



上海實業城市開發集團有限公司
SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED

(Incorporated in Bermuda with limited liability)
Stock Code: 563

CONSOLIDATE
FUNDAMENTALS
for STABILITY AND SUCCESS

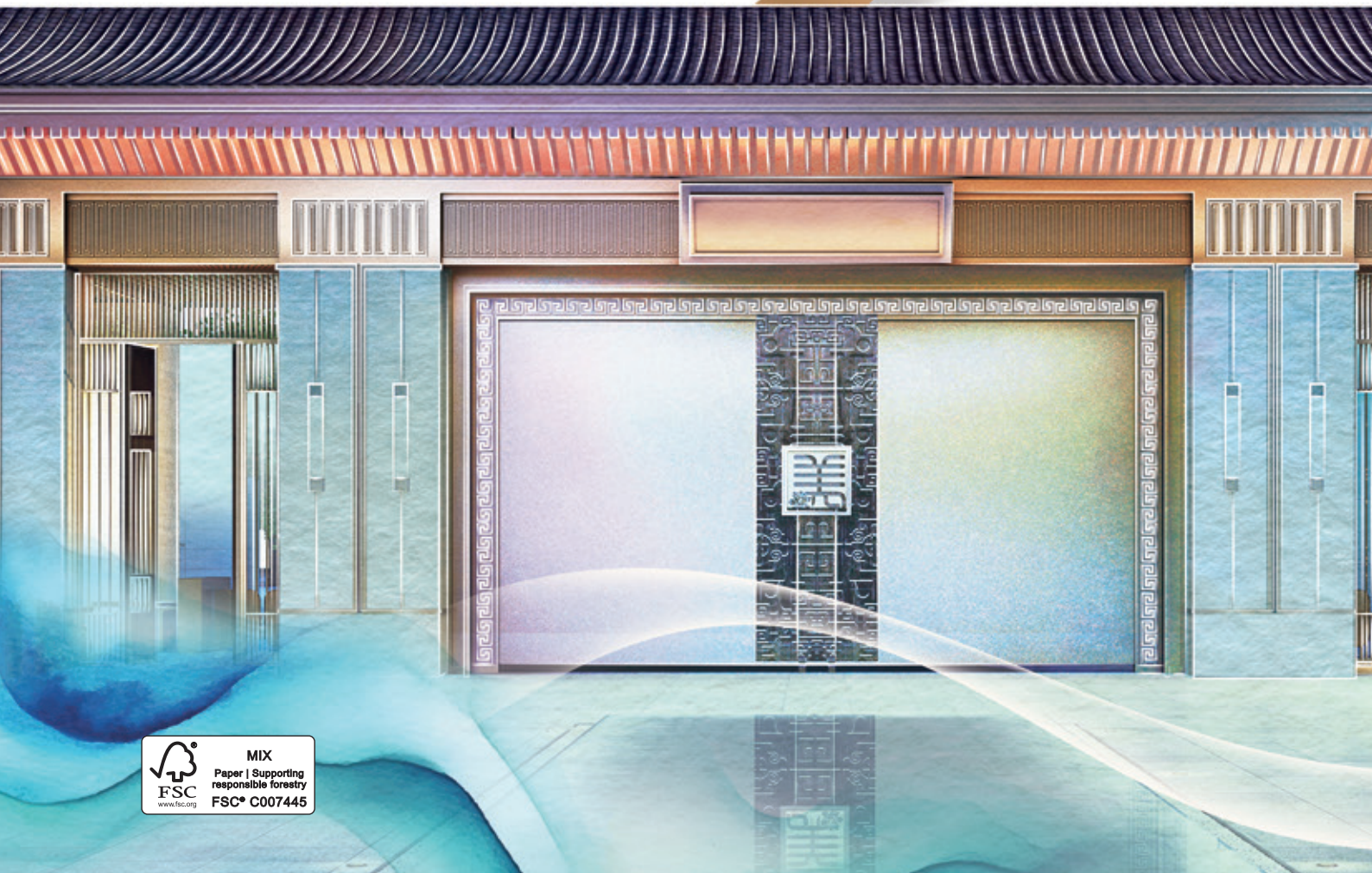
INTERIM REPORT 2024





INTRICATE CRAFTSMANSHIP WITH RESPLENDENT CHARM

Shanghai Industrial Urban Development Group Limited (“SIUD”) currently has 28 real estate projects in 10 major cities in China, mainly located at Shanghai, Beijing, Tianjin, Wuxi, Shenyang, Xi’an, Chongqing, Yantai, Wuhan and Shenzhen. Most of the projects are mid- to high-end residential projects which are under construction at full steam, presenting the Group with approximately 3.41 million square meters future saleable areas and building a marvelous foundation for our long term development.



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Huang Haiping (*Chairman*)

Mr. Tang Jun (*President*)

Mr. Lou Jun (*resigned on 15 July 2024*)

Mr. Ye Weiqi (*retired on 31 January 2024*)

Ms. Zhou Yadong (*appointed on 15 July 2024*)

Independent Non-Executive Directors

Mr. Doo Wai-Hoi, William, *B.B.S., J.P.*

Dr. Fan Ren Da, Anthony

Mr. Li Ka Fai, David, *M.H.*

Mr. Qiao Zhigang (*resigned on 5 January 2024*)

Dr. Chan Ho Wah Terence

(*appointed on 15 July 2024*)

AUTHORIZED REPRESENTATIVES

Mr. Huang Haiping

Mr. Chan Kin Chu, Harry

BOARD COMMITTEES

Audit Committee

Mr. Li Ka Fai, David, *M.H. (Committee Chairman)*

Mr. Doo Wai-Hoi, William, *B.B.S., J.P.*

Dr. Fan Ren Da, Anthony

Remuneration Committee

Mr. Doo Wai-Hoi, William, *B.B.S., J.P.*

(*Committee Chairman*)

Mr. Ye Weiqi (*retired on 31 January 2024*)

Dr. Fan Ren Da, Anthony

Nomination Committee

Mr. Huang Haiping (*Committee Chairman*)

Mr. Doo Wai-Hoi, William, *B.B.S., J.P.*

Dr. Fan Ren Da, Anthony

Investment Appraisal Committee

Dr. Fan Ren Da, Anthony (*Committee Chairman*)

Mr. Tang Jun

Mr. Qiao Zhigang (*resigned on 5 January 2024*)

COMPANY SECRETARY

Mr. Chan Kin Chu, Harry

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited

Clarendon House,

2 Church Street,

Hamilton, HM11,

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited

17/F, Far East Finance Centre,

16 Harcourt Road,

Hong Kong

REGISTERED OFFICE

Clarendon House,

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Bermuda

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Facsimile: (852) 2544 8004

WEBSITE

<http://www.siud.com>

PRINCIPAL BANKERS

Agricultural Bank of China Limited

China Construction Bank Corporation

China Everbright Bank

Shanghai Pudong Development Bank Company Limited

Bank of China Limited

The Hongkong and Shanghai Banking Corporation Limited

AUDITOR

Deloitte Touche Tohmatsu

Registered Public Interest Entity Auditors

35/F., One Pacific Place,

88 Queensway, Hong Kong

LISTING INFORMATION

The Stock Exchange of Hong Kong Limited

Ordinary Shares

(Stock Code: 563)

FINANCIAL HIGHLIGHTS

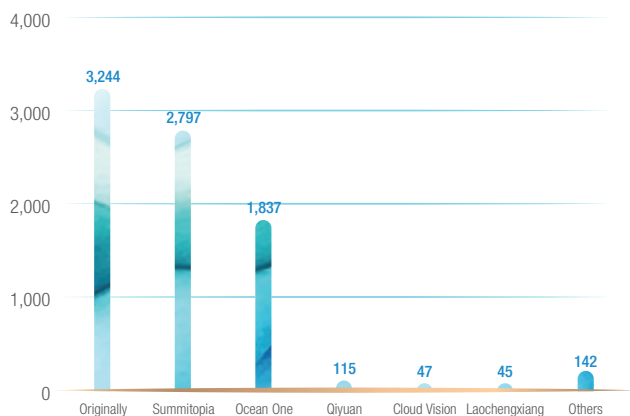
	For the six months ended 30 June 2024	For the six months ended 30 June 2023
Financial Highlights (HK\$'000)		
Revenue	2,980,833	1,797,834
Loss attributable to equity owners of the Company	(231,564)	(302,936)
Financial Information per share (HK cent)		
Loss per share		
— Basic	(4.84)	(6.32)

	As at 30 June 2024	As at 31 December 2023
Pre-sale proceeds received on sales of properties (HK\$'000)	8,226,972	8,256,091
Financial Ratios		
Net debt to total equity (%)	65.1%	58.4%
Current ratio	1.3	1.4

Note: Net debt = total borrowings (including bank borrowings, other borrowings and bonds) less cash and cash equivalents and pledged bank deposits.

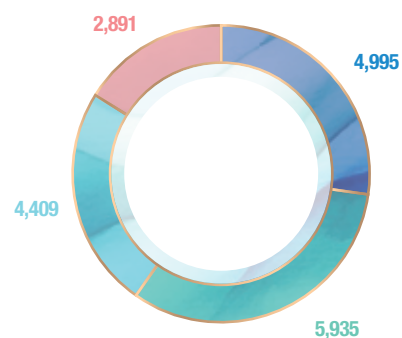
ANALYSIS ON PRE-SALE PROCEEDS RECEIVED ON SALES OF PROPERTIES

HK\$ million



DEBT MATURITY PROFILE

HK\$ million



27.4% Less than one year
32.6% From the first year to the second year
24.2% From the second year to the fifth year
15.8% Beyond the fifth year

CHAIRMAN'S STATEMENT

Looking back to the first half of 2024, amidst the complexities of geopolitical tensions, trade protectionism, and the elections cycle in Europe and the U.S., the global economy was picking up steadily but at a slower pace than pre-pandemic levels. Despite the complicated and uncertain external environment, China's national economy remained generally stable and demonstrated resilience, with a 5.0% year-on-year growth in its gross domestic product (GDP) in the first half.

During the first half of 2024, the property market maintained a moderate recovery trend overall. Statistics showed that the sales performance of new housing had not fully recovered, but the year-on-year decreases in G.F.A. sold and sales amount of new housing had both narrowed. Compared to the new housing market, the second-hand housing market was more active and resilient in terms of transactions. During the first half, national property development and investment decreased by 10.1% year-on-year, showing signs of stabilisation compared to the previous widened drop. The land market was relatively dull, with a year-on-year drop of more than 30% in the supply-demand scale of residential land across 300 cities nationwide. Both the average price per G.F.A. and the premium rate of land decreased compared to the same period last year. Statistics from different sectors revealed that the property market in the first half of 2024 was still in a stage of adjustment and transformation.

During the period, the PRC government continued to release positive signals on the policy front. At its April 2024 meeting, the Politburo of China outlined the policy direction for the property market, emphasising the continuous prevention and mitigation of property risks while coordinating efforts to research policy measures for reducing housing inventories and optimising new housing. The policy focus shifted towards destocking and market stabilisation. In May, the central bank introduced a series of new property policies, including the abolition of the lower limit on commercial personal housing loan interest rates for first and second homes at the national level, as well as lowering down payment

ratios. Following the launch of these policies, cities across the country introduced and actively implemented tailored measures. Statistics showed that over 300 provincial and municipal policies easing property purchases were implemented in the first half of the year. In June, the State Council's Executive Meeting proposed the policy measures on "destocking" and market stabilisation, which inspired further developments in the property market.

During the period, Shanghai Industrial Urban Development Group Limited ("**SIUD**" or the "**Group**") remained steadfast and pragmatic in pursuing progress while maintaining stability. By focusing on premium projects in core cities, timely adjusting our operating strategies, and ensuring the smooth delivery of several projects, the Group achieved remarkable progress and performance. During the period, partial deliveries were successfully completed for Qingpu Project • Cloud Vision in Shanghai, Felicity Mansion in Yantai and Originally in Xi'an. The ongoing stable contract sales of our flagship projects, including Originally in Xi'an, Summitopia in Tianjin, Felicity Mansion in Yantai and Ocean One in Shanghai, will contribute steady revenue and profits for SIUD.



As for investment properties, the Group stayed in line with the central policy of quickening the “Three Major Projects”. By maintaining a dual focus on leasing and sale, the Group continued to promote the development of our residential leasing operation. Our long-term rental apartment benchmark projects in Shanghai, namely Utime Xinzhuang and Utime XuHui, have been bringing steady rental income for the Group. Cheng Kai Chuanxinqu, which will be completed in the second half, will also contribute stable rental income for the Group. The operational performance of our commercial offices and hotels was generally stable.

Despite the challenging macro environment, SIUD performed strong in several industry assessments in the first half of 2024 by virtue of our comprehensive development capabilities and outstanding residential and commercial projects. The Group achieved high rankings in the 2024 Top 500 Real Estate Developers

in terms of Comprehensive Strength Assessment jointly organised by the China Real Estate Association and Shanghai Yiju Real Estate Research Institute. These accolades included recognition as one of the 2024 Top 100 Real Estate Developers in terms of Comprehensive Strength, 2024 Top 50 State-owned Real Estate Developers in terms of Comprehensive Strength and 2024 Top 10 Real Estate Developers in terms of Social Responsibility. Additionally, the Group was ranked among the Top 50 Listed Property Developers in terms of Comprehensive Strength for 2024 in the 2024 Assessment and Research Report on Listed Property Developers. Besides, the Group's project, Xi'an • Qiyuan, received the 2023 Integrated Educational Buildings Silver Award. The EVEN Hotel Shanghai Hongqiao CBD under the Uplaza Xinhonghui project also won both the Best Interior Design Award and Most Popular Hotel Online Award at the 2024 GBE Hotel Design Awards.



CHAIRMAN'S STATEMENT

Looking ahead to the second half of 2024, global economic growth is expected to stabilise as global inflation keeps declining. At its July meeting, the Politburo of China reiterated the importance of ongoing risk prevention and mitigation in key property sectors, focusing on “reducing housing inventories, optimising new housing, and supporting the acquisition of existing commodity housing for use as affordable housing”. In July, the third plenary session of the 20th Central Committee of the Communist Party of China also defined the future direction for property development and reform, including accelerating the establishment of a housing system with a dual focus on leasing and buying, and advancing the creation of a new property development model. The Group anticipates a rebound in the property market as local governments implement these key property policies introduced in the first half of the year. The second half may see a resurgence in market confidence as “destocking” efforts accelerate, leading to increased activity in core cities and supporting the stabilisation and recovery of the national property market.

Upholding our strategic role as a city-industry integrated developer in core cities, SIUD remains committed to delivering mid- to high-end products that contribute to urban development and enhancing the quality of life for society. As we move forward, the Group will stay committed to development and consolidating our fundamentals, remain steadfast and pragmatic in pursuing progress while maintaining stability, proactively address challenges, and focus on the development and operation of premium core assets. With a continued focus on Shanghai and expansion into other first- and second-tier core cities, we will persist in strengthening our operational capabilities, enhancing brand value, consolidating resources, and refining our financial structure. This approach will allow us to seize new urban development opportunities and continue striving for the high-quality growth of the Group, in alignment with the national call to establish a new property development model. Finally, on behalf of the Board, I would like to express my sincere gratitude to all of our shareholders, customers, business partners and employees for their unfading trust and support.

Huang Haiping
Chairman

28 August 2024

Note:

The gross domestic product data of China for the first half of 2024 is gathered from information published by the National Bureau of Statistics on 16 July 2024.

The national property development and investment data for the first half of 2024 is extracted from the Basic Information about the National Property Market from January to June 2024, published by the National Bureau of Statistics on 16 July 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

PROPERTY MARKET REVIEW

In the first half of 2024, the Chinese economy experienced a continuous rebound despite several challenges including insufficient effective demand and high operating pressure on enterprises. A trend of slow recovery generally sustained in the property sector. The overall market still faced immense downward pressure in the first half, evidenced by cautious investment outlook, weak new property transactions and an accelerating downward trend in property prices. During the period, positive signs continued to show on the policy front. In its April meeting, the Politburo of China set the policy direction for the property market. The meeting proposed to continuously prevent and mitigate property risks, and coordinate efforts to research policy measures for reducing housing inventories and optimising new housing. The policy focus shifted towards destocking and market stabilisation. According to statistics, a number of provincial and municipal easing policies on property purchases were implemented in the first half. These included the new property policy issued in May in Shanghai, which optimised purchase limits on residential housing and credit policies, and the cancellation of purchase limits within the Second Ring, along with the introduction of detailed rules on “trade-ins” in Xi’an. The continuous relaxation of purchase limits and favourable credit policies have restored market expectations to a certain extent. With the implementation of these policies, subsequent policy changes are expected to inject new impetus for recovery in the industry.

In the first half of 2024, property developers remained cautious in land acquisition, with a continued decline in financing scale. Both liquidity and credit risks persisted on the market. According to statistics, the total bond financing amount for property developers was approximately RMB282.29 billion, down 26.1% year-on-year. 2024 remains a peak period for debt repayment among property developers. The amount of bonds maturing in the first half amounted to RMB279.9 billion, with more than RMB130.0 billion due in each of the first and second quarter. Given the significant cash flow pressure, property developers will require some time to restore their financing capabilities in the future.

BUSINESS REVIEW

Overview

In the first half of 2024, the Group remained steadfast and pragmatic in pursuing progress while maintaining stability amidst a complicated external environment. With a focus on premium projects in core cities, the Group timely adjusted our operating strategies and ensured the smooth delivery of numerous projects. During the period, the continuing sales of our flagship projects, including Originally in Xi’an, Summitopia in Tianjin, Felicity Mansion in Yantai and Ocean One in Shanghai, brought in stable revenue and profits for the Group. Meanwhile, the Group was committed to expanding to the first- and second-tier core cities, with a focus on Shanghai. In support of the call for “guaranteeing project delivery”, the Group upheld the policy of placing dual focus on leasing and sale. The Group diversified into new industry formats while ensuring steady operation in order to expand our development opportunities in a multi-faceted manner.

Contract Sales

During the six months ended 30 June 2024, the contract sales of the Group decreased 54.4% year-on-year to RMB2,283,730,000 (six months ended 30 June 2023: RMB5,009,840,000). Total contract sales in terms of G.F.A. were 98,000 sq.m., down 42.0% year-on-year, while the total average selling price dropped to approximately RMB23,300 per sq.m. This was mainly attributable to the higher proportion of sales in second-tier cities during the period. Originally in Xi’an, Summitopia in Tianjin, Felicity Mansion in Yantai and Ocean One in Shanghai were the Group’s principal projects for sale, which accounted for approximately 39.7%, 35.9%, 6.8% and 6.4% respectively of the total contract sales during the period.

Property Development

During the six months ended 30 June 2024, the Group had nine projects with a total G.F.A. of 1,933,000 sq.m. under construction, which primarily included TODTOWN and Ocean Times in Shanghai, Felicity Mansion in Yantai and Summitopia in Tianjin. The Group delivered a total G.F.A. of 78,600 sq.m., which mainly comprised Cloud Vision in Shanghai, Felicity Mansion in Yantai, Originally in Xi'an and Urban Cradle in Shanghai.

In the first half of 2024, with the consecutive introduction of key supportive property policies, several of the Group's residential projects achieved good presales performance with total contract sales reaching approximately RMB2.284 billion. In particular, Originally in Xi'an reaped a contract sales revenue of approximately RMB910 million and became the largest sales contributor for the Group. Besides, Summitopia in Tianjin, Felicity Mansion in Yantai and Ocean One in Shanghai also performed well in sales.

Investment Properties

During the six months ended 30 June 2024, the Group had a number of completed commercial projects in seven major developed cities, namely Shanghai, Beijing, Tianjin, Chongqing, Shenyang, Xi'an and Shenzhen. The investment projects held by the Group had a total G.F.A. of approximately 1,126,000 sq.m. During the period, the overall rental income of the Group increased 1.5% year-on-year to HK\$381,338,000 (first half of 2023: HK\$375,736,000).

The Group stayed in line with the central policy of quickening the "Three Major Projects". By maintaining a dual focus on leasing and sale, the Group continued to promote the development of our residential leasing operation. Our long-term rental apartment projects in Shanghai, namely Utime XuHui, Utime Xinzhuang and Cheng Kai Chuanxinqu, formed part of our key assets. The Jinxiang Project in Shanghai (Utime XuHui) commenced operations in 2022, while our benchmark project, Utime Xinzhuang, which was completed in 2023 with a G.F.A. of 125,879 sq.m., achieved a 97% occupancy rate. Cheng Kai Chuanxinqu in Shanghai, with a G.F.A. of 118,458 sq.m., will be completed in 2024 and is expected to contribute stable rental income for the Group.

Land Bank

During the six months ended 30 June 2024, the Group's land bank was developed into 28 property projects located in ten major cities in China, including Shanghai, Beijing, Tianjin, Xi'an, Chongqing, Wuxi, Shenyang, Yantai, Shenzhen and Wuhan, and comprised medium to high class residential and commercial properties, most of which were completed or still under development. The Group has a land bank with a future saleable planned G.F.A. of approximately 3,406,000 sq.m. to support its development for the next three to five years.

In the first half of 2024, faced with significant debt repayment pressure, most property developers adopted a conservative investment strategy and were prudent in land acquisition, focusing on prime land parcels in core cities, particularly those with a high price-performance ratio in Shanghai, Hangzhou and Beijing. The Group remained cautiously open-minded and persisted in the strategy of focusing on the metropolitan areas in Shanghai as well as other first- and second-tier core cities. The Group aimed to strengthen our existing land reserves and timely expand our premium land bank based on development needs while consolidating our business fundamentals, enhancing financial management and optimising our debt structure.

Repurchase of Shares

During the six months ended 30 June 2024, the Group made 12 share repurchases and a total of 9,368,000 shares were repurchased, all of which were cancelled on 26 March 2024, at an aggregate purchase price of HK\$3,317,670. The number of repurchased shares accounted for 0.20% of the total issued shares of the Company.

FINANCIAL REVIEW

Revenue

During the six months ended 30 June 2024, the Group's revenue increased by 65.8% year-on-year to HK\$2,980,833,000 (six months ended 30 June 2023: HK\$1,797,834,000), chiefly due to higher sales of several projects delivered compared to the same period last year and the revenue contribution of approximately HK\$1,570,000,000 from Cloud Vision in Shanghai upon its successful delivery. During the period, property sales remained as the Group's main source of revenue and amounted to HK\$2,453,892,000 (six months ended 30 June 2023: HK\$1,271,776,000), accounting for 82.3% (six months ended 30 June 2023: 70.7%) of the Group's total revenue. The revenue contribution from Cloud Vision in Shanghai, Felicity Mansion in Yantai, Originally in Xi'an and Urban Cradle in Shanghai accounted for 63.8%, 16.9%, 13.1% and 3.3%, of property sales, respectively.

Revenue from leasing, property management and hotel operations continued to provide stable revenue sources for the Group, contributing HK\$381,338,000, HK\$7,142,000 and HK\$138,461,000 (six months ended 30 June 2023: HK\$375,736,000, HK\$4,034,000 and HK\$146,288,000) respectively and accounting for 12.8%, 0.2% and 4.7% (six months ended 30 June 2023: 20.9%, 0.2% and 8.2%) of the total revenue, respectively.

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2024, the Group's gross profit amounted to HK\$620,521,000, representing a decrease of 19.6% as compared to that of the same period in 2023. The gross profit margin was 20.8%, down by 22.1 percentage points year-on-year. This was mainly attributable to the lower proportion of high-margin projects delivered during the period compared to last year and a drop in selling prices due to market conditions during the period.

Investment Property Revaluation

For the six months ended 30 June 2024, the Group recorded a net loss on the revaluation of investment properties amounting to HK\$210,465,000, mainly due to the decrease in fair value of ShanghaiMart and Urban Development International Tower in Shanghai.

Distribution and Selling Expenses

For the six months ended 30 June 2024, the Group's distribution and selling expenses increased by 13.2% year-on-year to HK\$107,098,000 (six months ended 30 June 2023: HK\$94,605,000), which was mainly attributable to strengthened promotional sales efforts during the period.

General and Administrative Expenses

For the six months ended 30 June 2024, the Group's general and administrative expenses increased by 0.4% year-on-year to HK\$216,773,000 (six months ended 30 June 2023: HK\$215,984,000), which was generally stable compared to the same period last year.

Other Expenses, Gains and Losses, Net

For the six months ended 30 June 2024, the Group recorded a net loss of HK\$19,850,000 in other expenses, gains and losses (six months ended 30 June 2023: net loss of HK\$106,081,000) primarily due to foreign exchange losses on foreign currency denominated bank and other borrowings arising from the depreciation of RMB against HKD during the period.

Loss for the Period

During the six months ended 30 June 2024, owing to a reduction of gross profits and fair value loss on investment properties, the Group recorded a loss of HK\$188,301,000, representing a significant improvement of 41.7% as compared to that of the last year (six months ended 30 June 2023: HK\$323,180,000). The loss attributable to owners of the Company amounted to approximately HK\$231,564,000 (six months ended 30 June 2023: HK\$302,936,000), and the basic losses per share amounted to 4.84 HK cents (six months ended 30 June 2023: losses of 6.32 HK cents).

Liquidity and Capital Resources

The Group manages its capital to ensure that entities within the Group will be able to operate on a going concern while maximising the return to shareholders through optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes bank and other borrowings, cash and cash equivalents, and equity attributable to owners of the Company (comprising issued share capital and reserves).

As at 30 June 2024, bank balances and cash of the Group were HK\$5,362,707,000 (31 December 2023: HK\$5,985,911,000). The net debt to total equity of the Group (net debt (total bank and other borrowings less bank balances and cash and restricted and pledged bank deposits) to total equity) increased from 58.4% as at the end of last year to 65.1%. The current ratio was 1.3 times (31 December 2023: 1.4 times).

As at 30 June 2024, the total borrowings of the Group including bank borrowings, other borrowings and advanced bonds amounted to HK\$18,229,744,000 (31 December 2023: HK\$18,002,416,000), which included the borrowings of Shanghai Industrial Investment (Holdings) Company Limited of HK\$250,000,000 and the shareholders' borrowings of Shanghai Industrial Holdings Limited of HK\$569,814,000 (31 December 2023: shareholders' borrowings of Shanghai Industrial Holdings Limited of HK\$1,068,454,000). The Group will continue to optimise HKD denominated borrowings based on our business needs.

The Group maintained sufficient cash balance during the period. The management believes that the Group's financial resources and future revenue will be sufficient to support the current working capital requirements and future expansion of the Group.

Foreign Exchange Risks

During the period, most of the Group's revenue and operating costs were denominated in Renminbi. Except for bank deposits and borrowings denominated in foreign currencies of certain companies under the Group, the Group's operating cash flow or liquidity is not directly subject to any other material exchange rate fluctuations. The Group did not enter into any foreign exchange hedging arrangements to control its exposure to exchange rate fluctuations as at 30 June 2024. However, the Group will adopt necessary measures whenever appropriate to minimise the impact arising from exchange rate fluctuations.

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 30 June 2024, the Group employed 751 employees (including Hong Kong and PRC offices). The remuneration policies for the employees of the Group are determined according to the performance, qualification, experience and competence of the employees. The emoluments of the directors of the Company (the “**Directors**”) are determined by the remuneration committee of the Company, having regard to the operating results of the Group, individual performance and comparable market statistics. Staff benefits include discretionary bonus payments which are linked to the profitability of the Group and individual performances and contributions to the Mandatory Provident Fund Schemes.

During the six months ended 30 June 2024, the Group provided training programs relating to work to employees. Activities aiming at building up team spirit were regularly organized for employees, so as to enhance the human capital of the Group and the sense of belonging of the staff.

OUTLOOK

Government support for the property market has continued to strengthen in recent years. Nevertheless, the market generally believes the industry is still undergoing a period of bottom adjustment. Looking ahead to the second half of 2024, the anticipated insignificant improvement in housing price adjustments and uncertain increases in residents’ income will exert downward pressure on the property industry. Operating and financing risks among property developers will persist. In July, the third plenary session of the 20th Central Committee of the Communist Party of China set the reform pathway and future direction for property development. It reiterated the previous lenient policy approach and made important deployments on several fronts, including structuring a new property development model and protecting diversified residential demands through multiple channels. On the other hand, the market expects the “destocking” and “market stabilisation” policies of the central government will further work their way through the market and effectively revive the industry and encourage the stable recovery of the property market, thereby accelerating the creation of a new property development model.

The Group is well aware of the challenges posed by the current economic environment and property market conditions to property developers. Under this context, the Group will remain committed to development, strengthen our foundation, pursue progress while maintaining stability, and proactively address challenges. With a continuous focus on the metropolitan areas in Shanghai while expanding to the Yangtze River Delta and other first- and second-tier core cities, the Group will conduct periodic reviews to increase our land reserve while cautiously expanding our investment projects to strive for the stable development of our business operations. As we move into the second half of 2024, the Group is confident in achieving a general improvement in our annual results, driven by steady progress in project delivery. Furthermore, the Group will strengthen our financial management, maintain a healthy and sustainable cash flow, continuously optimise the debt profile of the Company, and collaborate with local governments to facilitate the stable and robust development of the property market by leveraging on our background as a state-owned enterprise. The Group will stay attuned to changes in the capital market and adopt timely solutions that are beneficial to the long-term robust development of the Company, so as to maximise returns for the shareholders.

DETAILS OF PROPERTIES

The Group has 28 projects in 10 cities, comprising mid- to high-end residential units, serviced apartments, commercial and office buildings. As at 30 June 2024, the total GFA of the future saleable land bank of the Group was approximately 3.41 million sq.m.

The Group has restructured its projects and will adopt prudent strategies in future land acquisition.



As at 30 June 2024

Project	City	Site area (sq.m.)	Planned G.F.A. (sq.m.)	Saleable G.F.A. (sq.m.)	1H 2024 pre-sold G.F.A. (sq.m.)	Accumulated G.F.A. sold (sq.m.)	Future saleable G.F.A. (sq.m.)	G.F.A. under construction (sq.m.)	G.F.A. for future development (sq.m.)	Expected Completion Date	Ownership (%)
Urban Cradle	Shanghai	943,000	1,226,298	909,054	—	822,103	86,951	—	—	Completed	53.1%
Shanghai Youth City	Shanghai	57,944	212,130	166,261	—	139,840	26,421	—	—	Completed	100.0%
Shanghai Jing City	Shanghai	301,908	772,885	609,488	—	601,277	8,211	—	—	Completed	59.0%
TODTOWN	Shanghai	117,825	605,000	385,300	833	78,506	306,794	220,991	107,904	Complete by phase from 2020 to 2024	20.7%
Contemporary Art Villa • Jade Villa	Shanghai	116,308	80,777	80,777	—	80,777	—	—	—	Completed	100.0%
Contemporary Splendour Villa • Courtyard Villa	Shanghai	120,512	191,636	68,404	—	67,286	1,118	—	—	Completed	100.0%
Shangtou Xinhong • Uplaza Xinhonghui	Shanghai	89,432	289,271	227,218	—	150,294	76,924	—	—	Complete from 2021 to 2024	90.0%
Shangtou Baoxu	Shanghai	118,880	306,167	234,653	—	228,337	6,316	—	—	Completed	71.3%
Chenghang Project • Uplaza Meilong Lane	Shanghai	20,572	60,195	60,195	1,689	9,020	51,175	—	—	Completed	80.0%
Jinxiang Project • Utime XuHui	Shanghai	17,161	44,927	44,927	—	—	44,927	—	—	Completed	59.0%
Shenzhicheng Project • Utime Xinzhuang	Shanghai	47,435	125,879	125,879	—	—	125,879	—	—	Completed	29.5%
Chenglong Project • Cheng Kai Chuankunqu	Shanghai	47,383	118,458	118,458	—	—	118,458	118,458	—	Complete in 2024	59.0%
Guilin Road Aerospace Project	Shanghai	91,160	590,165	590,165	—	—	590,165	590,165	—	Complete from 2025 to 2026	21.2%
Qingpu Project • Cloud Vision	Shanghai	30,052	65,085	41,938	1,854	38,535	3,403	—	—	Complete in 2024	59.0%
Ocean One	Shanghai	41,961	156,533	97,422	4,380	64,685	32,737	97,422	—	Complete in 2024	47.2%
Ocean Times	Shanghai	119,545	439,971	251,786	1,056	3,539	248,247	190,060	61,726	Complete from 2025 to 2026	80.0%
Youngman Point	Beijing	112,700	348,664	295,114	—	258,814	36,300	—	—	Completed	100.0%
West Diaoyutai • Emperor Seal	Beijing	42,541	250,930	228,070	—	220,503	7,567	—	—	Completed	97.5%
Laochengxiang	Tianjin	244,252	752,883	613,357	—	582,737	30,620	—	—	Completed	100.0%
Summitopia	Tianjin	42,146	122,200	122,200	22,013	77,871	44,329	10,955	—	Complete in 2024	100.0%
Urban Development Int'l Center	Wuxi	24,041	193,368	144,581	1,664	43,564	101,017	—	—	Completed	59.0%
Originally	Xi'an	2,101,967	3,899,867	3,202,324	24,268	2,805,139	397,185	110,340	236,268	Complete by phase from 2008 to 2025	100.0%
Qiyuan	Xi'an	51,208	102,418	102,418	2,097	4,596	97,822	102,418	—	Complete from 2024 to 2025	100.0%
Shenyang U Center	Shenyang	22,651	228,768	175,377	—	71,660	103,717	—	—	Completed	100.0%
Top City	Chongqing	120,014	786,233	729,785	—	376,424	353,361	—	—	Completed	100.0%
China Phoenix Tower	Shenzhen	11,038	106,190	79,391	—	78,343	1,048	—	—	Completed	91.0%
Felicity Mansion	Yantai	77,681	159,100	154,300	12,221	56,979	97,321	82,597	—	Complete from 2022 to 2024	100.0%
Xiang Kai Chang Long	Wuhan	257,600	452,000	437,053	4,368	29,368	407,685	56,545	380,508	Complete by phase from 2024 to 2027	28.9%
Total		5,388,917	12,687,998	10,295,895	76,443	6,890,197	3,405,698	1,579,951	786,406		

MAJOR INVESTMENT PROPERTIES

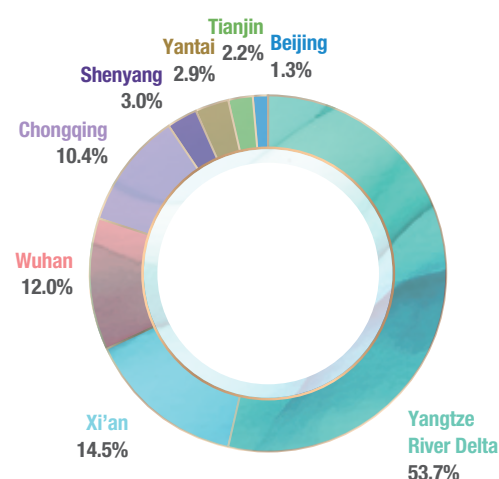
Project	City	Property Category	Lease Term	Planned G.F.A. (sq.m.)
Shanghai Youth City	Shanghai	Commercial ⁵	Medium-term lease	17,665 ¹
Block A of Urban Cradle	Shanghai	Commercial ⁵ , office	Medium-term lease	57,286 ¹
Top City	Chongqing	Commercial ⁵ , office, parking lot	Medium-term lease	317,405 ¹
China Phoenix Tower	Shenzhen	Office	Medium-term lease	1,048 ¹
Youngman Point	Beijing	Commercial ⁵	Medium-term lease	19,768 ¹
Originally	Xi'an	Commercial ⁵	Medium-term lease	32,401 ¹
Shenyang U Center	Shenyang	Commercial ⁵ , office	Medium-term lease	99,741 ¹
ShanghaiMart ²	Shanghai	Exhibition hall, stores and mart, office and parking lot	Medium-term lease	284,651
Urban Development Int'l Tower ³	Shanghai	Office and parking lot	Medium-term lease	45,239
YOYO Tower ⁴	Shanghai	Commercial ⁵	Medium-term lease	13,839
Utme XuHui	Shanghai	Commercial and affordable rental housing	Medium-term lease	44,927 ¹
Utme Xin Zhuang	Shanghai	Commercial and affordable rental housing	Medium-term lease	125,879 ¹
Others	Shanghai and Tianjin	Commercial ⁵ , office and parking lot	Medium-term lease	66,030
Total				1,125,879

Notes:

1. Included in page 12 of this interim report
2. Address: Yan'an West Road No. 2299 of Changning District, Shanghai
3. Address: Hongqiao Road No. 355 of Xuhui District, Shanghai
4. Address: Tianyaoqiao Road No.123 of Xuhui District, Shanghai
5. Mainly includes shopping malls

BREAKDOWN OF G.F.A. FOR FUTURE SALE

As at 30 June 2024



INTRODUCTION OF KEY PROJECTS IN CHINA



SHANGHAI

URBAN CRADLE

Address:
588 Gulong Road,
Minhang District, Shanghai

Category:
Residence/Commerce

Feature:

The project is located in Gumei, Minhang District, Shanghai, west of Lianhua Road, east of Hechuan Road, north of Gudai Road and south of Pingnan Road, less than 700 m from the middle ring line. The area is a major focal point for large scale residential development in the “10th Five-Year Plan” of Shanghai. The project spans a total site area of about 943,000 sq.m. with a total G.F.A of about 1.3 million sq.m., including about 770,000 sq.m. of residences, nearly 400,000 sq.m. of underground space and more than 100,000 sq.m. for accommodating amenities for the estimated over 20,000 residents. Urban Cradle is an all-engulfing showcase of architectural forms and brilliant products including international-grade apartments, standalone villas, garden houses, deluxe mansions, modern commercial premises and green landscapes, bringing comfortable and stylish living together with commerce, entertainment, culture, education, and business and leisure pursuits.



SHANGHAI



Artist Impression



TODTOWN

Address:
Xinzhuang Town,
Minhang District, Shanghai


Category:
Residence/Commerce/Hotel/
Office/Apartment office

Feature:
Located at the southern and northern squares of the Xinzhuang Station, the secondary city center of Shanghai, with Guangtong Road on its north, West Meilong Road on its east and Xinzhu Road and Dushi Road on its south, TODTOWN will be served by an overpass bridge conveniently linking Shuiqing Road at the northern square and Dushi Road at the southern square.


As one of the most advanced TOD (Transit-Oriented Development) projects in Shanghai, TODTOWN covers a total site area of approximately 118,000 sq.m. with a total G.F.A. of 605,000 sq.m., of which 100,000 sq.m. is transport-related. Upon completion, TODTOWN will be connected to Metro Line Nos. 1 and 5, Shanghai-Hangzhou High-Speed Railway and numerous public bus routes, as well as the station to be established for the Jinshan sub-line. Different modes of transport operated by different departments, such as metro lines, public buses and commuter rail services, will be blended into the project to achieve seamless and convenient transition.

TODTOWN will be a “city in the sky” encompassing residential, commercial and leisure functions. As a complex equipped with comprehensive systems and facilities, TODTOWN will offer 50,000 sq.m. of offices, 140,000 sq.m. of shopping mall, 20,000 sq.m. of hotel, 90,000 sq.m. of residential units, 85,000 sq.m. of serviced apartments and 20,000 sq.m. of ancillary public facilities.

SHANGHAI



Artist Impression



CONTEMPORARY ART VILLA • JADE VILLA

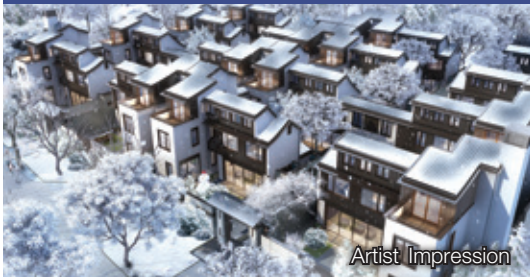
Address:
Minhang District,
Shanghai

Category:
Residence

Feature:
Contemporary Art Villa • Jade Villa is situated in Minhang District in the southwest of Shanghai. The project is adjacent to the Outer Ring Line in the east and adjoins the ground satellite communication station of Shanghai in the west. It extends to Gudai Road in the north and connects Zhandou River in the south. The traffic is convenient as the straight-line distance from the entrance to the community to Hongxin Road Station of Metro Line No. 12 in the east is about 390 m. It is opposite to Minhang Sports Park on the other side of Gudai Road in the north and Li'an Park with excellent ecological environment on the opposite bank of Zhandou River in the south. The project covers a total site area of approximately 11.63 hectares and the land's plot ratio is 0.5. The planned aboveground total G.F.A. is approximately 58,100 sq.m., including planned residential floor area of approximately 48,700 sq.m. and planned public supporting building of approximately 9,300 sq.m. The planned residences of the project are villas.

SHANGHAI

CONTEMPORARY SPLENDOUR VILLA • COURTYARD VILLA



Artist Impression

Address:

Minhang District,
Shanghai

Category:

Residence

Feature:

Contemporary Splendour Villa • Courtyard Villa is situated in Zhuanqiao Town, Minhang District, Shanghai, with Shanghai-Jinshan Expressway (S4) in the east and Dushi Road in the west. It connects the branch of Wujing-Minhang Railway in the south and adjoins Denghui Road in the north. The project enjoys good traffic conditions and cultural environment as the straight-line distance is approximately 1.1 km from the west side of the project to Jianchuan Road Station of rail transit line #5 and approximately 1.8 km from the east side of the project to rail transit line #15 (under construction) with Shanghai Jiao Tong University and Minhang Campus of East China Normal University on the south. The project covers a site area of 12.05 hectares and the land's plot ratio is 0.6. It is planned to be a low-density residential community with the building height of not more than 10 m. The aboveground total G.F.A. of the project is approximately 72,300 sq.m., and the plot's ratio of green space is more than 35% and the ratio of concentrated green space is above 15%. The project is planned to be built into premium low-density villas.



SHANGHAI

SHANGHAIMART



Address:

2299 Yan'an West Road,
Shanghai

Category:

Exhibition/
Commerce/Office

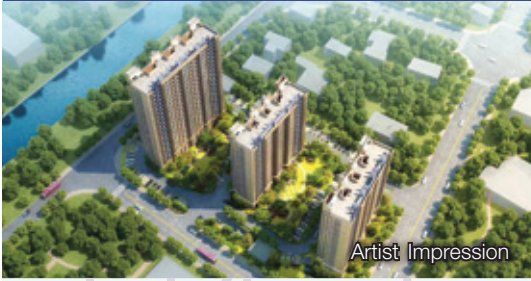
Feature:

Located in the emerging Shanghai Hongqiao Economic and Technological Development Zone, ShanghaiMart is uniquely positioned with Gubei Road and Hongqiao Road on its west, Yan'an Road on its south as well as the Hongqiao consulate area on its north. Situated next to the Inner Ring Line and the exit of an elevated road, ShanghaiMart is only a 10-minute drive to the "Hongqiao Comprehensive Transportation Hub", which is a convenient transport network assembling numerous transportation routes, including inter-city high speed railway, maglev trains, metro lines, airport and city buses.



With a total G.F.A. of 285,000 sq.m., ShanghaiMart comprises three main buildings: the Mart, Expo and Tower. As a super trading market integrating exhibition, trading, office and information functions, ShanghaiMart offers excellent world-class facilities and services to domestic and international merchants and professional buyers.

SHANGHAI



Artist Impression


SHANGHAI JING CITY (INCLUDING “晶秀坊”)

Address:
Lane 136,
Xiujing Road, Shanghai

Category:
Residence/Commerce

Feature:
Situated in Meilong Town, Minhang District, the Shanghai Jing City project is an affordable housing project approved by Shanghai Bureau of Housing Security and Housing Administration and was listed as a large scale indemnificatory housing project on the list of major construction projects of Shanghai in 2009, occupying a total site area of about 302,000 sq.m. and a total G.F.A. of 773,000 sq.m. The project is mainly composed of four parts: public rental housing, economically affordable housing, resettlement housing for demolition and relocation purposes as well as ancillary operational housing. In particular, “晶秀坊” was incorporated into the eighth batch of economically affordable housing by the municipal government in 2020. “晶秀坊” has a site area of approximately 15,000 sq.m. and a total G.F.A. of 54,000 sq.m..

Shanghai Jing City will be equipped with two kindergartens, one primary school and one junior secondary school, fully covering the nine-year compulsory education of a child. The project will be supported by three commercial facilities, a community affairs center, a medical center, a sports center and a public transport hub, which can completely satisfy the basic living, cultural and entertainment needs of the local residents.



SHANGHAI



Artist Impression

CHENGHANG PROJECT

Address:
Hongmei South Road
(near Mei South Road),
Minhang District, Shanghai

Category:
Commerce/Office

Feature:
Situated west to Hongmei South Road, north to the planned Mei South Road, east to the boundary of the planned site and south to the boundary of the planned site, the project encompasses office and commercial functions with a site area of approximately 20,000 sq.m. and a total G.F.A. of approximately 60,000 sq.m. Occupying the heart of Meilong Town, Minhang District, which is the redevelopment area in Meilong Town, the project will play a forward-looking, leading and representative role with certain potentials in the region.

The project is a commercial and office complex composed of six buildings and connecting corridors. In the future, the commercial portion will be built into a social experience space under the theme of “sporty, healthy and delicate lifestyle”. Made up of standalone buildings with high privacy as well as highly integrative standard offices, the office portion will be linked organically to the commercial portion by making use of an uneven design and connecting corridors. The project is targeted to mid to high end enterprises and will form a unique commercial and office area in the region.



SHANGHAI

GUILIN ROAD AEROSPACE PROJECT



Artist Impression



Address:
402 Guilin Road,
Xuhui District, Shanghai

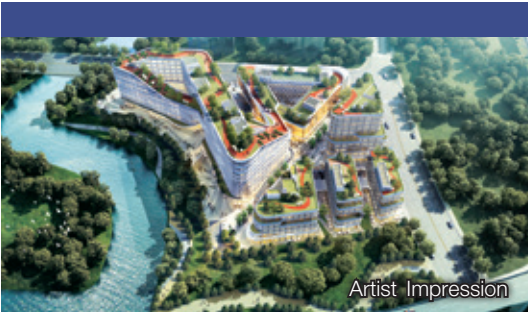
Category:
Scientific research
and design/
Residential leasing

Feature:

The project is located in the Caohejing New Technology Development Zone with Guilin Road in the east, Cangwu Road in the west, Yishan Road in the south and Qinjiang Road in the north. It is connected to Metro Line Nos. 9 and 15 in close proximity to the inner and central rings and Humin Elevated Road, making it a significant industrial project in Shanghai as well as Xuhui District. Covering a total site area of approximately 91,000 sq.m. with a total G.F.A of approximately 600,000 sq.m. and an aboveground capacity building area of approximately 350,000 sq.m., the project will involve scientific research and design, auxiliary facilities as well as residential leasing. With an open-ended general layout, premium buildings, high-quality lifestyle and scientific research facilities, the future aerospace science and technology city project will help empower the city and enhance regional value.

SHANGHAI

SHANGTOU XINHONG



Artist Impression



Address:
Lane 255, Hualai Road,
Minhang District, Shanghai

Category:
Residence/Commerce

Feature:

Shangtou Xinhong project covers a site area of approximately 205 hectares (including roads, river channels and green areas) with Shanghai-Hangzhou Railway to the east, Songze Elevated Road to the south, Xiaolai Port to the west and the border of Hongxing Village to the north.

There are totally two developable land plots in the project site, which are planned to be used for residential clusters (Category III) and commercial services, respectively.

The land plot for residential clusters has a site area of approximately 69,000 sq.m. It is a planned residential site to be used for the construction of resettlement housing for demolition and relocation purposes. With a land plot ratio of 2.15, it is expected to provide a capacity building area of approximately 149,000 sq.m.

The land plot for commercial services has a site area of approximately 19,000 sq.m. It is planned for commercial

service purpose. With a land plot ratio of 2.5, it is expected to provide a capacity building area of approximately 49,000 sq.m. Different types of buildings will be constructed on the land plot in the future, including a brand hotel, standalone commercial villas and self-owned commercial buildings.

SHANGHAI



Artist Impression



QINGPU PROJECT • CLOUD VISION

Address:	Category:
Lot no. 21-08 located in the north of Huateng Road, Huaxin Town, Qingpu District, Shanghai	Residence

Feature:

The project is situated in Huaxin Town, Qingpu District, Shanghai between the outer ring and suburban ring. The land plot is located west of Dahong Bridge, about 10 km to the Hongqiao Central Business District and 5 km to the tentative station of the west extension section of Metro Line No. 13, with Xinyi South Road to its east, Huateng Road to its south, Xinfeng North Road to its west and a land parcel under planning to its north.

The project covers a total site area of 30,051.5 sq.m. This low-density high-quality pure residential project in Huaxin Town, Qingpu District will comprise totally 11 buildings, including three 7-storey buildings and eight 8-storey buildings, offering about 463 apartments in total. The project adopts an expansive curvilinear layout instead of a typical barrack-style layout to provide uninterrupted magnificent views and multi-level enjoyment. Coupled with rarely seen extra wide spacing between buildings, the project is set to become a green ecological community. This project will be one of the most potential projects surrounding Dahong Bridge in future.

SHANGHAI



Artist Impression



OCEAN ONE

Address:	Category:
Lot no. A03-02 located in Unit PDCI-0103, Lingang New Area, the Shanghai Free Trade Zone	Residence

Feature:

Located at the 105 Financial Hub in Lingang Modern Service Open Area, Pudong New District, Shanghai, the project is mainly skirted by the international community, technological innovation community, family community and technological innovation community from south to north. The land lot is located in the international community with a land parcel under planning to its east, Anmao Road to its south, greenbelt to its west and Luoshenhua Road to its north.

The project covers a total site area of approximately 42,000 sq.m. with a height limit of 50 m. The total G.F.A. is approximately 157,000 sq.m. Embracing the design concept of Lingang New Area, the project aims at building a high-quality community ideal for living and working in order to facilitate the development of Lingang and satisfy future urban planning needs. The project is planned to comprise an affordable housing building, 14 commodity housing buildings, a high-rise building with 13 to 16 storeys and a building for community ancillary facilities, providing approximately 1,009 apartments (inclusive of affordable housing). The varying construction layout of the project is both flexible and innovative. The project will adopt a classical architectural style characterised by the features of a high-quality community.

SHANGHAI

OCEAN TIMES



Artist Impression

Address:

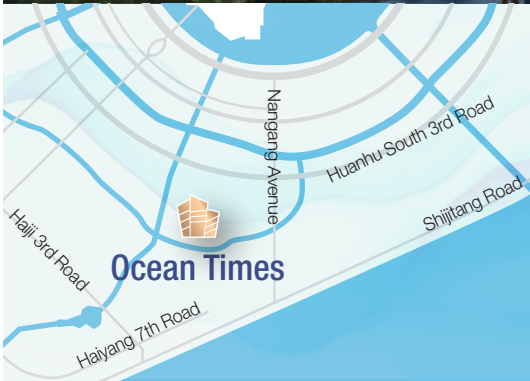
The cluster project on lot nos. J10-02, J09-01, J10-01, J11-01, J12-01, J13-01 located in Unit PDCI-0401, Lingang New Area, the Shanghai Free Trade Zone

Category:

Residence/Commerce

Feature:

Located at the 103 International Innovation and Collaboration Zone in Lingang Modern Service Open Area, Pudong New District, Shanghai, the project is positioned as a cradle of globally leading science. Situated in a community of top-notch scientists, Ocean Times is an international hub for world-class technological institutions and outstanding talents, with Nangang Avenue to its east, Haiyang 7th Road to its south, Haiji Road to its west and Meirenjiao Road to its north.

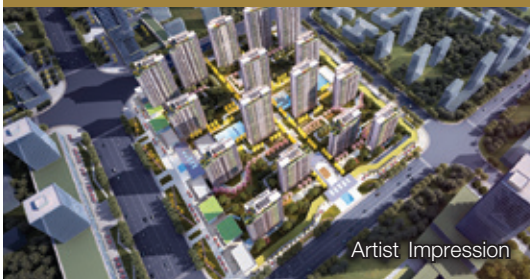


Covering a total site area of approximately 120,000 sq.m. with a total G.F.A. of about 440,000 sq.m. and a total residential area of about 265,300 sq.m., the project is bounded by an ecological park, the Chifenggang Wetland Center, in the east and the sea in the south. We aim at creating an energetic and superb ecological landscape and open area by adopting a

classical architectural style to highlight the features of a premium coastal city. The city's skyline will be blended delicately with the sea arc to form a beautiful urban elevation with a focus on the harmonious unity of the architecture, urban space and natural environment. On lot no. 10 under phase I of the project, we plan to build a small high-rise affordable housing building with nine storeys, five high-rise commodity housing buildings with 16 to 18 storeys as well as commercial ancillary facilities for internal use on a parcel of land.

YANTAI

FELICITY MANSION



Artist Impression

Address:

Southwest to the intersection of Fuyuan Road and Xingfu 12 Village East Street, Zhifu District, Yantai

Category:

Residence/Commerce

Feature:

Located east to Zhuji West Road, north to Fuyuan South Road, south to Fuyuan Road and west to Guihua Road, the project encompasses residential and commercial functions and certain ancillary public service facilities with a site area of approximately 77,000 sq.m. and a total G.F.A. of approximately 159,000 sq.m. The project is situated in the core area of Xingfu New Town in close proximity to the central business district of the town, with the shoreline just 1.5 km away in the north. According to the general plan of the new town, the project will be surrounded with abundant commercial, educational, medical, transport and scenic resources in the future. Enjoying a significant second-mover advantage, the project has immense growth potential.




attractive decoration. The project plans to provide steward property services, nature-themed scenery and smart community management to create a high-quality living environment integrated with dignity, ecology and technology.

WUHAN



Artist Impression



Xiang Kai Chang Long

Address:
Intersection of Chaibo Avenue and Jintai Road, Heart of Yangluo, Wuhan


Category:
Residence/Commerce

Feature:
The project site is situated in the core area of the Heart of Yangluo in the Yangtze River New Area. The project will be surrounded by abundant ancillary facilities, such as commerce, education, landscape, transportation and medical care, in the future, which will empower it with significant advantages and immense potential for development.

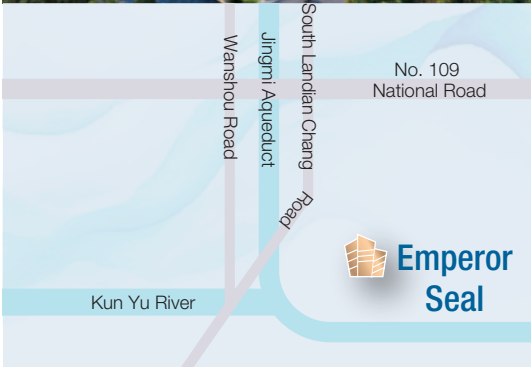
Equipped with both residential and commercial functions, the project site is located south to Chaibo Avenue (facing the commercial zone of the Wanda Cultural Tourism City), east to Jintai Road (facing a school site), north to a public primary school site and west to Jinglu Road, with a total planned G.F.A. of approximately 450,000 sq.m..

Posed as a high-end residential product, the project aims to provide a high-end, high-quality liveable environment for the residents by virtue of its proximity to a prestigious school, forward-looking product planning and an extra high efficiency ratio.

BEIJING



Artist Impression



WEST DIAOYUTAI • EMPEROR SEAL

Address:
No. 1 and No. 2 Section, West Diaoyutai Village, Haidian District, Beijing

Category:
Residence

Feature:
Located in the west third ring, on the east and north side of Kunyu River and west to the 137-hectare Yuyuantan Park, the project enjoys a 67-hectare expanse of magnificent aquatic scenes, the largest in Beijing where water is a scarce resource, giving it uniqueness and a touch of supremacy. The project has deluxe apartments with river views as its core products aiming to appeal to the affluent on the high-end. The project has three phases. Phases I and II have been completed and sold out, while phase III has almost been sold out.

TIANJIN

SUMMITOPIA



Artist Impression

Address:

Southeast to the intersection of the planned Jinsuo South Road and Shaoshan Road, Hedong District, Tianjin

Category:

Residence/Commerce

Feature:

Located west to Hongxing Road, north to Chenglin Road, east to Xinkuo Road and south to Weiguo Road, the project has a site area of approximately 42,000 sq.m. and a total G.F.A. of approximately 175,000 sq.m. (including green areas). The project encompasses residential and commercial functions and certain ancillary public service facilities. The residential function occupies a site area of approximately 116,000 sq.m. at a plot ratio of ≤ 2.9 , while the commercial function occupies a site area of approximately 2,500 sq.m.

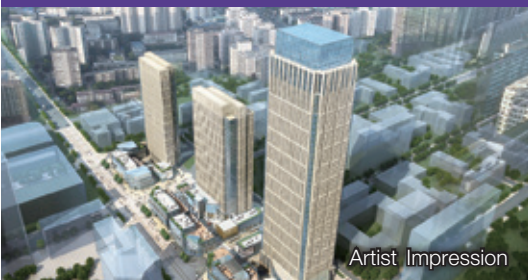
As a highly customised aesthetic community dedicated in regional, product and lifestyle revival, the project will offer superb and innovative residential products. Featuring a hotel-style lobby, a multi-functional mocha living room, nature-themed landscape and intelligent community management, the project aims to create a premium liveable environment by

combining ecology with technology. Poised to be a real regionally leading project, it will be a key driver for the growth of Hedong District, Tianjin.



SHENYANG

SHENYANG U CENTER



Artist Impression

Address:

South Taiyuan Street, Heping District, Shenyang



Category:



Commerce/Office/ Serviced Apartment

Feature:

The project is located in the most prosperous business district downtown Shenyang — Taiyuan Street, with Zhonghua Road to its north, Minzhu Road to its south, South Taiyuan Street to its west and South Tianjin Street to its east. The region has a profound history and an extensive commercial network covering Northeast Asia. Covering a total G.F.A. of 230,000 sq.m., the U Center comprises high-end offices, SOHO, boutique apartments and open commercial blocks with an integration of cultural and creative industries, food and beverage, leisure, entertainment, offices and luxurious apartments, making it an icon of the city.



WUXI		
 <p>Artist Impression</p>	URBAN DEVELOPMENT INTERNATIONAL CENTER	
	<p>Address: Intersection of Yinxiu Road and Taihu Avenue, Binhu District, Wuxi, Jiangsu</p>	<p>Category: Commerce/Hotel/ Office/Serviced Apartment</p>
	<p>Feature: The project is an icon at the heart of the Liyuan Economic Development Zone, the new axis of Wuxi. It is only 5 km from the center of the city with Lihu Lake Scenic Spot, Lihu Central Park and Bogong Island in its vicinity to enjoy. The area is well developed, equipped with all essential facilities and convenient transportation choices. The integrated complex comprises an international five-star hotel, serviced apartments, a 5A-grade office building and a commercial center.</p>	
		

XI'AN		
 <p>Artist Impression</p>	ORIGINALLY	
	<p>Address: East to Chan River, Chanba Avenue, Chanba Ecotope, Xi'an</p>	<p>Category: Residence/ Commerce/Hotel</p>
	<p>Feature: In the heart of Xi'an Chanba Ecotope, the project lies where the Chan River and Ba River meet. The project with more than 2 million sq.m. in terms of site area is the largest eco-district in northwest China. The area has been well planned and is developing rapidly, enjoying convenient access to road networks and public transports including Metro Line No. 3 which will soon commence operation.</p> <p>It is the home of the Euro-Asia Economic Forum as well as the Guangyuntan national wetland park and was where the 2011 International Horticultural Exposition took place, asserting its significance in the development of Xi'an. The project has 12 land parcels in the plan to cater to diverse functions and related necessary facilities completed or soon to be completed to meet community business requirements and educational, medical and shopping needs.</p>	
		

XI'AN

QIYUAN



Artist Impression

Address:

Intersection of Qiyuan 1st Road and Shangchun North Road, Xi'an (west of Chanba Tenth School)

Category:

Residence

Feature:

Located at the intersection of Qiyuan 1st Road and Shangchun North Road, the project occupies the core area of the “three-axis, three-belt” development plan of Xi'an. The project enjoys the triple benefits brought by Chanba Ecotope, the International Trade & Logistics Park and the economic development and political affairs area. Situated only 800 m to Ba River, the project is embraced in a green and natural environment while being served by comprehensive international ancillary facilities, making it a low-density high-end residential project around Weiyang Lake.



The project covers a total site area of approximately 51,000 sq.m., providing a G.F.A. of about 102,000 sq.m. The project is planned to comprise 15 residential buildings (eight high-rise apartments and

seven low-rise apartments), offering 594 apartments in total. With a greening ratio of 35% and a plot ratio of 2.0, the project is available in various layouts and sizes, i.e. 143 sq.m. for small high-rise apartments and 190 sq.m. (flats), 300 sq.m. (top duplex apartments) and 190 sq.m. (bottom duplex apartments) for low-rise apartments. The project is built with metal aluminum plates and masonry paint, with low-emissivity glasses used in the exterior façade of the buildings to create a fashionable and lightly luxurious feeling. Coupled with supreme ecological resources, this project is destined to provide you with a comfortable and pleasant lifestyle.

OTHER INFORMATION

INTERIM DIVIDEND

The board of Directors (the “**Board**”) does not recommend the payment of any interim dividend for the six months ended 30 June 2024 (for the six months ended 30 June 2023: Nil).

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

Repurchase of Shares

During the six months ended 30 June 2024, the Company repurchased a total of 9,368,000 ordinary shares of the Company of HK\$0.04 each on the Stock Exchange at an aggregate consideration paid (excluding transaction costs) of HK\$3,317,670.

Details of the repurchase of such ordinary shares were as follows:

Date of repurchase	Number of ordinary shares	Price per ordinary share		Aggregate consideration paid (excluding transaction costs) HK\$
		Highest HK\$	Lowest HK\$	
02 January 2024	1,250,000	0.36	0.355	446,750
03 January 2024	320,000	0.365	0.365	116,800
04 January 2024	1,144,000	0.375	0.365	418,460
05 January 2024	902,000	0.365	0.36	327,730
08 January 2024	264,000	0.355	0.355	93,720
09 January 2024	352,000	0.355	0.345	122,520
10 January 2024	592,000	0.345	0.33	198,980
11 January 2024	438,000	0.34	0.33	145,530
12 January 2024	1,148,000	0.36	0.345	401,130
15 January 2024	706,000	0.365	0.35	252,350
16 January 2024	1,612,000	0.365	0.35	576,520
17 January 2024	640,000	0.345	0.335	217,180
Total	9,368,000			3,317,670

The ordinary shares repurchased on 2 January 2024, 3 January 2024, 4 January 2024, 5 January 2024, 8 January 2024, 9 January 2024, 10 January 2024, 11 January 2024, 12 January 2024, 15 January 2024, 16 January 2024 and 17 January 2024 were cancelled on 26 March 2024. The issued share capital of the Company was accordingly reduced by the par value of the repurchased ordinary shares so cancelled. The above repurchase was effected by the Directors pursuant to the repurchase mandate granted at the annual general meeting of the Company held on 22 May 2023.

Save as disclosed above, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the six months ended 30 June 2024.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to the existing shareholders of the Company (the "Shareholders").

CORPORATE GOVERNANCE

During the six months ended 30 June 2024, the Company has complied with the code provisions as set out in the Corporate Governance Code (the "Code") contained in Appendix C1 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct regarding dealings in the securities of the Company by the Directors and the relevant employees (who are likely to be in possession of inside information relating to the Company or its securities) (the "Guidelines for Securities Transactions by Relevant Employees") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standards as set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the six months ended 30 June 2024.

In addition, no incident of non-compliance of the Guidelines for Securities Transactions by Relevant Employees by the relevant employees of the Group was noted by the Company throughout the six months ended 30 June 2024.

LOAN AGREEMENT WITH SPECIFIC PERFORMANCE COVENANT ON THE CONTROLLING SHAREHOLDER

As disclosed in the Company's announcement dated 6 December 2022, the Company (as the borrower) entered into a loan agreement (the "Loan Agreement") with a bank (as the lender) for a term loan facility in the amount of RMB2,400,000,000 for a term of thirty-six months (the "Facility") for the purpose of re-financing the term loan facility granted by a bank (as referred to in the announcement of the Company dated 17 June 2020). The Loan Agreement provides that during the subsistence of the Facility Shanghai Industrial Investment (Holdings) Company Limited ("SIIC"), being a controlling shareholder of the Company and Shanghai Industrial Holdings Limited ("SIHL") (a controlling and substantial shareholder of the Company), shall directly or indirectly maintain no less than 51% of the total issued share capital of the Company and maintain actual control and management of the Company (the "Requisite Covenant"). A breach of the Requisite Covenant will constitute a default under the Loan Agreement.

Reference is made to the announcements of the Company dated 4 November 2020, 25 November 2021 and 9 December 2022 with regard to a facility letter (the "Facility Letter") entered between the Company and a bank for a revolving loan facility of up to HKD500,000,000 granted by a bank (the "RL Facility"). As disclosed in the Company's announcement dated 30 November 2023, the Company (as the borrower) entered into a supplemental facility letter (the "Supplemental Facility Letter") with the lender under the RL Facility to revise certain terms and conditions of the Facility Letter. Pursuant to the Supplemental Facility Letter, the maturity date of the RL Facility is extended to 31 October 2024. The RL Facility contains a Shareholding and Management Covenant under which the Company shall ensure that so long as the RL Facility or any sum thereunder is outstanding, SIHL, a controlling and substantial shareholder of the Company, and/or SIIC, a controlling shareholder of SIHL, shall collectively directly or indirectly own not less than 51% of the total issued share capital of the Company and maintain management control of the Company (the "Shareholding and Management Covenant"). A breach of the Shareholding and Management Covenant will constitute a default under the Facility Letter.

As disclosed in the Company's announcement dated 27 August 2024, the Company (as the borrower) entered into a loan agreement (the "**Loan Agreement**") with a bank (as the lender) for a term loan facility in the amount of RMB300,000,000 for a term of twelve months (the "**Facility**"). The Facility would be used to repay the existing bank borrowings. The Loan Agreement provides that during the Facility period, the de-facto control position of SIIC over the Company shall remain unchanged (the "**Required Covenant**"). A breach of the Required Covenant will constitute a default under the Loan Agreement.

As at 30 June 2024, SIHL and SIIC are beneficially interested in approximately 44.16% and 70.52%, respectively, of the total issued share capital of the Company. Other than as disclosed above, there are no other events which are required to be disclosed by the Company under Rule 13.18 of the Listing Rules.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Company (the "**Audit Committee**") currently consists of three independent non-executive Directors, namely Mr. Li Ka Fai, David, *M.H.* (Committee Chairman), Mr. Doo Wai-Hoi, William, *B.B.S., J.P.* and Dr. Fan Ren Da, Anthony. The Audit Committee is primarily responsible for reviewing the accounting principles and practices adopted by the Group; reviewing the financial reporting process, risk management and internal controls system of the Group; and reviewing the independence and objectivity of the external auditor, the scope of audit services and related audit fees payable to the external auditor. The Audit Committee has reviewed the unaudited interim financial statements of the Group for the six months ended 30 June 2024 and discussed with the management and the auditor of the Company on the accounting principles and practices adopted by the Group, risk management and internal controls matter, final results and financial statements and the terms of reference for the Audit Committee.

The Group's external auditor, Messrs. Deloitte Touche Tohmatsu, has reviewed the Company's unaudited condensed consolidated financial statements for the six months ended 30 June 2024 in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2024, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

(1) Long positions in the shares and underlying shares of the Company

Name of Directors	Capacity	Number of issued ordinary shares held	Number of underlying shares subject to options granted ¹	Approximate % of the issued share capital of the Company
Tang Jun	Beneficial owner	178,000	—	0.00%

Note:

- These interests represent the interests in the underlying shares of the Company in respect of share options granted by the Company to these Directors as beneficial owners.

(2) Long positions in the shares and underlying shares of the associated corporations of the Company

SIHL

Name of Directors	Capacity	Number of issued ordinary shares held	Number of underlying shares subject to options granted ¹	Approximate % of the issued share capital of the Company
Tang Jun	Beneficial owner	65,000	—	0.00%

Note:

- These interests represent the interests in the underlying shares of SIHL in respect of the share options (which are unlisted and physically settled equity derivatives) granted by SIHL under its share option scheme.

Save as disclosed herein, as at 30 June 2024, none of the Directors or chief executives of the Company had any interests or short positions in any 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 Divisions 7 and 8 of Part XV of the SFO or pursuant to the Model Code.

SHARE OPTION SCHEME

As at 30 June 2024, the Company does not have any share options scheme following the expiration of its previous share option scheme on 21 May 2023 (which has a term of 10 years and was adopted pursuant to a resolution passed on 21 May 2013) and there was no share option available for grant under any scheme mandate. No share option was granted to any person as required to be disclosed under Rule 17.07 of the Listing Rules during the six months ended 30 June 2024 and the Company had no share option remain outstanding as at 30 June 2024.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN THE SHARES AND UNDERLYING SHARES

As at 30 June 2024, substantial shareholders and other persons (other than the Directors and chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and entered in the register required to be kept by the Company pursuant to Section 336 of the SFO, or otherwise notified to the Company were as follows:

Ordinary shares of HK\$0.04 each of the Company

Name of substantial shareholders	Capacity	Number of shares of the Company held	Approximate% of the issued share capital of the Company
SIHL	Held by controlled corporation	2,111,229,080(L) ^{1,2,3}	44.16%
SIIC	Held by controlled corporation	3,371,103,977(L) ^{1,2,3,4}	70.52%

Notes:

- L denotes long positions.
- These include 2,061,229,080 shares of the Company held by S.I. Smart Charmer Limited and 50,000,000 shares of the Company that are deemed to be held by Novel Good Limited under the pledge described in note 3 below. As S.I. Smart Charmer Limited and Novel Good Limited are both wholly-owned subsidiaries of SIHL, which is in turn controlled by SIIC, SIHL and SIIC are deemed or taken to be interested in the interests in the shares of the Company held by S.I. Smart Charmer Limited and Novel Good Limited.
- These interests include 50,000,000 shares of the Company (short positions) held by Invest Gain Limited (a company beneficially and wholly owned by Mr. Li Song Xiao who ceased to be a substantial shareholder of the Company during the year ended 31 December 2011) which was pledged to Novel Good Limited. Therefore, SIHL and SIIC are deemed or taken to be interested in these 50,000,000 shares of the Company.
- SIIC, through Shanghai Investment Holdings Limited (a subsidiary of SIIC) held approximately 55.13% of the shares of SIHL. Therefore, SIIC is deemed or taken to be interested in the 2,111,229,080 shares of the Company held by SHIL for the purpose of the SFO. On the other hand, SIIC is also deemed or taken to be interested in the 1,259,874,897 shares of the Company held by its subsidiaries, namely SIIC Trading Company Limited, Shanghai Industrial Financial Holdings (Hong Kong) Company Limited, SIIC CM Development Limited, SIIC Capital (B.V.I.) Limited and Shanghai Investment Holdings Limited.

OTHER INFORMATION

Save as disclosed herein, as at 30 June 2024, the Company had not been notified by any persons (other than the Directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in information of Directors are set out as follows:

- (a) Mr. Doo Wai Hoi, William was appointed as an executive Director, a chairman of the board and the chairman of the executive committee of FSE Lifestyle Services Limited (“**FSE Lifestyle**”) (stock code: 331) with effect from 18 March 2024 and ceased to be an alternate director to non-executive director, Dr. CHENG Kar Shun, Henry of FSE Lifestyle with effect from 19 March 2024;
- (b) Dr. Fan Ren Da, Anthony resigned as an independent non-executive director, member of the audit committee, remuneration committee and nomination committee of China Development Bank International Investment Limited (stock code: 1062) with effect from 20 March 2024;
- (c) Mr. Lou Jun resigned as an executive Director of the Company with effect from 15 July 2024 due to deployment of work arrangement;
- (d) Ms. Zhou Yadong was appointed as an executive Director of the Company with effect from 15 July 2024; and
- (e) Dr. Chan Ho Wah Terence was appointed as an independent non-executive Director of the Company with effect from 15 July 2024.

APPRECIATION

I would like to express my sincere gratitude to the Board, our management and all our staff for their dedicated efforts as well as to our customers, suppliers, business partners and shareholders for their continued enthusiastic support to our Group.

By order of the Board of
Shanghai Industrial Urban Development Group Limited
Huang Haiping
Chairman

Hong Kong, 28 August 2024

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte.

德勤

**TO THE BOARD OF DIRECTORS OF
SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED**
上海實業城市開發集團有限公司
(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Shanghai Industrial Urban Development Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 32 to 58, which comprise the condensed consolidated statement of financial position as of 30 June 2024 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

28 August 2024

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months ended 30 June 2024

	NOTES	Six months ended 30 June	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Revenue			
Goods and services	3	2,599,495	1,422,098
Leases		381,338	375,736
Total revenue		2,980,833	1,797,834
Cost of sales		(2,360,312)	(1,025,771)
Gross profit		620,521	772,063
Other income		43,447	87,018
Other expenses, gains and losses, net		(19,850)	(106,081)
Fair value loss on investment properties, net		(210,465)	(2,263)
Distribution and selling expenses		(107,098)	(94,605)
General and administrative expenses		(216,773)	(215,984)
Finance costs	5	(282,266)	(363,847)
Share of results of associates		95,859	(3,201)
Share of results of joint ventures		10,693	(15,759)
(Loss) profit before tax		(65,932)	57,341
Income tax	6	(122,369)	(380,521)
Loss for the period	7	(188,301)	(323,180)
Other comprehensive expense for the period			
<i>Items that will not be reclassified to profit or loss:</i>			
Exchange differences on translation from functional currency to presentation currency		(465,037)	(878,007)
Fair value loss on equity instruments at fair value through other comprehensive income, net of tax		(12,290)	(6,390)
Revaluation of properties upon transfer of property, plant and equipment to investment properties, net of tax		10,541	—
Other comprehensive expense for the period		(466,786)	(884,397)
Total comprehensive expense for the period		(655,087)	(1,207,577)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

	NOTE	Six months ended 30 June	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
(Loss) profit for the period attributable to:			
Owners of the Company		(231,564)	(302,936)
Non-controlling interests		43,263	(20,244)
		(188,301)	(323,180)
Total comprehensive expense for the period attributable to:			
Owners of the Company		(574,499)	(943,168)
Non-controlling interests		(80,588)	(264,409)
		(655,087)	(1,207,577)
Loss per share	8		
Basic (HK cents)		(4.84)	(6.32)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	NOTES	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
Non-current assets			
Investment properties	9	21,284,571	21,437,687
Property, plant and equipment		1,973,044	2,181,543
Right-of-use assets		559,562	452,299
Goodwill		23,604	23,604
Intangible assets		55,219	56,306
Interests in associates		1,637,396	1,576,836
Interests in joint ventures		2,522,928	2,568,694
Amount due from a related company	10	265,091	271,041
Equity instruments at fair value through other comprehensive income		26,244	43,565
Pledged bank deposits		26,962	25,375
Deferred tax assets		111,968	136,686
		28,486,589	28,773,636
Current assets			
Inventories		891	1,001
Properties under development for sale and properties held-for-sale		21,087,539	22,615,376
Trade and other receivables	11	1,147,078	1,225,545
Amounts due from related companies	10	1,551	1,883
Prepaid income tax and land appreciation tax		420,122	393,435
Restricted and pledged bank deposits		22,707	19,433
Bank balances and cash		5,362,707	5,985,911
		28,042,595	30,242,584
Current liabilities			
Trade and other payables	12	5,668,565	6,722,859
Amounts due to related companies	10	715,467	392,258
Pre-sale proceeds received on sales of properties		8,226,972	8,256,091
Bank and other borrowings	13	4,995,229	3,588,828
Lease liabilities		22,514	20,821
Income tax and land appreciation tax payables		1,200,251	1,954,741
Dividend payable		29,769	22,182
		20,858,767	20,957,780
Net current assets		7,183,828	9,284,804
Total assets less current liabilities		35,670,417	38,058,440

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTES	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
Non-current liabilities			
Amounts due to a related company	10	—	388,626
Deferred revenue	12	35,920	37,026
Bank and other borrowings	13	13,234,515	14,413,588
Lease liabilities		147,294	30,921
Deferred tax liabilities		2,578,152	2,679,785
		15,995,881	17,549,946
		19,674,536	20,508,494
Capital and reserves			
Share capital	14	191,217	191,659
Reserves		13,102,698	13,819,310
Equity attributable to owners of the Company		13,293,915	14,010,969
Non-controlling interests		6,380,621	6,497,525
		19,674,536	20,508,494

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Attributable to owners of the Company													Non-controlling interests	Total equity
	Share capital	Share premium	Contributed surplus	Other revaluation reserve	Properties revaluation reserve	Investment revaluation reserve	Statutory surplus reserve	Shareholder's contribution/merger reserve	Other reserve	Exchange reserve	Retained profits	Total			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
At 1 January 2024 (audited)	191,659	8,302,292	505,326	5,849	–	633	1,148,075	2,159,430	(130,714)	(353,375)	2,181,794	14,010,969	6,497,525	20,508,494	
(Loss) profit for the period	–	–	–	–	–	–	–	–	–	–	(231,564)	(231,564)	43,263	(188,301)	
Exchange differences on translation from functional currency to presentation currency	–	–	–	–	–	–	–	–	–	(341,903)	–	(341,903)	(123,134)	(465,037)	
Fair value loss on equity instruments at fair value through other comprehensive income, net of tax	–	–	–	–	–	(7,251)	–	–	–	–	–	(7,251)	(5,039)	(12,290)	
Revaluation of properties upon transfer of property, plant and equipment to investment properties, net of tax	–	–	–	–	6,219	–	–	–	–	–	–	6,219	4,322	10,541	
Total comprehensive income (expense) for the period	–	–	–	–	6,219	(7,251)	–	–	–	(341,903)	(231,564)	(574,499)	(80,588)	(655,087)	
Transfer	–	–	–	–	–	–	857	–	–	–	(857)	–	–	–	
Dividends recognised as distributions (Note 19)	–	–	(138,632)	–	–	–	–	–	–	–	–	(138,632)	–	(138,632)	
Dividend declared to a non-controlling shareholder	–	–	–	–	–	–	–	–	–	–	–	–	(36,316)	(36,316)	
Repurchase of ordinary shares (Note 14)	–	(3,914)	–	–	–	–	–	–	–	–	–	(3,914)	–	(3,914)	
Cancellation of ordinary shares repurchased (Note 14)	(442)	442	–	–	–	–	–	–	–	–	–	–	–	–	
Transaction costs attributable to repurchase of ordinary shares (Note 14)	–	(9)	–	–	–	–	–	–	–	–	–	(9)	–	(9)	
At 30 June 2024 (unaudited)	191,217	8,298,811	366,694	5,849	6,219	(6,618)	1,148,932	2,159,430	(130,714)	(695,278)	1,949,373	13,293,915	6,380,621	19,674,536	
At 1 January 2023 (audited)	191,747	8,903,528	49,070	5,849	–	4,792	1,194,268	2,159,430	(130,714)	502,083	1,680,208	14,560,271	6,271,003	20,831,274	
Loss for the period	–	–	–	–	–	–	–	–	–	–	(302,936)	(302,936)	(20,244)	(323,180)	
Exchange differences on translation from functional currency to presentation currency	–	–	–	–	–	–	–	–	–	(636,462)	–	(636,462)	(241,545)	(878,007)	
Fair value loss on equity instruments at fair value through other comprehensive income, net of tax	–	–	–	–	–	(3,770)	–	–	–	–	–	(3,770)	(2,620)	(6,390)	
Total comprehensive expense for the period	–	–	–	–	–	(3,770)	–	–	–	(636,462)	(302,936)	(943,168)	(264,409)	(1,207,577)	
Transfer upon liquidation of subsidiaries	–	–	–	–	–	–	(86,064)	–	–	43,302	42,762	–	–	–	
Transfer to distributable reserve (note (vii))	–	(600,000)	600,000	–	–	–	–	–	–	–	–	–	–	–	
Dividends recognised as distributions (Note 19)	–	–	(143,744)	–	–	–	–	–	–	–	–	(143,744)	–	(143,744)	
Dividends declared to non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	(144,671)	(144,671)	
Repurchase of ordinary shares	–	(1,321)	–	–	–	–	–	–	–	–	–	(1,321)	–	(1,321)	
Cancellation of ordinary shares repurchased	(88)	88	–	–	–	–	–	–	–	–	–	–	–	–	
Transaction costs attributable to repurchase of ordinary shares	–	(3)	–	–	–	–	–	–	–	–	–	(3)	–	(3)	
At 30 June 2023 (unaudited)	191,659	8,302,292	505,326	5,849	–	1,022	1,108,204	2,159,430	(130,714)	(91,067)	1,420,034	13,472,035	5,861,923	19,333,958	

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Notes:

- (i) Contributed surplus, serving as a distributable reserve, represents an amount transferred from the share premium account which gives Shanghai Industrial Urban Development Group Limited (the "Company") a greater flexibility in its dividend policy and making distributions to the shareholders.
- (ii) Other revaluation reserve comprises the difference between the fair value, net of deferred tax, and the carrying amount of additional interest in associates being acquired and become subsidiaries of the Company. This reserve will be recognised in profit or loss upon the earlier of the disposal of the subsidiaries or the disposal by the subsidiaries of the assets to which it relates.
- (iii) Properties revaluation reserve represents a surplus which arose from revaluation of owner-occupied properties included in property, plant and equipment at the time they were transferred to investment properties.
- (iv) Pursuant to the relevant laws in the People's Republic of China (the "PRC"), a subsidiary established in the PRC is required to transfer 10% of its profit after tax to the statutory surplus reserve. Contribution to the statutory surplus reserve is discretionary when the reserve balance reaches 50% of the registered capital of the subsidiary and can be used to make up for previous years' losses or, expand the existing operations or can be converted into additional capital of the subsidiary.
- (v) Merger reserve comprises (1) the difference between the fair value of the consideration paid to the intermediate holding company of the Company, Shanghai Industrial Holdings Limited ("SIHL"), for the acquisition of subsidiaries controlled by SIHL (the "Acquiree") and the fair value of net assets of the Acquiree at the date of the Company and its subsidiaries (collectively referred to as the "Group") and the Acquiree became under common control in year 2011; and (2) the difference between the consideration paid to Shanghai Shangtou Assets Operation Company Limited 上海上投資產經營有限公司 ("Shangtou Assets"), to which Shanghai Industrial Investment (Holdings) Company Limited ("SIIC"), being the ultimate holding company of the Company, exercises the authority as a state-owned shareholder, for acquisition of Shanghai Shangtou Real Estate Investment Company Limited 上海市上投房地產投資有限公司 ("Shangtou Real Estate") and its subsidiaries (collectively referred to as "Shangtou Real Estate Group") (after carving out certain assets and liabilities upon completion of the acquisition) controlled by Shangtou Assets and the fair value of net assets of Shangtou Real Estate Group at the date of the Group and Shangtou Real Estate Group became under common control in year 2018.

Shareholder's contribution represents capital contribution from SIHL and State-owned Assets Supervision and Administration Commission of Shanghai Xuhui District ("Xuhui SASAC") in the PRC, being a non-controlling shareholder (based on their respective percentage of equity interest), to a subsidiary of the Company, Shanghai Urban Development (Holdings) Co., Ltd. ("SUD"), as paid-in capital in April 2011. Xuhui SASAC holds 41% interests in SUD.
- (vi) Other reserve represents a premium contributed by the owners of the Company on acquiring additional interests in non-wholly owned subsidiaries of the Company. It comprises (1) the acquisition of the remaining 1.0% interest in 上海世界貿易商城有限公司 ("Shanghai World Trade") from a non-controlling shareholder subsequent to the acquisition of Continental Land Development Limited and its partially owned subsidiary, namely Shanghai World Trade, in the PRC; (2) the acquisition of the remaining 20% interest in 瀋陽向明長益置業有限公司 from a non-controlling shareholder; and (3) the acquisition of the remaining 28.5% interest in 西安瀟灑建設開發有限公司 from a non-controlling shareholder through acquisition of a company and its subsidiaries. These acquisitions, without changing the Group's control over these entities, were accounted for as equity transactions. The difference between the carrying amount by which the non-controlling interests are adjusted and the fair value of the consideration paid is recognised directly in equity as other reserve and attributable to owners of the Company.
- (vii) Pursuant to the special resolution passed on 22 May 2023, the Company transferred an amount of HK\$600,000,000 from the share premium account to the contributed surplus account which increased the distributable reserve of the Company for making distributions to its shareholders.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
OPERATING ACTIVITIES		
(Loss) profit before tax	(65,932)	57,341
Adjustments for:		
Finance costs	282,266	363,847
Fair value loss on investment properties, net	210,465	2,263
Share of results of associates and joint ventures	(106,552)	18,960
Other non-cash items	197,221	164,972
Operating cash flows before movements in working capital	517,468	607,383
Decrease (increase) in inventories, properties under development for sale and properties held-for-sale	943,491	(1,258,278)
Decrease (increase) in trade and other receivables	56,033	(44,270)
Increase in pre-sale proceeds received on sales of properties	153,204	3,235,937
Decrease in trade and other payables	(950,618)	(207,052)
Other working capital items	2,342	(1,701)
Cash generated from operations	721,920	2,332,019
Income tax paid	(887,788)	(604,888)
Net cash (used in) from operating activities	(165,868)	1,727,131
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	337	8,352
Purchase of property, plant and equipment	(107,840)	(116,557)
Development costs paid for investment properties	(280,060)	(190,531)
(Increase) decrease in restricted and pledged bank deposits	(5,886)	14,999
Repayment from related companies	—	942
Advance to a joint venture	—	(717)
Interest received	18,938	15,531
Net cash used in investing activities	(374,511)	(267,981)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
FINANCING ACTIVITIES		
Dividends paid to non-controlling interests	(36,316)	(144,671)
Dividends paid	(131,045)	(142,154)
Proceeds from new bank and other borrowings	2,192,743	4,210,359
Repayments of bank and other borrowings	(1,590,738)	(2,548,115)
Transaction costs attributable to issue of domestic corporate bonds	—	(2,465)
Payments on repurchase of ordinary shares	(3,914)	(1,321)
Transaction costs attributable to repurchase of ordinary shares	(9)	(3)
Repayments of lease liabilities	(30,973)	(26,986)
Advances from related companies	—	56,075
Repayment to a related company	(61,276)	—
Interest paid	(275,436)	(371,054)
Settlement of remaining consideration on acquisition of an additional interest in a non-wholly owned subsidiary through acquisition of a subsidiary	—	(576,337)
Net cash from financing activities	63,036	453,328
Net (decrease) increase in cash and cash equivalents	(477,343)	1,912,478
Cash and cash equivalents as at 1 January	5,985,911	4,477,602
Effect of foreign exchange rate changes	(145,861)	(258,779)
Cash and cash equivalents as at 30 June, represented by bank balances and cash	5,362,707	6,131,301

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

1. BASIS OF PREPARATION

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

2. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies and methods of computation used in the preparation of condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2023.

Application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2024 for the preparation of the Group’s condensed consolidated financial statements:

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

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

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue from contracts with customers

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Types of goods or services		
Sales of properties	2,453,892	1,271,776
Hotel operations	138,461	146,288
Property management	7,142	4,034
Total	2,599,495	1,422,098
Timing of revenue recognition		
A point in time	2,453,892	1,271,776
Over time	145,603	150,322
Total	2,599,495	1,422,098

All the revenue of the Group generated from contracts with customers are originated in the PRC.

4. SEGMENT INFORMATION

Information reported to the directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and performance assessment focuses on revenue analysis. No discrete financial information is provided other than the Group's result and financial position as a whole. Accordingly, only entity-wide disclosures, major customers and geographic information are presented.

The Group's operations are located in the PRC. All revenue and non-current assets, except for certain property and equipment, of the Group are generated from and located in the PRC. No single customer contributed 10% or more of the Group's revenue for the six months ended 30 June 2024 and 2023.

5. FINANCE COSTS

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Interests on bank and other borrowings	315,098	426,769
Interests on lease liabilities	152	2,482
Total finance costs	315,250	429,251
Less: Amount capitalised into properties under development for sale	(32,984)	(65,404)
	282,266	363,847

Borrowing costs capitalised during the current and prior interim periods arising on the pool of general borrowings were calculated by applying an applicable capitalisation rate to the expenditure on qualifying assets.

6. INCOME TAX

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Current tax:		
PRC Enterprise Income Tax ("EIT")	101,811	123,949
PRC Land Appreciation Tax ("LAT")	42,538	256,199
PRC withholding tax on dividend income	—	2,988
	144,349	383,136
Deferred tax	(21,980)	(2,615)
Income tax for the period	122,369	380,521

6. INCOME TAX (CONTINUED)

Under the Law of the PRC on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

Under the Provisional Regulations of LAT (《中華人民共和國土地增值稅暫行條例》) effective on 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT (《中華人民共和國土地增值稅暫行條例實施細則》) effective from 27 January 1995, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, being the proceeds of sales of properties less deductible expenditures including borrowing costs and property development expenditures in relation to the gains arising from sales of properties in the PRC effective from 1 January 2004, with an exemption provided for property sales of ordinary residential properties (普通標準住宅) if their appreciation values do not exceed 20% of the sum of the total deductible items.

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits arises in, nor is derived from, Hong Kong.

Pursuant to the rules and regulations of Bermuda and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in Bermuda and the BVI.

7. LOSS FOR THE PERIOD

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Loss for the period has been arrived at after charging (crediting) the following items:		
Depreciation of property, plant and equipment	50,578	69,764
Depreciation of right-of-use assets	32,933	13,181
Interest income on bank deposits (included in other income)	(18,938)	(15,531)
Net foreign exchange loss (included in other expenses, gains and losses, net)	19,010	85,424

8. LOSS PER SHARE

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

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Loss:		
Loss for the purpose of calculating basic loss per share		
Loss for the period attributable to owners of the Company	(231,564)	(302,936)
	Six months ended 30 June	
	2024 '000	2023 '000
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	4,780,908	4,792,186

No diluted loss per share for the six months ended 30 June 2024 and 2023 were presented as there were no potential ordinary shares in issue for both periods.

9. MOVEMENTS IN INVESTMENT PROPERTIES

The fair values of the Group's investment properties as at 30 June 2024 have been arrived at on the basis of a valuation carried out by Cushman & Wakefield Limited ("CWL"), an independent qualified professional valuer not connected to the Group. CWL has appropriate qualification and recent experience in the valuation of similar properties in the relevant locations. The address of CWL is 27th Floor, One Island East, Taikoo Place, 18 Westlands Road, Quarry Bay, Hong Kong. The Group's investment properties are valued individually on market value basis, which conforms to RICS Valuation – Global Standards 2022 published by The Royal Institution of Chartered Surveyors. The fair value is arrived at by reference to comparable sales transactions available in the relevant markets and, where appropriate, using investment approach which capitalises the net rental income derived from existing tenancies with due allowance for the reversionary potential of the properties. The resulting net decrease in fair values of the Group's investment properties of HK\$210,465,000 (six months ended 30 June 2023: HK\$2,263,000) is recognised directly in profit or loss for the six months ended 30 June 2024.

During the six months ended 30 June 2024, the Group incurred expenditures on certain investment properties under development of HK\$280,060,000 (six months ended 30 June 2023: HK\$190,531,000).

During the six months ended 30 June 2024, the management of the Group changed the intention from selling the commercial units of several residential property projects to lease them out for rentals. Accordingly, properties held-for-sale with carrying amount of HK\$10,854,000 (six months ended 30 June 2023: HK\$211,911,000) was transferred to investment properties upon inception of lease agreements with the tenants. In the opinion of the management of the Group, the fair value gain or loss in respect of these properties at the date of transfer was considered to be insignificant.

During the six months ended 30 June 2024, the management of the Group changed the intention from occupying properties for own use to lease them out for rentals. Accordingly, the owner-occupied properties included in property, plant and equipment with fair value of HK\$234,990,000 were transferred to investment properties upon the date of change of use. The excess of fair value of the owner-occupied properties over their carrying amounts was recognised in equity under the heading of "properties revaluation reserve".

The Group did not dispose of any investment properties during the six months ended 30 June 2024 and 2023.

10. AMOUNTS DUE FROM (TO) RELATED COMPANIES

The Group has the following balances with related parties:

	NOTES	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
Amount due from a related company recognised as non-current assets:			
– A joint venture	(ii)	265,091	271,041
Amounts due from related companies recognised as current assets:			
– A joint venture	(ii)	226	231
– An entity controlled by Xuhui SASAC	(i)	1,325	1,652
		1,551	1,883
Amounts due to related companies recognised as current liabilities:			
– Xuhui SASAC and entities controlled by Xuhui SASAC	(i)	45,137	44,342
– Non-controlling shareholders	(iii)	640,124	317,032
– SIHL	(iv)	25,495	26,067
– An associate	(v)	4,711	4,817
		715,467	392,258
Amount due to a related company recognised as non-current liabilities:			
– A non-controlling shareholder	(iii)	–	388,626

10. AMOUNTS DUE FROM (TO) RELATED COMPANIES (CONTINUED)

Notes:

(i) The entire amounts due from (to) Xuhui SASAC and entities controlled by Xuhui SASAC are non-trade in nature, interest-free, unsecured and repayable on demand.

(ii) The entire amounts due from joint ventures are non-trade in nature and unsecured.

The amount due from a joint venture as at 30 June 2024 of RMB246,377,000 (equivalent to HK\$265,091,000) (31 December 2023: RMB246,377,000 (equivalent to HK\$271,041,000)) represents funds advanced by the Group at a guaranteed return of 8% per annum to a joint venture for its acquisition of parcels of land and subsequent construction expenditure in respect of a property development project located at Wuhan in the PRC. In the opinion of the management of the Group, the amount will not be repaid in 12 months from the end of the reporting period.

The remaining balance is interest-free and repayable on demand.

(iii) The amounts due to non-controlling shareholders of the Group's subsidiaries are non-trade in nature and unsecured.

Included in the balances as at 30 June 2024 there are amounts of RMB230,543,000 (equivalent to HK\$248,056,000) and RMB353,261,000 (equivalent to HK\$380,096,000) which represent loans advanced from a non-controlling shareholder of two subsidiaries of the Group at the fixed interest rates of 4.75% per annum and 7% per annum respectively. The first loan and the second loan will mature on 4 October 2024 and 15 June 2025 respectively. Such loans were obtained for the purpose of property development projects located at Shanghai in the PRC.

The remaining balance is interest-free and repayable on demand.

(iv) The amounts are due to the Group's intermediate holding company (i.e. SIHL) and are non-trade in nature, interest-free and repayable on demand.

(v) The amount is trade in nature, unsecured and interest-free. The Group is granted an average credit period of 30 days for the outstanding balance.

11. TRADE AND OTHER RECEIVABLES

	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
Trade and other receivables		
Trade receivables		
– Contracts with customers		
Sales of properties (note (i))	249,805	250,494
Hotel operations and others	382	971
– Lease receivables	15,957	14,223
	266,144	265,688
Less: Expected credit loss (“ECL”) allowance	(227)	(232)
	265,917	265,456
Other receivables (note (ii))	259,800	285,595
Secured deposits held by Shanghai government department (note (iii))	240,784	246,018
Receivable from a former subsidiary (note (iv))	130,615	133,547
Advance payments to contractors	21,708	32,132
Prepaid other taxes (note (v))	225,948	260,328
Deposits and prepayments	2,306	2,469
	1,147,078	1,225,545

Notes:

- (i) The balance represents a trade receivable from Shanghai government department in respect of the sales of affordable housings and it will be settled once the project clearance process completes.
- (ii) Other receivables mainly comprise various warranty deposits placed with the relevant government bodies in respect of properties under development for sale, properties held-for-sale and properties being sold.
- (iii) The balance represents deposit paid to Shanghai government department in respect of two affordable housing projects in Shanghai in the PRC. The deposit was paid according to a pre-determined percentage on the pre-sale proceed received from the sales of affordable housings and it will be refunded to the Group once the properties delivery and projects clearance process complete.
- (iv) The balance represents an amount due from a former subsidiary of the Group, net of ECL allowance, which may be settled upon completion of the liquidation process of a former subsidiary of the Group, namely 昆山城開錦亭置業有限公司 (“昆山錦亭”). Details of the liquidation of 昆山錦亭 are set out in Note 37 to the consolidated financial statements in the Group’s annual report for the year ended 31 December 2023.
- (v) Prepaid other taxes comprise prepayments for urban real estate tax, city maintenance and construction tax, business tax and value-added tax.

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

The Group allows an average credit period of 90 days to its corporate hotel customers and generally grants no credit period to property buyers and tenants unless it is specifically approved.

The following is an ageing analysis of the Group's trade receivables, net of ECL allowance, presented based on the date of billing at the end of the reporting period:

	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
Within 90 days	13,823	11,868
Within 91–180 days	457	—
Over 180 days	251,637	253,588
	265,917	265,456

12. TRADE AND OTHER PAYABLES AND DEFERRED REVENUE

	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
Trade and other payables recognised as current liabilities		
Trade payables	1,180,947	1,007,357
Accrued expenditure on properties under development for sale	3,011,192	3,979,465
Amounts due to former shareholders of the Company's former subsidiaries (note (i))	153,325	155,712
Rental deposits and receipt in advance from tenants	170,419	179,082
Interest payable	127,377	90,369
Payables to the Shanghai government department (note (ii))	150,510	153,888
Accrued charges and other payables	357,984	412,839
Other taxes payables (note (iii))	516,811	744,147
	5,668,565	6,722,859
Deferred revenue recognised as non-current liabilities		
Deferred revenue (note (iv))	35,920	37,026

12. TRADE AND OTHER PAYABLES AND DEFERRED REVENUE (CONTINUED)

Notes:

- (i) The amounts are non-trade in nature, interest-free and repayable on demand.
- (ii) The amount represents the receipts of HK\$1,019,902,000 (31 December 2023: HK\$1,042,791,000) from the purchasers of affordable housings which were collected on behalf of Shanghai government department, net of receivable of HK\$869,392,000 (31 December 2023: HK\$888,903,000) from Shanghai government department for the construction and other related costs and the agreed profit margin of the affordable housings. The amount is repayable on demand. During the six months ended 30 June 2024 and 2023, there was no repayment to Shanghai government department.
- (iii) Other taxes payables comprise urban real estate tax payable, city maintenance and construction tax payable, business tax payable and value-added tax payable.
- (iv) The balance mainly represents the deferred portion of the government's subsidies in relation to the development residential properties held for rentals in the PRC.

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

	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
Within 30 days	471,255	402,857
Within 31–180 days	22,919	12,144
Within 181–365 days	95,433	73,760
Over 365 days	591,340	518,596
	1,180,947	1,007,357

13. BANK AND OTHER BORROWINGS

During the six months ended 30 June 2024, the Group obtained new bank and other borrowings of HK\$2,192,743,000 (six months ended 30 June 2023: HK\$4,210,359,000). As at 30 June 2024, the bank and other borrowings carry variable interest ranging from 3.00% to 4.01% (31 December 2023: 2.90% to 7.67%) per annum and are payable from three months to over five years (31 December 2023: three months to over five years). The borrowings are obtained for the purpose of property development projects and general working capitals of the Group.

During the six months ended 30 June 2024, the Group also repaid the bank and other borrowings of HK\$1,590,738,000 (six months ended 30 June 2023: HK\$2,548,115,000).

14. SHARE CAPITAL

	Number of shares '000	Share capital HK\$'000
Authorised: At 1 January 2023, 31 December 2023, 1 January 2024 and 30 June 2024 — Ordinary shares of HK\$0.04 each	10,000,000	400,000
Issued and fully paid: At 1 January 2023 Shares repurchased and cancelled	4,793,677 (2,194)	191,747 (88)
At 31 December 2023 Shares repurchased and cancelled	4,791,483 (11,068)	191,659 (442)
At 30 June 2024	4,780,415	191,217

14. SHARE CAPITAL (CONTINUED)

During the six months ended 30 June 2024, the Company cancelled its own ordinary shares after repurchase through The Stock Exchange of Hong Kong Limited as follows:

Date of repurchase	Number of ordinary shares of HK\$0.04 each '000	Price per share		Aggregate consideration paid (excluding transaction costs) HK\$'000	Transaction costs HK\$'000
		Highest HK\$	Lowest HK\$		
29 December 2023	1,700	0.35	0.35	595	2
2 January 2024	1,250	0.36	0.36	447	1
3 January 2024	320	0.37	0.37	117	—*
4 January 2024	1,144	0.38	0.37	418	1
5 January 2024	902	0.37	0.36	328	1
8 January 2024	264	0.36	0.36	94	—*
9 January 2024	352	0.36	0.35	123	—*
10 January 2024	592	0.35	0.33	199	—*
11 January 2024	438	0.34	0.33	146	—*
12 January 2024	1,148	0.36	0.35	401	1
15 January 2024	706	0.37	0.35	252	1
16 January 2024	1,612	0.37	0.35	577	1
17 January 2024	640	0.35	0.34	217	1
	11,068			3,914	9

The above ordinary shares were cancelled on 26 March 2024.

* The amount is less than HK\$1,000.

Save as disclosed above, none of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the current interim period.

15. COMMITMENTS

	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
Expenditure contracted for but not provided for in the condensed consolidated financial statements		
— additions in properties under development for sale	4,275,563	7,085,216
— capital contribution into a joint venture	44,335	45,330
	4,319,898	7,130,546

16. FINANCIAL GUARANTEE CONTRACTS AND CONTINGENT LIABILITIES**(a) Financial guarantee contracts**

	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
Guarantees given to banks in respect of banking facilities utilised by:		
— property buyers	861,398	1,475,737
— a joint venture	105,919	114,279
	967,317	1,590,016

16. FINANCIAL GUARANTEE CONTRACTS AND CONTINGENT LIABILITIES (CONTINUED)

(a) Financial guarantee contracts (continued)

Guarantees given to banks in respect of banking facilities utilised by property buyers

The Group entered into agreements with certain banks with respect to mortgage loans provided to buyers of the Group's property units and made deposits as security to and gave guarantees on mortgage loans provided to the buyers by these banks under the agreements. The management of the Group considers that the possibility of default of repayment of the mortgage loans by the relevant buyers is remote and, in case of default, the net realisable value of the related properties withheld by the Group can recover the repayment of the outstanding mortgage principals together with the accrued interests and penalties. Accordingly, no ECL under HKFRS 9 "Financial Instruments" has been made in the condensed consolidated financial statements for these guarantees.

Guarantee given to a bank in respect of banking facilities utilised by a joint venture of the Group

The Group entered into an agreement with a bank to provide a corporate guarantee with respect to the bank borrowing granted to a joint venture of the Group. As at 30 June 2024, the maximum liability of the Group under such guarantee was the outstanding amount of the bank borrowing to the joint venture of RMB98,441,000 (equivalent to HK\$105,919,000) (31 December 2023: RMB103,880,000 (equivalent to HK\$114,279,000)) which represents the Group's portion of the outstanding amount of the above bank borrowing granted to the joint venture.

In the opinion of the management of the Group, the fair values of the aforementioned financial guarantee contracts of the Group are insignificant at initial recognition. At the end of the reporting period, the management of the Group has performed impairment assessment, and concluded that there has been no significant increase in credit risk since initial recognition of these financial contracts. Accordingly, the loss allowance for these contracts issued by the Group is measured at an amount equal to 12-months ECL. No loss allowance was recognised in profit or loss during the six months ended 30 June 2024 and 2023 as the amount of the loss allowance was not significant.

(b) Contingent liabilities

In the opinion of the management of the Group, there were no material contingent liabilities of the Group which required a separate disclosure in the condensed consolidated financial statements for both periods.

17. RELATED PARTY TRANSACTIONS/BALANCES

- (i) Save as disclosed elsewhere in the condensed consolidated financial statements, the Group had the following significant transactions and balances with related parties:

Related parties	Nature of transactions/balances	As at/six months ended 30 June	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Entities controlled by SIHL	Management fee	(3,419)	(7,021)
	Property charges	—	(396)
	Rental income	1,269	—
	Rental expense	—	(1,176)
Associates	Property agency fee	(33)	—
	Management fee	—	(179)
Entities controlled by Xuhui SASAC	Management service income	8,839	2,135
	Interest expense on lease liabilities	(1,301)	—
	Lease liabilities (note)	131,763	—

Note: The Group entered into a property leasing agreement with Shanghai Huanyu Urban Investment and Development Co., Ltd, which is a company established in the PRC and wholly owned by Xuhui SASAC, for the lease of a property and certain car parking spaces where the Group as a lessee for a term of five years ending 30 April 2029. The Group has the right to extend the term for a further five years upon expiry. The Group has recognised an addition of right-of-use assets and lease liabilities of HK\$135,457,000 and HK\$135,457,000 respectively during the current interim period.

(ii) Compensation of key management personnel

The remuneration of key management personnel of the Group, including amounts paid to the directors of the Company during the period, is as follows:

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Short-term employee benefits	1,389	2,174

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

17. RELATED PARTY TRANSACTIONS/BALANCES (CONTINUED)

(iii) Government-related entities

The Group itself is part of a larger group of companies under SIIC Group (SIIC and its subsidiaries are collectively referred to as “SIIC Group”) which is controlled by the PRC government. The management of the Group considers that the Company is ultimately controlled by the PRC government and the Group operates in an economic environment currently predominated by entities controlled, jointly controlled or significantly influenced by the PRC government (“PRC Government Related Entities”). Apart from the transactions with the SIIC Group and Xuhui SASAC which have been disclosed above and in other notes to the condensed consolidated financial statements, the Group also conducts businesses with other PRC Government Related Entities in the ordinary course of business. The Group’s saving deposits, borrowings and other general banking facilities are placed or entered into with certain banks which are PRC Government Related Entities in its ordinary course of business. In view of the nature of those banking transactions, the management of the Group is of the opinion that separate disclosures would not be meaningful.

In addition, the Group has entered into various transactions, including sales, purchases and other operating expenses with other PRC Government Related Entities. In the opinion of the management of the Group, these transactions are considered as individually and collectively insignificant to the operation of the Group during the six months ended 30 June 2024 and 2023.

18. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

This note provides information about how the Group determines fair values of various financial assets.

Some of the Group’s financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group uses market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Group engages an independent qualified professional valuer to perform the valuation. The management of the Group works closely with the valuer to establish the appropriate valuation techniques and inputs to the model.

18. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis**

The Group's equity instruments at fair value through other comprehensive income ("FVTOCI") are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined.

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs
	30 June 2024 (unaudited)	31 December 2023 (audited)			
Equity instruments at FVTOCI	Listed equity securities in the PRC – HK\$22,898,000	Listed equity securities in the PRC – HK\$39,020,000	Level 1	Quoted bid prices in an active market	N/A
	Unlisted equity securities in the PRC – HK\$3,346,000	Unlisted equity securities in the PRC – HK\$4,545,000	Level 3	Adjusted net asset value method under cost approach	Discount factor of 3.22% (31 December 2023: 5%)

(ii) Reconciliation of Level 3 fair value measurement

	Unlisted equity securities classified as equity instruments at FVTOCI HK\$'000
At 1 January 2024	4,545
Change in fair value recognised in other comprehensive income	(1,107)
Exchange realignment	(92)
At 30 June 2024 (unaudited)	3,346

In the opinion of the management of the Group, there is no material change in fair value of unlisted equity instruments at FVTOCI during the six months ended 30 June 2024 and 2023. Besides, no material impact on the fair value of these instruments is expected if there is 5% increase or decrease of the discount factor. Therefore, no sensitivity analysis for these Level 3 instruments are presented.

There were no transfer between instruments in Level 1, 2 and 3 during the six months ended 30 June 2024 and 2023.

18. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**(iii) Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis**

The fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cashflow analysis.

The management of the Group considers that the carrying amounts of other financial assets and financial liabilities carried at amortised cost approximate their respective fair values.

19. DIVIDENDS

Dividends recognised as distribution during the period:

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
2023 final dividend declared — HK2.1 cents (2023: HK2.1 cents for year 2022)	100,389	100,621
2023 special dividend declared — HK0.8 cents (2023: HK0.9 cents for year 2022)	38,243	43,123
	138,632	143,744

A final dividend and a special dividend of HK2.1 cents (2023: HK2.1 cents) per ordinary share and HK0.8 cents (2023: HK0.9 cents) per ordinary share respectively, in an aggregate amount of HK\$138,632,000 (six months ended 30 June 2023: HK\$143,744,000), were declared and an amount of HK\$131,045,000 was paid during the six months ended 30 June 2024 (six months ended 30 June 2023: HK\$142,154,000).

No 2024 interim dividends were proposed during the six months ended 30 June 2024, nor has any dividend been proposed since the end of the reporting period.