to owners of the Company	(9,115,416)	(6,973,892)

	Number of shares	
	2024	2023
Weighted average number of ordinary shares for the purpose of basic loss per share	7,015,468,487	7,015,468,487

Notes:

- (a) The computation of diluted loss per share for the six months ended 30 June 2024 and 2023 did not assume the exercise of outstanding share options of the Company since their assumed conversion would result in a decrease in loss per share.
- (b) The dilutive effect of the share options issued by the Group's listed subsidiaries, Kaisa Prosperity Holdings Limited ("Kaisa Prosperity") and Kaisa Health Group Holdings Limited ("Kaisa Health"), were insignificant for the six months ended 30 June 2024 and 2023.

10. DIVIDENDS

No interim dividend have been declared for the six months ended 30 June 2024 and 2023.

11. PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND LAND USE RIGHTS

	Unaudited		
	Property, plant and equipment RMB'000	Investment properties RMB'000	Land use rights RMB'000
Six months ended 30 June 2024			
Opening net carrying amount as at 1 January 2024 (audited)	5,029,514	9,016,710	379,176
Additions	27,050	-	-
Acquisition of subsidiaries	153	-	-
Transfer from properties under development	855,124	-	-
Amortisation (note 5)	-	-	(6,738)
Depreciation (note 5)	(144,800)	-	-
Disposals	(1,194,885)	(338,650)	(900)
Decrease in fair value, net	-	(489,190)	-
Exchange realignment	(5,507)	-	-
Closing net carrying amount as at 30 June 2024 (unaudited)	4,566,649	8,188,870	371,538

	Unaudited		
	Property, plant and equipment RMB'000	Investment properties RMB'000	Land use rights RMB'000
Six months ended 30 June 2023			
Opening net carrying amount as at 1 January 2023 (audited)	4,456,386	9,452,400	395,098
Additions	57,281	-	834
Transfer from properties held-for-sale	914,215	-	-
Amortisation (note 5)	-	-	(6,738)
Depreciation (note 5)	(175,142)	-	-
Disposals of subsidiaries (note 28)	(2,550)	-	(3,328)
Disposals	(34,305)	-	-
Decrease in fair value, net	-	(124,000)	-
Exchange realignment	(3,494)	-	(18)
Closing net carrying amount as at 30 June 2023 (unaudited)	5,212,391	9,328,400	385,848

Note:

The fair value of the Group's investment properties in the PRC had been arrived at on the basis of valuation carried out on that date by Savills Valuation and Professional Services Limited, an independent professional qualified valuer. For all investment properties, their current use equates to the highest and best use.

11. PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND LAND USE RIGHTS *(continued)*

Fair value measurements using significant unobservable inputs

For the investment properties

Fair values of completed commercial properties are generally derived from using the income capitalization method. This valuation method is based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates, which are derived from analysis of sale transactions and valuers' estimates of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation are made reference to recent lettings, within the subject properties and other comparable properties.

Fair values of commercial properties under development are generally derived from using the combination of direct comparison method by making reference to the comparable market transactions for the land portion as available in the market and the income capitalisation method by capitalising market rent derived from the properties. This valuation method is essentially a means of valuing the land and properties under development 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 as at the date of valuation.

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

Significant inputs used to determine fair value

Completed commercial properties:

	Unaudited 30 June 2024		Audited 31 December 2023	
	Commercial	Carpark	Commercial	Carpark
Capitalisation rate	2.5%-6.5%	6.5%	2.5%-6.5%	6.5%
Expected vacancy rate	0%-15%	N/A	0%-15%	N/A
Monthly rental	RMB72-771 per sq.m.	RMB2,330 per unit	RMB73-779 per sq.m.	RMB2,330 per unit

Capitalisation and discount rates are estimated by the valuer based on the risk profile of the properties being valued. The higher the rates, the lower the fair value.

11. PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND LAND USE RIGHTS *(continued)*

Fair value measurements using significant unobservable inputs *(continued)*

For the investment properties *(continued)*

Significant inputs used to determine fair value *(continued)*

The higher the term yield and revisionary yield, the lower the fair value.

Estimated costs to complete per square meter and developer's profit margin required are estimated by the valuer based on market conditions at the reporting dates. The estimates are largely consistent with the budgets developed internally by the Group based on management's experience and knowledge of market conditions. The higher the costs, the lower the fair value.

As at 30 June 2024 and 31 December 2023, the fair value measurement of the Group's investment properties is categorised at level 3. During the six months ended 30 June 2024 and 2023, there was no transfer into or out of level 3.

12. RIGHT-OF-USE ASSETS

The right-of-use assets represented leases of staff quarters, offices and items of office equipment in Hong Kong and PRC.

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

(a) Interests in associates

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Cost of interests in associates, less accumulated impairment		
– Listed	415,397	703,521
– Unlisted	21,287,221	25,353,387
Share of post-acquisition loss and other comprehensive expenses, net of dividend received	(5,318,145)	(3,802,114)
	16,384,473	22,254,794

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD *(continued)*

(a) Interests in associates *(continued)*

Movements of interests in associates during the six months ended 30 June 2024 and 2023 are as follows:

	Unaudited Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
At 1 January	22,254,794	25,155,266
Deregistration of associate	(4,066,166)	(1,935)
Impairment	(288,124)	-
Share of results of associates	(1,517,311)	(516,837)
Share of other comprehensive income/(expense) of an associate	1,280	(2,602)
At 30 June	16,384,473	24,633,892

(b) Interests in joint ventures

Movements of interests in joint ventures during the six months ended 30 June 2024 and 2023 are as follows:

	Unaudited Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Unlisted investments		
At 1 January	8,450,839	8,166,590
Derecognise upon additional acquisitions of subsidiaries	(39,651)	-
Share of results of joint ventures	52,023	324,984
At 30 June	8,463,211	8,491,574

14. FINANCIAL ASSETS AT FAIR VALE THROUGH PROFIT OR LOSS

	Unaudited Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
At 1 January	5,530,822	7,264,491
Additions	–	31,360
Disposals	(105,249)	(82,431)
Transfer to other receivables (note)	(2,913,256)	–
Net fair value losses (note 6)	(73,888)	(262,369)
Exchange difference	60,205	(21,339)
At 30 June	2,498,634	6,929,712
Less: non-current	(1,626,560)	(6,073,242)
	872,074	856,470

As at 30 June 2024 and 31 December 2023, the balances of financial assets at FVTPL include the followings:

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
	Listed securities	872,074
Unlisted securities or funds and other financial asset	1,626,560	4,562,844
Less: non-current	(1,626,560)	(4,562,844)
	872,074	967,978

Changes in fair values of these investments are recorded in "Net fair value losses on financial assets at FVTPL" in "other gains and losses, net" in the condensed consolidated statement of profit or loss and other comprehensive income.

Note: As a result of a decision made by the High People's Court of Guangdong Province regarding a dispute over the ownership of an investment, it was judged by the Court that the seller shall refund an amount of approximately RMB3,736,101,000. Accordingly, the carrying amount of such an investment of RMB2,913,256,000 has been considered appropriate by the directors of the Company to be presented as "other receivable". The directors of the Company will continue to take appropriate actions to have the monies refunded, which are expected to be within 12 months from the end of the reporting period.

15. DEBTORS, DEPOSITS AND OTHER RECEIVABLES

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Trade debtors – net (note (a))	1,573,753	1,849,043
Other receivables (note (b))	15,298,110	12,222,207
Other deposits (note (b))	1,588,100	1,562,110
Prepayments (note (c))	1,893,395	1,880,346
Prepaid other taxes	1,503,114	1,269,832
Amounts due from associates (note (b))	9,048,999	11,426,651
Amounts due from joint ventures (note (b))	15,589,997	15,708,544
Amounts due from non-controlling interests of subsidiaries, net of direct written-off (note (b))	1,676,970	1,676,944
	46,598,685	45,746,634
Less: Provision for ECL allowances (note d)	(4,717,508)	(3,080,163)
Deposits, prepayments and other receivables – net	41,881,177	42,666,471
Total debtors, deposits and other receivables – net	43,454,930	44,515,514
Less: non-current portion Other receivables (note (b)(i))	(8,981)	(28,608)
Current portion	43,445,949	44,486,906

15. DEBTORS, DEPOSITS AND OTHER RECEIVABLES *(continued)*

Notes:

- (a) Trade debtors mainly arise from sales of properties and property management. Proceeds receivable in respect of the sales of properties are settled in accordance with the terms stipulated in the sale and purchase agreements. Rental income from lease of properties are generally receivable in accordance with the terms of the relevant agreements. The ageing analysis of trade debtors based on contractual terms as at the respective reporting dates is as follows:

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Within 90 days	841,210	931,165
Over 90 days but within 180 days	284,485	253,480
Over 180 days but within 270 days	132,207	112,606
Over 270 days but within 365 days	111,511	89,121
Over 365 days	680,424	656,379
	2,049,837	2,042,751
Less: allowance for impairment (note (d))	(476,084)	(193,708)
	1,573,753	1,849,043

The Group has applied the simplified approach to provide for expected credit losses prescribed by HKFRS 9. As at 30 June 2024, a provision of RMB476,084,000 (unaudited) (31 December 2023: RMB193,708,000 (audited)) was made against the gross amount of trade debtors.

Generally, no credit terms were granted to the customers of residential properties. There is no concentration of credit risk with respect to trade debtors as the Group has a large number of customers.

15. DEBTORS, DEPOSITS AND OTHER RECEIVABLES *(continued)*

Notes: *(continued)*

(b) Details of deposits and other receivables are as follows:

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Other receivables (note (i))	15,298,110	12,222,207
Other deposits (note (ii))	1,588,100	1,562,110
Amounts due from associates (note (iii))	9,048,999	11,426,651
Amounts due from joint ventures (note (iii))	15,589,997	15,708,544
Amounts due from non-controlling interest of a subsidiary (note (iii))	1,676,970	1,676,944
	43,202,176	42,596,456
Less: allowance for impairment (note (d))	(4,717,508)	(3,080,163)
Deposits and other receivables – net	38,484,668	39,516,293

(i) The other receivables net of respective allowance for impairment are approximately RMB13,249,164,000 which mainly include the interest receivables, amounts to be refunded by the government in relation to the land acquisitions in the PRC, a receivable which has been reclassified from a financial asset at fair value through profit or loss as described in note 14 with the carrying amount of RMB2,913,256,000, costs incurred as payments to independent third parties for the purpose of securing and acquiring property development projects and certain loan advances. As at 30 June 2024, there are other receivables amounting to RMB4,000,000 (31 December 2023: RMB90,620,000) are unsecured, carry at interest rates 4.35% (31 December 2023: 4.35%) per annum. Included in other receivables, those are repayable over 1 year amounting to RMB8,981,000 (31 December 2023: RMB28,608,000) are classified as non-current assets as at 30 June 2024.

(ii) Details of other deposits are as follows:

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Deposit paid for acquisitions of land use rights for property development	65,700	80,700
Refundable deposit to redevelopment project partner	1,006,714	1,008,211
Other	515,686	473,199
	1,588,100	1,562,110

(iii) The amounts are unsecured, interest free, repayable on demand and expected to be recovered within 12 months from the reporting date and are therefore classified as current assets. For the six months ended 30 June 2024, provision for ECL allowance relating to the amounts due from associates and joint ventures were approximately RMB695,859,000 and RMB513,790,000 respectively (year ended 31 December 2023: RMB322,586,000 and RMB676,552,000 respectively). As at 30 June 2024, the accumulated ECL for these balances were approximately RMB1,122,803,000 and RMB1,246,319,000 respectively (31 December 2023: RMB426,944,000 and RMB732,529,000 respectively).

The carrying amounts of the Group's receivables are mainly denominated in RMB and USD.

15. DEBTORS, DEPOSITS AND OTHER RECEIVABLES *(continued)*

Notes: *(continued)*

- (c) Prepayments mainly represented prepayments of purchase of construction of materials and services.
- (d) Impairment losses in respect of debtors, deposits and other receivables (excluding prepayments and prepaid other taxes) are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment losses are written off against debtors, deposits and other receivables (excluding prepayments and prepaid other taxes) directly. The movement in the allowance for impairment of debtors, deposits and other receivables (excluding prepayments and prepaid other taxes) is as follows:

	Trade debtors RMB'000 (note a)	Deposits and other receivables (excluding prepayments and prepaid other taxes) RMB'000 (note b)	Total RMB'000
Six months ended 30 June 2024			
Opening loss allowance as at 1 January 2024 (audited)	193,708	3,080,163	3,273,871
Provision for loss allowance recognised in profit or loss during the period (note 6)	282,340	1,637,345	1,919,685
Closing loss allowance as at 30 June 2024 (unaudited)	476,048	4,717,508	5,193,556
Six months ended 30 June 2023			
Opening loss allowance as at 1 January 2023 (audited)	126,118	3,127,411	3,253,529
Provision for loss allowance recognised in profit or loss during the period (note 6)	46,577	352,809	399,386
Reversal for loss allowance recognised in profit or loss during the period (note 6)	–	(774,324)	(774,324)
Closing loss allowance as at 30 June 2023 (unaudited)	172,695	2,705,896	2,878,591

- (e) As at 30 June 2024, the gross carrying amount of debtors, deposits and other receivables (excluding prepayments and prepaid other taxes) was RMB43,202,176,000 (unaudited) (31 December 2023: RMB42,596,456,000 (audited)) and thus the maximum exposure to loss was RMB43,202,176,000 (unaudited) (31 December 2023: RMB42,596,456,000 (audited)).

16. GOODWILL AND INTANGIBLE ASSETS

	Unaudited				
	Goodwill (note)	Trademarks and patent	Customer relationship	Other	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Six months ended 30 June 2024					
Net carrying amount as at 1 January 2024 (audited)	765,349	146,294	26,558	1,528	939,729
Additions	-	-	-	1,184	1,184
Amortisation expensed in administrative expenses (note 5)	-	(12,318)	(4,686)	(296)	(17,300)
Net carrying amount as at 30 June 2024 (unaudited)	765,349	133,976	21,872	2,416	923,613

	Unaudited				
	Goodwill (note)	Trademarks and patent	Customer relationship	Other	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Six months ended 30 June 2023					
Net carrying amount as at 1 January 2023 (audited)	765,349	172,302	36,880	453	974,984
Additions	-	-	-	4,899	4,899
Amortisation expensed in administrative expenses (note 5)	-	(12,074)	(5,161)	(851)	(18,086)
Net carrying amount as at 30 June 2023 (unaudited)	765,349	160,228	31,719	4,501	961,797

Notes: The net carrying amount of goodwill mainly arose from business combinations in connection with the acquisitions of (i) Shenzhen Qijia Internet Technology Co. Ltd.*, (ii) Shanghai Yitao Sports Culture Communication Co. Ltd.* and its subsidiary, (iii) Qinghai Pharmaceutical Co., Ltd.*, (iv) Jiaxing Dashu Property Management Company Limited* and its subsidiaries, (v) Jiangsu Hengyuan Property Management Company Limited* and its subsidiary, (vi) Ningbo Langtong Property Service Company Limited*, (vii) Kaisa Capital Investment Holdings Limited and its subsidiaries, (viii) Zhejiang Ruiyuan Property Management Co., Ltd. and (ix) Basic Dental Implant Systems, Inc.

* The English translation of the name of the companies established in the PRC is for reference only. The official name of these companies are in Chinese.

17. RESTRICTED BANK BALANCES AND CASH/CASH AND BANK BALANCES

Restricted bank balances and cash, cash and bank balances are denominated in the following currencies:

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
RMB	2,652,377	3,239,491
Hong Kong dollars	33,613	77,759
United States dollars	65,040	83,805
	2,751,030	3,401,055

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government.

18. PROPERTIES UNDER DEVELOPMENT

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Properties under development	78,045,754	74,936,855
Less: Provisions for properties under development	(4,842,925)	(3,439,068)
	73,202,829	71,497,787

The properties under development were located in the PRC and Hong Kong (31 December 2023: PRC and Hong Kong) and are stated at cost.

19. LEASE LIABILITIES

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Total minimum lease payments:		
Due within one year	176,045	162,231
Due in the second to fifth years	394,294	400,405
Due after the fifth years	99,564	97,900
	669,903	660,536
Future finance charges on lease liabilities	(99,559)	(83,731)
Present value of lease liabilities	570,344	576,805
Present value of minimum lease payments:		
Due within one year	144,444	135,416
Due in the second to fifth years	335,540	351,931
Due after the fifth years	90,360	89,458
	570,344	576,805
Less:		
Portion due within one year included under current liabilities	(144,444)	(135,416)
Portion due after one year included under non-current liabilities	425,900	441,389

20. BORROWINGS

	Notes	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Borrowings included in current liabilities:			
Senior Notes	(a)	82,560,236	82,049,361
Bank borrowings – secured	(b)	9,286,588	8,434,276
Bank borrowings – unsecured	(b)	2,895,208	2,471,457
Other borrowings – secured	(b)	11,218,588	10,815,902
Other borrowings – unsecured	(b)	11,419,694	13,171,793
Loan from a related company	(c)	108,781	108,781
Loan from the controlling shareholder of the Company – unsecured	(d)	115,000	–
		117,604,095	117,051,570
Borrowings included in non-current liabilities:			
Bank borrowings – secured	(b)	5,772,037	5,456,233
Bank borrowings – unsecured	(b)	2,729,318	2,735,794
Other borrowings – secured	(b)	8,187,281	7,399,630
Other borrowings – unsecured	(b)	785,696	865,790
Loan from the controlling shareholder of the Company – unsecured	(d)	–	115,000
		17,474,332	16,572,447
Total borrowings		135,078,427	133,624,017

20. BORROWINGS *(continued)*

Notes:

(a) Senior notes

	Audited 31 December 2023 RMB'000	New issuance RMB'000	Repurchase/ redemption RMB'000	Unaudited 30 June 2024 RMB'000
Par value				
2021 6.5% Notes – tranche I (US\$'000)	250,000	–	–	250,000
2021 6.5% Notes – tranche II (US\$'000)	150,000	–	–	150,000
2022 8.5% Notes (US\$'000)	1,147,000	–	–	1,147,000
2022 11.25% Notes – tranche I (US\$'000)	350,000	–	–	350,000
2022 11.25% Notes – tranche II (US\$'000)	200,000	–	–	200,000
2022 11.95% Notes – tranche I (US\$'000)	400,000	–	–	400,000
2022 11.95% Notes – tranche II (US\$'000)	200,000	–	–	200,000
2022 6.6% Notes (US\$'000)	110,000	–	–	110,000
2022 8.65% Notes (US\$'000)	300,000	–	–	300,000
2022 10.5% Notes (US\$'000)	300,000	–	–	300,000
2023 9.75% Notes – tranche I (US\$'000)	400,000	–	–	400,000
2023 9.75% Notes – tranche II (US\$'000)	100,000	–	–	100,000
2023 9.75% Notes – tranche III (US\$'000)	200,000	–	–	200,000
2023 9.75% Notes – tranche IV (US\$'000)	280,000	–	–	280,000
2023 10.875% Notes – tranche I (US\$'000)	300,000	–	–	300,000
2023 10.875% Notes – tranche II (US\$'000)	150,000	–	–	150,000
2023 10.875% Notes – tranche III (US\$'000)	300,000	–	–	300,000
2023 11.5% Notes – tranche I (US\$'000)	400,000	–	–	400,000
2023 11.5% Notes – tranche II (US\$'000)	300,000	–	–	300,000
2023 11.95% Notes – tranche I (US\$'000)	300,000	–	–	300,000
2023 11.95% Notes – tranche II (US\$'000)	200,000	–	–	200,000
2024 9.375% Notes (US\$'000)	2,247,453	–	–	2,247,453
2025 9.95% Notes – tranche I (US\$'000)	300,000	–	–	300,000
2025 9.95% Notes – tranche II (US\$'000)	200,000	–	–	200,000
2025 10.5% Notes (US\$'000)	500,000	–	–	500,000
2025 11.25% Notes – tranche I (US\$'000)	300,000	–	–	300,000
2025 11.25% Notes – tranche II (US\$'000)	400,000	–	–	400,000
2025 11.7% Notes (US\$'000)	1,000,022	–	–	1,000,022
2026 11.65% Notes (US\$'000)	300,000	–	–	300,000
Total (US\$'000)	11,584,475	–	–	11,584,475
Total (RMB'000)	82,049,361			82,560,236

20. BORROWINGS *(continued)*

Notes: *(continued)*

(a) Senior notes (continued)

During the six months ended 30 June 2024, no Senior Notes have been issued, repurchased or redeemed.

The 2021 6.5% Notes tranche I & II were matured on 7 December 2021, the 2022 6.6% Notes were matured on 4 February 2022, the 2022 11.25% Notes – tranche I & II were matured on 9 April 2022, the 2022 8.5% Notes were matured on 30 June 2022, the 2022 8.65% Notes were matured on 22 July 2022, the 2022 10.5% Notes were matured on 7 September 2022, the 2022 11.95% Notes – tranche I & II were matured on 22 October 2022, the 2023 11.5% Notes – tranche I & II were matured on 30 January 2023, 2023 10.875% Notes – tranche I, II & III were matured on 23 July 2023, the 2023 9.75% Notes – tranche I, II, III & IV were matured on 28 September 2023, 2023 11.95% Notes – tranche I & II were matured on 12 November 2023 and 2024 9.375% Notes were matured on 30 June 2024. The Group did not pay the principal and accrued unpaid interest on the maturity date.

Due to the cross-default terms and conditions set out in the relevant Senior Notes agreements, all of the outstanding Senior Notes have been classified as current liabilities as at 30 June 2024 and 31 December 2023.

The major terms and conditions of the senior notes include redemption at the option of the Company and the repurchase of the senior notes upon a change of control. The estimated fair value of the embedded derivative of the early redemption and repurchase rights are insignificant to recognise at initial recognition.

The weighted average effective interest rate of the above senior notes is 10.21% (unaudited) (31 December 2023: 10.21% (audited)) per annum.

All of above senior notes are listed on the Singapore Exchange Securities Trading Limited, except the 2023 6.6% Notes.

The above senior notes are secured by the pledge of shares of the Group's subsidiaries incorporated outside the PRC, and are jointly and severally guaranteed by certain subsidiaries of the Group.

20. BORROWINGS *(continued)*

Notes: *(continued)*

(b) Bank and other borrowings

The Group's bank and other borrowings of RMB33,304,170,000 (unaudited) (31 December 2023: RMB32,101,654,000 (audited)) were jointly secured by certain properties, investment properties, land use rights, properties under development, completed properties held for sales of the Group and certain shares of Group's subsidiaries and associates.

The pledged assets for the Group's bank and other borrowings are as follows:

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Property, plant and equipment	2,031,782	1,941,093
Investment properties	8,188,870	9,016,710
Land use rights	198,424	208,767
Investments in associates	225,827	534,142
Properties under development	60,553,178	67,800,385
Completed properties held for sale	6,676,065	6,947,056
Restricted bank balance and cash	171,970	198,031
	78,046,116	86,646,184

Certain bank and other borrowings of the Group are guaranteed by certain subsidiaries of the Group:

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Group companies		
– Guaranteed and secured by the Group's assets	20,852,348	21,130,987
– Guaranteed by the Company or its subsidiaries	29,256,294	28,178,544
	50,108,642	49,309,531

(c) Loan from a related company

The amount due is unsecured, carrying interest rate at 12% (unaudited) (31 December 2023: 12% (audited)) per annum. The related company is controlled by a substantial shareholder of the Company.

(d) Loan from the controlling shareholder of the Company

The amount due is unsecured, carrying interest rate at 5% (unaudited) (31 December 2023: 5% (audited)) per annum and repayable on 1 June 2025.

21. OTHER PAYABLES

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Other payables and accruals (note (a))	8,425,775	8,046,535
Accrued interest	34,724,310	27,869,557
Accrued staff costs	149,169	146,019
Consideration payables related to acquisitions of subsidiaries	110,449	115,979
Consideration payables related to acquisitions of associate and joint ventures	598,180	598,180
Deed tax and other taxes payables	3,491,576	2,889,391
Deposits received	659,486	565,871
Provision for financial guarantee contracts	2,363,746	2,427,710
Amounts due to associates (note (b))	1,996,893	1,640,493
Amounts due to joint ventures (note (b))	778,083	1,474,668
Amounts due to non-controlling interests of subsidiaries (note (b))	704,226	705,584
	54,001,893	46,479,987
Less: non-current portion		
Consideration payables related to acquisition of a subsidiary	(4,810)	(5,876)
	53,997,083	46,474,111

Notes:

- (a) Other payables and accruals mainly included deposits received from construction companies, accrued operating expenses, advances from third parties for operations, amounts due to former shareholders in relation to acquired subsidiaries which are interest-free, unsecured and repayable on demand, payables of cooperation parties and amounts due to former subsidiaries in relation to disposals of subsidiaries in current period and prior years.
- (b) The amounts due are unsecured, interest-free and repayable on demand.
- (c) The carrying amounts of other payables are denominated in RMB and approximate to their fair value.

22. SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares	Nominal value of ordinary shares HK\$'000	Equivalent nominal value of ordinary shares RMB'000	Share premium RMB'000	Total RMB'000
Six months ended 30 June 2024					
Balance as at 1 January 2024 (audited) and as at 30 June 2024 (unaudited)	7,015,468,487	701,547	613,530	6,376,801	6,990,331
Six months ended 30 June 2023					
Balance as at 1 January 2023 (audited) and as at 30 June 2023 (unaudited)	7,015,468,487	701,547	613,530	6,376,801	6,990,331

23. PERPETUAL CAPITAL SECURITIES

On 30 September 2020, the Company (the "Issuer") issued 10.875% perpetual capital securities with an aggregate principal amount of US\$200,000,000 (equivalent to approximately RMB1,361,519,000) (the "Securities") which are listed on Singapore Exchange Securities Trading Limited at an issue price of 100%. Transaction costs relating to the issue of the Securities amounted to approximately RMB11,465,000. Distribution is payable semi-annually in arrears in equal instalments on 30 March and 30 September of each year based on the distribution rate as defined in the subscription agreement. Distribution by the Company may be deferred at its sole discretion. The Securities have no fixed maturity and are redeemable in whole, but not in part, at the Company's option on 30 September 2023, or any distribution payment date falling thereafter at their principal amounts together with any accrued, unpaid or deferred distributions. While any distributions are unpaid or deferred, the Company will not declare, pay dividends or make distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower rank.

As the Securities do not contain any contractual obligation to pay cash or other financial assets, in accordance with HKAS 32 "Financial Instruments: Presentation", they are classified as equity for accounting purpose. Any distributions made by the Company to the holders of the Securities will be deducted directly to equity in the consolidated financial statements.

The Company has sent the optional deferral notices to the Trust Agent which provides that the Company has elected to defer the Distribution scheduled to be paid on the Distribution Payment Date falling on 30 March 2023, 30 September 2023 and 30 March 2024 respectively.

24. RESERVES

	Unaudited						
	Merger reserve RMB'000 (note a)	Exchange reserve RMB'000	Statutory reserve RMB'000 (note b)	Share option reserve RMB'000 (noted c)	Capital reserve RMB'000 (note d)	Retained earnings RMB'000	Total RMB'000
Balance at 1 January 2024 (audited)	382	19,863	1,025,344	179,253	(158,477)	(21,455,860)	(20,389,495)
Loss for the period	-	-	-	-	-	(9,115,416)	(9,115,416)
Other comprehensive (expense)/income for the period	-	(2,469)	-	-	-	1,280	(1,189)
Total comprehensive expense for the period	-	(2,469)	-	-	-	(9,114,136)	(9,116,605)
Share-based payments	-	-	-	1,639	-	-	1,639
Balance as at 30 June 2024 (unaudited)	382	17,394	1,025,344	180,892	(158,477)	(30,569,996)	(29,504,461)
Balance at 1 January 2023 (audited)	382	1,702	1,025,629	376,690	(158,477)	(1,723,474)	(477,548)
Loss for the period	-	-	-	-	-	(6,973,892)	(6,973,892)
Other comprehensive income/(expense) for the period	-	16,877	-	-	-	(2,602)	14,275
Total comprehensive income/(expense) for the period	-	16,877	-	-	-	(6,976,494)	(6,959,617)
Share-based payments	-	-	-	4,071	-	-	4,071
Share options lapsed	-	-	-	(203,242)	-	203,242	-
Balance as at 30 June 2023 (unaudited)	382	18,579	1,025,629	177,519	(158,477)	(8,496,726)	(7,433,094)

24. RESERVES *(continued)*

Notes:

- (a) The merger reserve of the Group represents the difference between the nominal value of the share capital and share premium of the subsidiaries acquired pursuant to the group reorganisation in December 2007 and the nominal value of the share capital of the Company issued in exchange thereof. The reorganisation qualifies as common control combinations and has been accounted for using merger accounting.
- (b) In accordance with the relevant rules and regulations in the PRC and the provision of the articles of association of the PRC companies comprising the Group, before 1 January 2006, the local investment enterprises were required to appropriate at each year end 5% to 10% of the profit for the year after setting off the accumulated losses brought forward (based on figures reported in the statutory financial statements) to the statutory surplus reserve and the statutory public welfare fund (collectively the "**Statutory Reserves**"), respectively. After 1 January 2006, the local investment enterprises are allowed to appropriate 10% of the net profit to the Statutory Reserves until the accumulated appropriation exceeds 50% of the registered capital.

For Chinese-foreign entities, in accordance with the Law of the PRC on Chinese-foreign Equity Joint Ventures, the percentage of profits to be appropriated to the Statutory Reserves are solely determined by the Board of Directors of these foreign investment enterprises.

In accordance with the Laws of the PRC on Enterprises Operated Exclusively with Foreign Capital and the companies' articles of association, an appropriation to the Statutory Reserves, after net of accumulated losses of previous years, have to be made prior to profit distribution to the investor. The appropriation for the Statutory Reserve of these foreign investment enterprises shall be no less than 10% of the net profit until the accumulated appropriation exceeds 50% of the registered capital.

- (c) Share option reserve represents value of employee services in respect of share options granted under the Share Option Scheme (note 28).
- (d) Capital reserve arose from the difference between the amount by which the non-controlling interests are adjusted and the consideration paid for the acquisition of additional equity interest in subsidiaries.

25. CONTINGENT LIABILITIES

(a) Financial Guarantee Contracts

- (i) The Group had provided guarantees in respect of mortgage facilities granted by certain banks related to mortgage loans arranged for certain purchasers of the Group's properties amounting to RMB25,150,242,000 as at 30 June 2024 (31 December 2023: RMB26,269,550,000). Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. Such guarantees expire or terminate upon the earlier of (i) issuance of the property ownership certificates which are generally be available within six months to one year after the purchasers take possession of the relevant properties; and (ii) the mortgage loans obtained by the purchasers of properties.

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

- (ii) As of 30 June 2024, the financial guarantees given by the Group relating to the liabilities of the Group's joint ventures and associates and third parties were amounting to RMB20,797,534,000 (31 December 2023: RMB21,730,809,000).

(b) Litigation

Up to the date when the condensed consolidated financial statements were authorised for issue, various parties had filed litigations against various subsidiaries of the Group due to non-repayment of the Group's borrowings and outstanding construction payables. The Group had assessed the impact of these litigation matters on the condensed consolidated financial statements for the six months ended 30 June 2024. The Group is also actively communicating with relevant creditors and seeking various ways to resolve these litigations. The Group considered that no further provision was required to be recognised in the condensed consolidated financial statements as the outstanding amounts had already been recognised in the condensed consolidated financial statements.

26. COMMITMENTS

(a) Commitments for acquisitions of property development expenditures, subsidiaries and a joint venture

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Contracted but not provided for		
– Acquisitions of land use rights and property development activities	12,103,079	12,348,756
– Acquisitions of subsidiaries (note)	13,000,000	13,000,000
	25,103,079	25,348,756

Note:

On 25 March 2021, the Company entered into agreement with Acme Victory Investments Limited, Ascending Power Investments Limited and Beijing Chengyi Haotai Investment Management Co., Ltd. as vendors and Mr. Kwok Ying Shing as guarantor in relation to the acquisitions of Hong Da Development & Investment Holding Co., Ltd., Logic Capital Limited and Beijing Yaohui Real Estate Co., Ltd. at a consideration of RMB13,000,000,000 in cash. The transaction was approved by the shareholders of the Company in the extraordinary general meeting on 2 July 2021. Further details of the acquisition can be found in the announcements of the Company dated 27 March 2021 and 27 May 2021.

(b) Operating lease commitments

At the reporting date, the lease commitments for short-term leases and leases of low-value assets are as follows:

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Not later than one year	348	365

As at 30 June 2024, the Group leases staff quarters, offices and items of office equipment with a lease period of twelve months, which are qualified to be accounted for under short-term lease and lease of low-value assets exemption under HKFRS 16.

26. COMMITMENTS *(continued)*

(c) Operating lease rentals receivable

The future aggregate minimum lease rentals receivable under non-cancellable operating leases in respect of land and buildings are as follows:

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Within one year	189,752	180,956
After one year and within two years	178,426	180,947
After two years and within three years	145,303	139,678
After three years and within four years	110,607	110,190
After four years and within five years	86,835	84,514
After five years	192,130	181,277
	903,053	877,562

The Group leases its investment properties (note 11) under operating lease arrangements which run for an initial period of one to twenty-two (unaudited) (31 December 2023: one to twenty-one (audited)) years, with an option to renew the lease and renegotiated the terms at the expiry date or at the dates as mutually agreed between the Group and the respective tenants. The terms of the leases generally also require the tenants to pay security deposits.

27. ACQUISITIONS OF SUBSIDIARIES

Acquisitions of assets

During the six months ended 30 June 2024, the Group entered into certain share transfer agreements with existing business partners to acquire additional equity interests in investees which were classified as the Group's joint ventures before the further acquisitions with the aggregate consideration of approximately RMB1. The Group considered that these acquisitions were just acquisitions of assets in substance and as a result the difference between the purchase consideration paid and the net assets acquired are recognised as adjustments to the carrying values of properties under development.

The non-controlling interests recognised at the acquisition date were measured by reference to the proportionate share of the recognised amounts of the acquiree's identifiable net assets.

The aggregate balances of identifiable assets and liabilities arising from these acquisitions as at their respective acquisition dates are as follows:

	Acquisitions of additional interests in the Group's joint ventures RMB'000
Property, plant and equipment	153
Properties under development	140,415
Completed properties held-for-sale	978,379
Debtors, deposits and other receivables	1,041,411
Amount due from joint ventures of the Group	1,790,908
Prepaid tax	10,247
Cash and bank balances	127,494
Other payables and contract liabilities	(2,211,475)
Amount due to joint ventures of the Group	(291,381)
Borrowings	(1,494,710)
Income tax payable	(51,790)
	<hr/>
Total identifiable net assets	39,651
Less: pre-existing interests	(39,651)
Less: non-controlling interests	-
	<hr/>
Identifiable net assets acquired	-
	<hr/>
Total purchase consideration	-
	<hr/>
Cash and bank balances in the subsidiaries acquired and cash inflow on acquisition of the subsidiaries	127,494
	<hr/>

28. DISPOSALS OF SUBSIDIARIES

During the six months ended 30 June 2023, the Group entered into agreements with certain independent third parties to dispose of all the interests in certain subsidiaries. These subsidiaries were engaged in property development and healthcare operations.

The following table summarises the aggregate net assets and liabilities of the subsidiaries disposed of during the current period and the financial impacts are summarised as follows:

	Property development RMB'000	Healthcare operations RMB'000	Total RMB'000
Property, plant and equipment	88	2,462	2,550
Right-of-use assets	15	5,002	5,017
Land use rights	–	3,328	3,328
Inventories	–	140	140
Properties under development	43,843	124,648	168,491
Completed properties held-for-sale	32,889	–	32,889
Debtors, deposits and other receivables	185,708	1,533	187,241
Prepayment for proposed development projects	13,500	–	13,500
Prepaid tax	172,009	–	172,009
Cash and bank balances	5,537	722	6,259
Accrued construction costs	(64,965)	–	(64,965)
Other payables and contract liabilities	(242,889)	(168,354)	(411,243)
Lease liabilities	–	(12,741)	(12,741)
Income tax payable	(335)	–	(335)
Total net assets/(liabilities)	145,400	(43,260)	102,140
Less: non-controlling interests	(95,538)	12,154	(83,384)
Net (loss)/gain on disposals of subsidiaries	49,862 (44,762)	(31,106) 62,566	18,756 17,804
Total consideration	5,100	31,460	36,560
Satisfied by:			
Cash	–	100	100
Other receivables	5,100	–	5,100
Recognition of the Group's retained interest as financial assets at FVTPL	–	31,360	31,360
	5,100	31,460	36,560
Net cash outflow in respect of disposals of subsidiaries			
Cash received	–	100	100
Cash and bank balances disposals of	(5,537)	(722)	(6,259)
	(5,537)	(622)	(6,159)

29. SHARE OPTION

(a) Share Option Scheme of the Company

Pursuant to the shareholders' resolution passed on 22 November 2009, a post-IPO share option scheme (the "Share Option Scheme") was conditionally adopted. Pursuant to the terms of the Share Option Scheme, the Company may grant options at its discretion, to any eligible person (including directors, employees, officers of any member of the Group, advisers, consultants, suppliers, agents and customers of any members of the Group). The maximum number of shares which may be issued upon exercise of all options (the "Share Option") granted and yet to be exercised under the Share Option Scheme or any other share option schemes adopted by the Company must not exceed 30% of the Company's shares in issue from time to time.

No options may be granted under the Share Option Scheme after 10 years since the adoption. The vesting periods, exercise periods and vesting conditions may be specified by the Company at the time of the grant, and the options expire no later than 10 years from the relevant date of grant. The exercise price of the option under the Share Option Scheme shall be no less than the highest of (i) the official closing price of the Company's shares as stated in the daily quotation sheet issued by the Stock Exchange on the date of grant; (ii) the average of the official closing price of the Company's shares as stated in the daily quotation sheets issued by the Stock Exchange for the five Stock Exchange business days immediately preceding the date of grant; and (iii) the nominal value of a share of the Company.

Details of the movement of the share options under Share Option Scheme of the Company are as follows:

	2024		2023	
	Weighted average exercise price in HK\$ per share	Number	Weighted average exercise price in HK\$ per share	Number
At 1 January (audited)	3.463	158,580,803	3.413	245,872,514
Cancelled/lapsed during the period	-	-	3.322	(87,291,711)
At 30 June (unaudited)	3.463	158,580,803	3.463	158,580,803

As at 30 June 2024, 158,580,803 (unaudited) (30 June 2023: 158,580,803 (unaudited)) outstanding options granted under the Share Option Scheme were exercisable (note).

29. SHARE OPTION *(continued)*

(a) Share Option Scheme of the Company *(continued)*

Note: Terms of share options at the reporting date were as follows:

Exercised period	Vesting period	Exercise prices per share HK\$	Number of share options	
			30 June 2024	30 June 2023
19/7/2018-18/7/2027	19/7/2017-18/7/2018	3.440*/3.550	24,871,170	24,871,170
19/7/2019-18/7/2027	19/7/2017-18/7/2019	3.440*/3.550	24,819,551	24,819,551
19/7/2020-18/7/2027	19/7/2017-18/7/2020	3.440*/3.550	25,284,144	25,284,144
19/7/2021-18/7/2027	19/7/2017-18/7/2021	3.440*/3.550	56,762,833	56,762,833
12/4/2020-11/4/2029	12/4/2019-11/4/2020	3.580*/3.700	5,368,621	5,368,621
12/4/2021-11/4/2029	12/4/2019-11/4/2021	3.580*/3.700	5,368,621	5,368,621
12/4/2022-11/4/2029	12/4/2019-11/4/2022	3.580*/3.700	5,368,621	5,368,621
12/4/2023-11/4/2029	12/4/2019-11/4/2023	3.580*/3.700	10,737,242	10,737,242
			158,580,803	158,580,803

* The number of options and exercise price was adjusted upon the completion of Rights Issue on 8 May 2021.

On 19 July 2017, the Company offered to grant to the directors of the Company and certain employees of the Company and its subsidiaries (the "July 2017 Grant") of 64,000,000 and 250,300,000 share options respectively, of HK\$0.1 each in the capital of the Company. The Company further granted a director of the Company (the "September 2017 Grant") and (the "November 2017 Grant") of 20,000,000 and 28,000,000 shares options on 22 September 2017 and 29 November 2017 respectively of HK\$0.1 each in the capital of the Company.

On 24 January 2019, the Company offered to grant to certain employees of the Company and its subsidiaries (the "January 2019 Grant") of 18,000,000 share options of HK\$0.1 each in the capital of the Company. The Company further granted certain employees of the Company and its subsidiaries (the "April 2019 Grant") of 34,000,000 share options on 12 April 2019 of HK\$0.1 each in the capital of the Company.

29. SHARE OPTION *(continued)*

(a) Share Option Scheme of the Company *(continued)*

	July 2017 Grant	April 2019 Grant
Fair value under binomial model (HK\$'000)	543,168	51,857
Closing share price at grant date (HK\$)	3.55	3.69
Exercise price (HK\$)	3.55	3.70
Annual risk free interest rate	2.05%	2.26%
Expected volatility	42%	46%
Expected option life	10 years	10 years
Expected divided yield	Nil	2.5%

The valuations were based on the Binomial Option Pricing Model with the following data and assumptions:

Expected volatility was determined by using the historical volatility of the Company's share price from the listing date to the grant date. The risk-free interest rate is equal to Hong Kong Dollar swap rate over the exercise period at the grant date.

The Binomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the Directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The Group has recognised RMB1,639,000 share option expense (unaudited) (Six months ended 30 June 2023: has recognised RMB4,071,000 (unaudited)) during the six months ended 30 June 2024.

29. SHARE OPTION *(continued)*

(b) Share Option Scheme of Kaisa Prosperity

Kaisa Prosperity, a non-wholly owned subsidiary of the Company, operates a share option scheme (the “**Kaisa Prosperity’s Scheme**”). The Kaisa Prosperity’s Scheme was adopted pursuant to the shareholders’ resolution passed on 18 June 2019. Pursuant to the terms of the share option scheme, Kaisa Prosperity may grant options at its discretion, to any eligible person (including directors, employees, officers of any member of Kaisa Prosperity and its subsidiaries, advisers, consultants, suppliers, agents and customers of any members of the Kaisa Prosperity). The maximum number of shares which may be issued upon exercise of all options granted and yet to be exercised under the Kaisa Prosperity’s Scheme or any other Kaisa Prosperity’s Schemes adopted by Kaisa Prosperity must not exceed 30% of the Kaisa Prosperity’s shares in issue from time to time.

No options may be granted under the Kaisa Prosperity’s Scheme after 10 years since the adoption. The vesting periods, exercise periods and vesting conditions may be specified by Kaisa Prosperity at the time of the grant, and the options expire no later than 10 years from the relevant date of grant.

The exercise price of the option under the Kaisa Prosperity’s Scheme shall be no less than the highest of (i) the official closing price of Kaisa Prosperity’s shares as stated in the daily quotation sheet issued by the Stock Exchange on the date of grant; (ii) the average of the official closing price of Kaisa Prosperity’s shares as stated in the daily quotation sheets issued by the Stock Exchange for the five Stock Exchange business days immediately preceding the date of grant; (iii) the nominal value of a share of Kaisa Prosperity.

Details of the movement of the share options under Kaisa Prosperity Scheme are as follows:

	2024		2023	
	Weighted average exercise price in HK\$ per share	Number	Weighted average exercise price in HK\$ per share	Number
At 1 January (audited)	15.7	9,390,000	15.7	9,470,000
Forfeited during the period	15.7	–	15.7	(80,000)
As at 30 June (unaudited)	15.7	9,390,000	15.7	9,390,000

29. SHARE OPTION *(continued)*

(b) Share Option Scheme of Kaisa Prosperity *(continued)*

On 19 July 2019, the Company offered to grant to the directors of Kaisa Prosperity and certain employees of Kaisa Prosperity and its subsidiaries (the "July 2019 Grant") of 2,750,000 and 8,700,000 share options respectively, of HK\$0.1 each in the capital of the Company. The closing price of the shares immediately before the date of grant was HK\$15.36. The 8,700,000 share options granted to the employees and 2,750,000 share options granted to the directors of the Company have a fair value under the binomial model of approximately HK\$62,564,000 and HK\$22,241,000, respectively. The valuations were based on the Binomial Option Pricing Model with the following data and assumptions:

	July 2020 Grant
Fair value under binomial model	HK\$84,805,000
Closing share price at grant date	HK\$15.70
Exercise price	HK\$15.70
Annual risk free interest rate	1.87%
Expected volatility	50.86%
Expected option life	10 years
Expected dividend yield	1.15%

Expected volatility was determined by using the historical volatility of Kaisa Prosperity's share price from the listing date to the grant date. The risk free interest rate is equal to Hong Kong dollar swap rate over the exercise period at the grant date.

The Binomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions. Expected dividend yield are based on historical data.

In total, no employee compensation expense (unaudited) been recognised in profit or loss for the six months ended 30 June 2024 (30 June 2023: RMB1,090,000) (unaudited) and the corresponding amount of which has been credited to "Share option reserve". No liabilities were recognised for the share-based payment transactions.

29. SHARE OPTION *(continued)*

(b) Share Option Scheme of Kaisa Prosperity *(continued)*

As at 30 June 2024, 9,390,000 (unaudited) of the outstanding options granted under the share option scheme were exercisable (30 June 2023: 5,970,000 (unaudited)).

Note:

Terms of share options at the reporting date were as follows:

Exercise period	Exercise price per share HK\$	Number of share options as at 30 June 2024	Exercise price per share HK\$	Number of share options as at 30 June 2023
19/7/2020-18/7/2029	15.70	2,010,000	15.70	2,010,000
19/7/2021-18/7/2029	15.70	2,010,000	15.70	2,010,000
19/7/2022-18/7/2029	15.70	1,950,000	15.70	1,950,000
19/7/2023-18/7/2029	15.70	3,420,000	15.70	3,420,000
		9,390,000		9,390,000

(c) Share Option Scheme of Kaisa Health Group Holdings Limited (“Kaisa Health Group”)

Kaisa Health Group approved and adopted a share option scheme for eligible participant which includes any full-time or part-time employees, potential employees, executives or officers (including executive, non-executive and independent non-executive directors) of Kaisa Health Group or any of its subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the sole opinion of the board of directors, will contribute or has contributed to Kaisa Health Group and/or any of its subsidiaries.

Details of specific categories of options are as follows:

Option type	Date of grant	Vesting period	Exercisable period	Exercise price
2020	22/7/2020 (note)	22/7/2020-21/7/2023	22/7/2021-21/7/2030	HK\$0.196

Note: Share options subject to approval of independent shareholders was proposed and granted by board of directors on 22 July 2020.

29. SHARE OPTION *(continued)*

(c) Share Option Scheme of Kaisa Health Group Holdings Limited (“Kaisa Health Group”) *(continued)*

A summary of the movements of the number of share options under the Kaisa Health Group’s Scheme during the period for the six months ended 30 June 2024 and 2023 is as follows:

Type of participant	Option Type	Outstanding at 1 January 2024 (Audited)	Forfeited during the period (Unaudited)	Outstanding at 30 June 2024 (Unaudited)	Outstanding at 1 January 2023 (Audited)	Forfeited during the period (Unaudited)	Outstanding at 30 June 2023 (Unaudited)
Mr. Zhang Huagang	2020	50,000,000	-	50,000,000	50,000,000	-	50,000,000
Mr. Luo Jun	2020	40,000,000	-	40,000,000	40,000,000	-	40,000,000
Mr. Wu Tianyu	2020	20,000,000	-	20,000,000	20,000,000	-	20,000,000
Dr. Liu Yanwen	2020	6,000,000	-	6,000,000	6,000,000	-	6,000,000
Dr. Lyu Aiping	2020	6,000,000	-	6,000,000	6,000,000	-	6,000,000
Ms. Jiang Sisi	2020	10,000,000	-	10,000,000	10,000,000	-	10,000,000
Employee	2020	10,000,000	-	10,000,000	10,000,000	-	10,000,000
		142,000,000	-	142,000,000	142,000,000	-	142,000,000
Exercisable at the end of the period		100,000,000		100,000,000	100,000,000		100,000,000
Weighted average exercise price		HK\$0.196		HK\$0.196	HK\$0.196		HK\$0.196

In the opinion of the directors, the fair value of the services received from consultants cannot be estimated reliably, the equity-settled share-based payment transactions with consultants are measured at the fair value of the equity instruments granted.

30. RELATED PARTY TRANSACTIONS

Other than those disclosed elsewhere in these condensed consolidated interim financial statements during the period, the Group had the following transactions with its related parties:

(a) Key management compensation

Key management of the Group are members of the board of directors, as well as members of the "management board" of the Company. Key management personnel remuneration includes the following expenses:

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Directors' fees	409	404
Salaries and other short-term employee benefits	21,739	30,262
Discretionary bonuses	48	68
Retirement scheme contributions	316	386
Share-based payments	245	1,408
	22,757	32,528

(b) Related parties transactions

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Rental expenses paid to a controlling shareholder (note (i))	570	570
Rental expenses paid to a joint venture	2,999	2,999
Rental expenses paid to an associate	5	63
Rental income received from joint ventures	1,833	1,754
Management fees received from joint ventures	247	750
Service income received from joint ventures	45,210	48,994
Service income received from an associate	20,578	15,208
Staff cost paid to joint ventures	401	247
Other selling expense paid to a joint venture	5,770	4,485
Other revenue received from an associate	3,146	3,582
Other revenue received from a joint venture	11,253	13,409

Note:

- (i) This represents payment of rental expenses for various office premises to controlling shareholder, Mr. Kwok Ying Shing. The rental expenses paid during the period was determined at prevailing market rate of respective office premises.

30. RELATED PARTY TRANSACTIONS *(continued)*

(c) Balances with related parties

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Loan from a related company (note 20(c))	(108,781)	(108,781)
Loan from the controlling shareholder of the Company	(115,000)	(115,000)
Trade receivables from associates, net of ECL	183,496	195,830
Trade receivables from joint ventures, net of ECL	200,655	506,599
Amounts due from associates, net of ECL (note 15)	7,926,196	10,919,295
Amounts due from joint ventures, net of ECL (note 15)	14,343,678	14,838,047
Amounts due to associates (note 21)	(1,996,893)	(1,640,493)
Amounts due to joint ventures (note 21)	(778,083)	(1,474,668)
Interest payable to a related company – included in accrued interest in other payables	(235,535)	(235,535)

(d) Financial guarantees to joint ventures and associates

	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
Joint ventures and associates	20,797,534	21,730,809

31. EVENTS AFTER REPORTING PERIOD

On 20 August 2024, the Company has entered into RSA with the AHG representing creditors over 34% of the aggregate outstanding principal amount of the Kaisa In-Scope Debt and over 36% of the aggregate outstanding principal amount of the Rui Jing In-Scope Debt, respectively. For details, please refer to the Company's announcement dated 20 August 2024.

OTHER INFORMATION

CORPORATE GOVERNANCE

The Company is committed to the establishment of stringent corporate governance practices and procedures with a view to enhancing investor confidence and the Company's accountability and transparency. The Company strives to maintain a high standard of corporate governance. The Board is of the view that, for the six months ended 30 June 2024, the Company complied with the code provisions on the Corporate Governance Code set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

AUDIT COMMITTEE

The Audit Committee assists the Board in providing an independent review of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as may be assigned by the Board from time to time. The members of the Audit Committee comprise the independent non-executive directors of the Company, namely Mr. RAO Yong, Mr. ZHANG Yizhao and Mr. Liu Xuesheng. Mr. RAO Yong is the Chairman of the Audit Committee. The Audit Committee has reviewed the Group's unaudited interim results for the six months ended 30 June 2024.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company adopted the Model Code as set out in Appendix C3 to the Listing Rules as the standard for securities transactions by the Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code during the six months ended 30 June 2024.

The Company has also established written guidelines on no less exacting terms than the Model Code for securities transactions by the relevant employees of the Group, who are likely to be in possession of inside information of the Company.

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

During the six months ended 30 June 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2024 (2023: nil).