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**时代中国**  
TIMES CHINA

**TIMES CHINA HOLDINGS LIMITED**

**時代中國控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1233)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

**INTERIM RESULTS HIGHLIGHTS**

- Contracted sales for the Period of RMB31.23 billion, representing an increase of 20.1% as compared with the corresponding period in 2018;
- Turnover for the Period of RMB15,942.5 million, representing an increase of 52.2% as compared with the corresponding period in 2018;
- Profit for the Period of RMB1,699.9 million, representing an increase of 49.7% as compared with the corresponding period in 2018;
- Profit attributable to the owners of the Company for the Period of RMB1,593.9 million, representing an increase of 34.6% as compared with the corresponding period in 2018;
- Core net profit attributable to the owners of the Company for the Period<sup>Note 1</sup> of RMB1,701.1 million, representing an increase of 43.8% as compared with the corresponding period in 2018;
- Gross profit margin and core net profit margin attributable to the owners of the Company for the Period of 32.5% and 10.7%, respectively; and
- Cash and bank balances of RMB25.78 billion as at 30 June 2019.

*Note 1: Excluding changes in fair value of self-owned investment properties, and net of the impact of related deferred tax, the premium paid on early redemption of senior notes, gain or loss incurred from bargain purchase or deemed disposals of subsidiaries, gains on remeasurement of the pre-existing interest in joint ventures and loss on impairment of goodwill.*

## RESULTS

The board (the “Board”) of directors (the “Directors”) of Times China Holdings Limited (“Times China” or the “Company”) is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2019 (the “Period”), together with the comparative figures for the corresponding period in 2018 as follows:

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2019*

	<i>Notes</i>	<b>Six months ended 30 June</b>	
		<b>2019</b>	2018
		<b><i>RMB'000</i></b> <b>(Unaudited)</b>	<i>RMB'000</i> (Unaudited)
<b>REVENUE</b>	5	<b>15,942,514</b>	10,476,533
Cost of sales		<b>(10,755,309)</b>	(7,520,867)
<b>GROSS PROFIT</b>		<b>5,187,205</b>	2,955,666
Other income and gains	5	<b>387,331</b>	650,577
Selling and marketing costs		<b>(545,585)</b>	(363,840)
Administrative expenses		<b>(720,482)</b>	(436,422)
Other expenses		<b>(332,142)</b>	(178,164)
Finance costs	7	<b>(432,188)</b>	(246,712)
Share of profits and losses of associates and joint ventures		<b>146,359</b>	(164,262)
<b>PROFIT BEFORE TAX</b>	6	<b>3,690,498</b>	2,216,843
Income tax expense	8	<b>(1,990,628)</b>	(1,081,535)
<b>PROFIT FOR THE PERIOD</b>		<b>1,699,870</b>	1,135,308
Attributable to:			
Owners of the Company		<b>1,593,874</b>	1,184,215
Non-controlling interests		<b>105,996</b>	(48,907)
		<b>1,699,870</b>	1,135,308

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2019

		Six months ended 30 June	
		2019	2018
		<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Unaudited)
		<i>Notes</i>	
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
Basic - for profit for the period	9	<b>RMB85 cents</b>	RMB65 cents
Diluted - for profit for the period	9	<b>RMB85 cents</b>	RMB65 cents
<b>PROFIT FOR THE PERIOD</b>		<b>1,699,870</b>	1,135,308
<b>OTHER COMPREHENSIVE LOSS</b>			
Other comprehensive loss may be reclassified to profit or loss in subsequent periods:			
Share of other comprehensive loss of a joint venture		(730)	(9,425)
Exchange differences on translation of foreign operations		(48,838)	(125,109)
Net other comprehensive loss may be reclassified to profit or loss in subsequent periods		(49,568)	(134,534)
Other comprehensive (loss)/income will not be reclassified to profit or loss in subsequent periods:			
Net (loss)/gain on equity instruments designated at fair value through other comprehensive income		(4,595)	5,413
Net other comprehensive (loss)/income will not be reclassified to profit or loss in subsequent periods:		(4,595)	5,413
<b>OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX</b>		<b>(54,163)</b>	(129,121)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>1,645,707</b>	1,006,187
Attributable to:			
Owners of the Company		1,539,711	1,055,094
Non-controlling interests		105,996	(48,907)
		<b>1,645,707</b>	1,006,187

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*As at 30 June 2019*

	<b>30 June 2019</b>	31 December 2018
<i>Notes</i>	<b><i>RMB'000</i></b> <b>(Unaudited)</b>	<b><i>RMB'000</i></b> <b>(Audited)</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	<b>1,786,068</b>	1,549,786
Investment properties	<b>2,364,285</b>	1,336,299
Prepaid land lease payments	<b>1,499,892</b>	1,476,969
Other right-of-use assets	<b>88,505</b>	–
Goodwill	<b>339,193</b>	441,850
Other intangible assets	<b>160,486</b>	152,605
Interests in joint ventures	<b>6,692,403</b>	4,668,550
Interests in associates	<b>486,491</b>	488,602
Equity instruments at fair value through other comprehensive income	<b>435,487</b>	424,828
Deferred tax assets	<b>1,298,559</b>	1,092,131
Prepayments	<b>4,987,036</b>	1,481,000
Total non-current assets	<b>20,138,405</b>	13,112,620
<b>CURRENT ASSETS</b>		
Prepaid land lease payments	<b>3,031,080</b>	1,808,450
Properties under development	<b>41,011,610</b>	40,432,457
Completed properties held for sale	<b>8,830,370</b>	8,436,443
Trade receivables	<b>4,556,094</b>	4,889,684
Contract cost	<b>440,636</b>	216,567
Prepayments, deposits and other receivables	<b>31,153,988</b>	25,169,513
Financial asset at fair value through profit or loss	<b>220,500</b>	220,500
Amounts due from joint ventures	<b>7,593,604</b>	5,017,516
Amounts due from associates	<b>1,390,716</b>	1,094,766
Tax prepayments	<b>1,263,616</b>	1,227,953
Restricted bank deposits	<b>3,784,716</b>	4,051,526
Cash and cash equivalents	<b>21,997,872</b>	23,374,181
Total current assets	<b>125,274,802</b>	115,939,556

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*(continued)*  
*As at 30 June 2019*

		<b>30 June 2019</b>	31 December 2018
	<i>Notes</i>	<b><i>RMB'000</i> (Unaudited)</b>	<i>RMB'000</i> (Audited)
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	12	<b>9,109,356</b>	8,520,818
Lease liabilities		<b>41,558</b>	–
Other payables and accruals		<b>18,916,640</b>	11,749,129
Contract liabilities		<b>21,204,380</b>	19,028,629
Amounts due to joint ventures		<b>4,175,431</b>	3,417,681
Interest-bearing bank and other borrowings		<b>10,029,716</b>	7,311,784
Tax payable		<b>4,837,641</b>	4,557,264
Total current liabilities		<b>68,314,722</b>	54,585,305
<b>NET CURRENT ASSETS</b>		<b>56,960,080</b>	61,354,251
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>77,098,485</b>	74,466,871
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		<b>1,126,066</b>	–
Interest-bearing bank and other borrowings		<b>40,090,706</b>	40,319,161
Other long-term payables		<b>140,061</b>	162,603
Deferred tax liabilities		<b>1,380,184</b>	1,688,915
Total non-current liabilities		<b>42,737,017</b>	42,170,679
Net assets		<b>34,361,468</b>	32,296,192
<b>EQUITY</b>			
Equity attributable to owners of the Company			
Share capital		<b>154,528</b>	145,260
Reserves		<b>17,529,749</b>	16,806,843
		<b>17,684,277</b>	16,952,103
Non-controlling interests		<b>16,677,191</b>	15,344,089
Total equity		<b>34,361,468</b>	32,296,192

## **NOTES TO FINANCIAL STATEMENTS**

*For the six months ended 30 June 2019*

### **1. CORPORATE INFORMATION**

The Company was incorporated in the Cayman Islands on 14 November 2007 under the name of Times Property (Holdings) Co., Limited as an exempted company with limited liability under the Companies Law, Cap. 22 of the Cayman Islands. Pursuant to a special resolution passed on 24 January 2008, the Company's name was changed from Times Property (Holdings) Co., Limited to Times Property Holdings Limited. Pursuant to a special resolution passed on 15 January 2018, the Company's name was changed from Times Property Holdings Limited to Times China Holdings Limited. The registered office address is P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands.

The Company is an investment holding company. During the six months ended 30 June 2019, the Company's subsidiaries were mainly involved in property development, urban redevelopment business, property leasing and property management in the People's Republic of China (the "PRC").

In the opinion of the Directors, the immediate holding company of the Company is Asiaciti Enterprises Ltd., which was incorporated in the British Virgin Islands ("BVI") and the ultimate holding company is Renowned Brand Investments Limited ("Renowned Brand"), which was incorporated in BVI. Renowned Brand is wholly owned by Mr. Shum Chiu Hung ("Mr. Shum"), the founder of the Group.

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 11 December 2013.

### **2. BASIS OF PREPARATION**

The interim condensed consolidated financial information for the six months ended 30 June 2019 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange and International Accounting Standard 34 *Interim Financial Reporting*.

This interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2018.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018, except for the adoption of new and revised International Financial Reporting Standards ("IFRSs") effective as of 1 January 2019.

Amendments to IFRS 9	<i>Prepayment Features with Negative Compensation</i>
IFRS 16	<i>Leases</i>
Amendments to IAS 19	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to IAS 28	<i>Long-term Interests in Associates and Joint Ventures</i>
IFRIC 23	<i>Uncertainty over Income Tax Treatments</i>
<i>Annual Improvements</i> <i>2015–2017 Cycle</i>	Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23

Other than as explained below regarding the impact of IFRS 16 *Leases*, the new and revised standards above will not have a material effect on this interim condensed consolidated financial information.

#### IFRS 16

IFRS 16 replaces IAS 17 *Leases*, IFRIC-Int 4 *Determining whether an Arrangement contains a Lease*, SIC-Int 15 *Operating Leases-Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have any financial impact on leases where the Group is the lessor.

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2019, and the comparative information for 2018 was not restated and continues to be reported under IAS 17.

#### *New definition of a lease*

Under IFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC-Int 4 at the date of initial application. Contracts that were not identified as leases under IAS 17 and IFRIC-Int 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their standard-alone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components (e.g., property management services for leases of properties) as a single lease component.

## *As a lessee – Leases previously classified as operating leases*

### *Nature of the effect of adoption of IFRS 16*

The Group has lease contracts for various items of property, office equipment, motor vehicles, leasehold land and buildings. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under IFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets (e.g., laptop computers and telephones); and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

### *Impacts on transition*

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019.

The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019. All these assets were assessed for any impairment based on IAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position. No lease assets were recognised under finance leases previously, thus no reclassification from property, plant and equipment upon the adoption of IFRS 16.

For the leasehold land and buildings (that were held to earn rental income) previously identified as operating leases, the Group included them as investment properties at 1 January 2019. They are measured at fair value applying IAS 40.

The Group has used the following elective practical expedients when applying IFRS 16 at 1 January 2019:

- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease

The impacts arising from the adoption IFRS 16 as at 1 January 2019 are as follows:

	<b>Increase</b>
	<b>RMB'000</b>
	<b>(Unaudited)</b>
<b>Assets</b>	
Increase in other right-of-use assets	94,764
Increase in prepayments, deposits and other receivables	36,648
Increase in investment properties	1,070,048
	<hr/>
Increase in total assets	1,201,460
	<hr/>
<b>Liabilities</b>	
Increase in lease liabilities	1,183,136
	<hr/>
Increase in total liabilities	1,183,136
	<hr/>
Increase in retained earnings	18,324
	<hr/>
The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 is as follows:	
	<i>RMB'000</i>
	<i>(Unaudited)</i>
<b>Operating lease commitments as at 31 December 2018</b>	2,897,886
Weighted average incremental borrowing rate as at 1 January 2019	8.48%
	<hr/>
Discounted operating lease commitments at 1 January 2019	1,198,512
<b>Less:</b>	
Commitments relating to short-term leases and those leases with a remaining lease term ending on or before 31 December 2019	9,955
Commitments relating to leases of low-value assets	5,421
	<hr/>
<b>Lease liabilities as at 1 January 2019</b>	1,183,136
	<hr/>

### ***Summary of new accounting policies***

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 December 2018 is replaced with the following new accounting policies upon adoption of IFRS 16 from 1 January 2019:

#### ***Right-of-use assets***

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. When the right-of-use assets relate to interests in leasehold land held as inventories, they are subsequently measured at the lower of cost and net realisable value in accordance with the Group's policy for "inventories". The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term. When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for 'investment properties'.

#### ***Lease liabilities***

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

#### ***Significant judgement in determining the lease term of contracts with renewal options***

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

***Amounts recognised in the interim condensed consolidated statement of financial position and profit or loss***

The carrying amounts of the Group's other right-of-use assets and lease liabilities, and the movement during the period are as follow:

	<b>Other right-of-use assets</b>				<b>Investment properties</b>	<b>Lease liabilities</b>
	<b>Office equipment</b>	<b>Motor vehicles</b>	<b>Buildings</b>	<b>Sub-total</b>		
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>As at 1 January 2019</b>	113	3,275	91,376	94,764	1,070,048	1,183,136
Additions	254	91	5,554	5,899	–	5,899
Acquisition of subsidiaries	–	–	–	–	–	10,089
Depreciation charge	(61)	(585)	(11,512)	(12,158)	–	–
Interest expense	–	–	–	–	–	48,537
Decrease in fair value	–	–	–	–	(16,719)	–
Payments	–	–	–	–	–	(80,037)
<b>As at 30 June 2019</b>	<b>306</b>	<b>2,781</b>	<b>85,418</b>	<b>88,505</b>	<b>1,053,329</b>	<b>1,167,624</b>

The Group recognised rental expenses from short-term leases of RMB9,653,000 and leases of low-value assets of RMB1,661,000, no variable lease payments and rental income from sub-lease right-of-use assets, which were subsequently transferred to investment properties, of RMB191,597,000 for the six months ended 30 June 2019.

#### **4. OPERATING SEGMENT INFORMATION**

For management purposes, the Group is organised into the following reportable operating segments:

- (a) Property development: Development and sale of properties
- (b) Urban redevelopment business: Sale of land held for development and other related activities
- (c) Property leasing: Property leasing (including lease of self-owned properties and sub-lease of leased properties)
- (d) Property management: Provision of property management services

The property development projects undertaken by the Group during the six months ended 30 June 2019 are all located in Mainland China.

During the six months ended 30 June 2019 and 30 June 2018, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue.

Six months ended 30 June 2019 (Unaudited)	Property development RMB'000	Urban redevelopment business RMB'000	Property leasing RMB'000	Property management RMB'000	Elimination RMB'000	Total RMB'000
<b>Segment revenue</b>						
Sales to external customers	14,763,319	641,124	205,427	332,644	–	15,942,514
Intersegment sales	10,236	–	22,852	106,439	(139,527)	–
	14,773,555	641,124	228,279	439,083	(139,527)	15,942,514
<b>Segment results</b>	3,245,920	533,879	97,746	40,110	–	3,917,655
<i>Reconciliation:</i>						
Bank interest income						158,786
Unallocated corporate expenses						(100,114)
Finance costs						(432,188)
Share of profits and losses of associates and joint ventures						146,359
Profit before tax						3,690,498
<b>Six months ended 30 June 2018 (Unaudited)</b>		<b>Property development RMB'000</b>	<b>Property leasing RMB'000</b>	<b>Property management RMB'000</b>	<b>Elimination RMB'000</b>	<b>Total RMB'000</b>
<b>Segment revenue</b>						
Sales to external customers		10,125,896	160,193	190,444	–	10,476,533
Intersegment sales		637,102	17,119	84,359	(738,580)	–
		10,762,998	177,312	274,803	(738,580)	10,476,533
<b>Segment results</b>		2,740,551	30,561	23,360	–	2,794,472
<i>Reconciliation:</i>						
Bank interest income						62,906
Gain on disposal of an equity instrument at fair value through other comprehensive income ("FVOCI")						1,038
Unallocated corporate expenses						(230,599)
Finance costs						(246,712)
Share of profits and losses of associates and joint ventures						(164,262)
Profit before tax						2,216,843

The following table presents the asset information of the Group's operating segments as at 30 June 2019 and 31 December 2018, respectively.

<u>As at 30 June 2019</u> (Unaudited)	<u>Property development</u> <i>RMB'000</i>	<u>Urban redevelopment business</u> <i>RMB'000</i>	<u>Property leasing</u> <i>RMB'000</i>	<u>Property management</u> <i>RMB'000</i>	<u>Elimination</u> <i>RMB'000</i>	<u>Total</u> <i>RMB'000</i>
Segment assets	86,035,076	9,451,287	3,971,333	785,876	–	100,243,572
<i>Reconciliation:</i> Unallocated assets						<u>45,169,635</u>
Total assets						<u>145,413,207</u>
<u>As at 31 December 2018</u> (Audited)						
Segment assets	76,298,588	7,762,244	2,807,154	520,829	–	87,388,815
<i>Reconciliation:</i> Unallocated assets						<u>41,663,361</u>
Total assets						<u>129,052,176</u>

The following table presents the liability information of the Group's operating segments as at 30 June 2019 and 31 December 2018, respectively.

<u>As at 30 June 2019</u> (Unaudited)	<u>Property development</u> <i>RMB'000</i>	<u>Urban redevelopment business</u> <i>RMB'000</i>	<u>Property leasing</u> <i>RMB'000</i>	<u>Property management</u> <i>RMB'000</i>	<u>Elimination</u> <i>RMB'000</i>	<u>Total</u> <i>RMB'000</i>
Segment liabilities	45,863,075	990,351	1,949,255	536,496	–	49,339,177
<i>Reconciliation:</i> Unallocated liabilities						<u>61,712,562</u>
Total liabilities						<u>111,051,739</u>
<u>As at 31 December 2018</u> (Audited)						
Segment liabilities	36,889,809	944,665	452,632	267,754	–	38,554,860
<i>Reconciliation:</i> Unallocated liabilities						<u>58,201,124</u>
Total liabilities						<u>96,755,984</u>

## 5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Six months ended 30 June	
	2019	2018
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
<i>Revenue from contracts with customers</i>		
Sale of properties	14,763,319	10,125,896
Urban redevelopment business	641,124	–
Property management fee income	332,644	190,444
<i>Revenue from other sources</i>		
Gross rental income from:		
Lease of self-owned properties	13,830	19,562
Sub-lease of leased properties	191,597	140,631
	<b>15,942,514</b>	<b>10,476,533</b>

### Disaggregated revenue information for revenue from contracts with customers

#### For the six months ended 30 June 2019

Segments	Property development	Urban redevelopment business	Property management	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Type of goods or services</b>				
Sale of properties	14,763,319	–	–	14,763,319
Urban redevelopment income	–	641,124	–	641,124
Property management fee income	–	–	332,644	332,644
<b>Total revenue from contracts with customers</b>	<b>14,763,319</b>	<b>641,124</b>	<b>332,644</b>	<b>15,737,087</b>
<b>Geographical markets:</b>				
Mainland China	14,763,319	641,124	332,644	15,737,087
<b>Timing of revenue recognition</b>				
Goods transferred at a point in time	14,763,319	641,124	–	15,404,443
Services transferred over time	–	–	332,644	332,644
<b>Total revenue from contracts with customers</b>	<b>14,763,319</b>	<b>641,124</b>	<b>332,644</b>	<b>15,737,087</b>

Set out below is the reconciliation of the revenue from contracts with customer with the amounts disclosed in the segment information for the six months ended 30 June 2019:

<b>Segments</b>	<b>Property development</b>	<b>Urban redevelopment business</b>	<b>Property management</b>	<b>Total</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Revenue</b>				
Sales to external customers	14,763,319	641,124	332,644	15,737,087
Intersegment sales	10,236	–	106,439	116,675
	14,773,555	641,124	439,083	15,853,762
Eliminations	(10,236)	–	(106,439)	(116,675)
<b>Total revenue from contracts with customers</b>	<b>14,763,319</b>	<b>641,124</b>	<b>332,644</b>	<b>15,737,087</b>

**For the six months ended 30 June 2018**

<b>Segment</b>	<b>Property development</b>	<b>Property management</b>	<b>Total</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Type of goods or services</b>			
Sale of properties	10,125,896	–	10,125,896
Property management fee income	–	190,444	190,444
<b>Total revenue from contracts with customers</b>	<b>10,125,896</b>	<b>190,444</b>	<b>10,316,340</b>
<b>Geographical markets:</b>			
Mainland China	10,125,896	190,444	10,316,340
<b>Timing of revenue recognition</b>			
Goods transferred at a point in time	10,125,896	–	10,125,896
Services transferred over time	–	190,444	190,444
<b>Total revenue from contracts with customers</b>	<b>10,125,896</b>	<b>190,444</b>	<b>10,316,340</b>

Set out below is the reconciliation of the revenue from contracts with customer with the amounts disclosed in the segment information for the six months ended 30 June 2018:

<b>Segment</b>	<b>Property development</b>	<b>Property management</b>	<b>Total</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
<b>Revenue</b>			
Sales to external customers	10,125,896	190,444	10,316,340
Intersegment sales	637,102	84,359	721,461
	<u>          </u>	<u>          </u>	<u>          </u>
Eliminations	(637,102)	(84,359)	(721,461)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total revenue from contracts with customers</b>	<b><u>10,125,896</u></b>	<b><u>190,444</u></b>	<b><u>10,316,340</u></b>

An analysis of the Group's other income and gains is as follows:

	<b>Six months ended 30 June</b>	
	<b>2019</b>	<b>2018</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<u><i>Other income</i></u>		
Bank interest income	<b>158,786</b>	62,906
Interest income from third parties and joint ventures	<b>8,404</b>	58,037
Management fee income	<b>57,759</b>	6,572
Compensation income	<b>24,396</b>	96,053
Write-off of trade payables	<b>49,816</b>	–
Others	<b>55,846</b>	22,802
	<u>          </u>	<u>          </u>
	<b>355,007</b>	246,370
	<u>          </u>	<u>          </u>
<u><i>Gains, net</i></u>		
Gain on partial disposal of interest in a joint venture without loss of joint control	–	234,927
Remeasurement of the pre-existing interests in the joint ventures	–	134,010
Gain on bargain purchases of subsidiaries	–	9,224
Gain on disposal of an equity instrument at FVOCI	–	1,038
Gain on deemed disposal of subsidiaries	<b>9,766</b>	–
Fair value gains on investment properties	<b>11,023</b>	15,560
Gain on disposal of financial assets at fair value through profit or loss	<b>1,263</b>	–
Foreign exchange gain, net	<b>10,272</b>	9,448
	<u>          </u>	<u>          </u>
	<b>32,324</b>	404,207
	<u>          </u>	<u>          </u>
	<b>387,331</b>	650,577
	<u>          </u>	<u>          </u>

## 6. PROFIT BEFORE TAX

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

	<b>Six months ended 30 June</b>	
	<b>2019</b>	<b>2018</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Cost of properties sold	<b>10,350,654</b>	7,281,991
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	<b>4,325</b>	3,778
Direct operating expenses (including rental and depreciation of leasehold improvements) arising on subleasing business	<b>61,738</b>	85,067
Cost of urban redevelopment business	<b>96,524</b>	–
Cost of property management services provided	<b>242,068</b>	150,031
	<b>10,755,309</b>	7,520,867
Depreciation of property, plant and equipment	<b>83,072</b>	55,544
Depreciation of other right-of-use assets	<b>12,158</b>	–
Amortisation of other intangible assets	<b>8,769</b>	5,121
Changes in fair value of self-owned investment properties	<b>(11,023)</b>	(15,560)
Employee benefit expense (including directors' remuneration):		
Wages and salaries	<b>599,029</b>	463,030
Pension scheme contributions	<b>82,101</b>	38,592
Less: Amount capitalised in properties under development	<b>(245,239)</b>	(226,571)
	<b>435,891</b>	275,051
Minimum lease payments under operating leases regarding office premises and leased properties for subleasing business	<b>1,683</b>	74,371
Foreign exchange difference, net	<b>(10,272)</b>	(9,448)
Loss on disposal of items of property, plant and equipment	<b>96</b>	8,091
Gain on deemed disposal of subsidiaries	<b>(9,766)</b>	–
Premium paid on early redemption of a senior note	–	102,002
Gain on bargain purchase of subsidiaries	–	(9,224)
Gain on partial disposal of interest in a joint venture without loss of joint control	–	(234,927)
Reassessment of the pre-existing interests in joint ventures	–	(134,010)
Gain on disposal of an equity instrument at FVOCI	–	(1,038)
Impairment losses on financial assets	<b>18,531</b>	–
Impairment of goodwill	<b>124,268</b>	–

## 7. FINANCE COSTS

	<b>Six months ended 30 June</b>	
	<b>2019</b>	<b>2018</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest expense	<b>2,152,279</b>	1,443,109
Less: Interest capitalised	<b>(1,720,091)</b>	(1,196,397)
	<b>432,188</b>	246,712

## 8. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and BVI, the entities of the Group which were incorporated in the Cayman Islands and BVI are not subject to any income tax. The Group was not liable for income tax in Hong Kong as the Group did not have any assessable income currently arising in Hong Kong during the six months ended 30 June 2019.

### PRC corporate income tax

The PRC corporate income tax (“CIT”) in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the six months ended 30 June 2019, based on the existing legislation, interpretations and practices in respect thereof.

### PRC land appreciation tax

According to the requirements of the Provisional Regulations of the PRC on Land Appreciation Tax (“LAT”) (中華人民共和國土地增值稅暫行條例) effective from 1 January 1994 and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例實施細則) effective from 27 January 1995, all income from the sale or transfer of state-owned land use rights and buildings in the PRC (being the proceeds from sales of properties less deductible expenditures including borrowing costs and property development expenditures) is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation of land value 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.

During the period, the Group estimated and made provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects and the LAT determined by the tax authorities might be different from the basis on which the provision for LAT is calculated.

	Six months ended 30 June	
	2019	2018
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current:		
CIT	1,320,820	834,057
LAT	1,249,518	537,527
Deferred	(579,710)	(290,049)
Total tax charge for the period	<u>1,990,628</u>	<u>1,081,535</u>

## 9 EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares of 1,870,812,000 (six months ended 30 June 2018: 1,833,817,000) in issue during the period. There were no dilutive potential ordinary shares during six months ended 30 June 2019 and 2018.

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
Profit attributable to ordinary equity holders of the Company (RMB'000)	<b>1,593,874</b>	1,184,215
Weighted average number of ordinary shares in issue (in thousand)	<b>1,870,812</b>	1,833,817
Basic and diluted earnings per share (RMB cents per share)	<b>85</b>	65

## 10. DIVIDENDS

The proposed 2018 final dividend of RMB68.77 cents per share, totalling RMB1,335,388,000, was approved by the Company's shareholders at the annual general meeting on 17 May 2019. It was recorded in "other payables and accruals" in the unaudited interim condensed consolidated statement of financial position and was subsequently distributed in July 2019.

The board of directors has resolved not to pay an interim dividend for the six months ended 30 June 2019 (six months ended 30 June 2018: nil).

## 11. TRADE RECEIVABLES

The Group's trade receivables mainly arise from the sale of completed properties. Considerations in respect of the properties sold are payable by the purchasers in accordance with the terms of the related sale and purchase agreements. Trade receivables are interest-free.

	<b>30 June 2019</b>	31 December 2018
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Trade receivables	<b>4,588,831</b>	4,909,890
Less: allowance for credit losses	<b>(32,737)</b>	(20,206)
	<b><u>4,556,094</u></b>	<u>4,889,684</u>

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

	<b>30 June 2019</b>	31 December 2018
	<b><i>RMB'000</i></b> <b>(Unaudited)</b>	<i>RMB'000</i> (Audited)
Within 3 months	<b>2,191,747</b>	3,381,960
4 to 6 months	<b>42,377</b>	32,013
7 to 12 months	<b>1,583,212</b>	369,821
Over 1 year	<b>738,758</b>	1,105,890
	<b><u>4,556,094</u></b>	<u>4,889,684</u>

## 12. TRADE AND BILLS PAYABLES

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

	<b>30 June 2019</b>	31 December 2018
	<b><i>RMB'000</i></b> <b>(Unaudited)</b>	<i>RMB'000</i> (Audited)
Within 1 year	<b>8,584,763</b>	8,057,054
Over 1 year	<b>524,593</b>	463,764
	<b><u>9,109,356</u></b>	<u>8,520,818</u>

The trade and bills payables are unsecured, non-interest-bearing and repayable within the normal operating cycle or on demand.

The carrying amounts of trade and bills payables approximate to their fair values due to their short-term maturity.

## BUSINESS REVIEW

### Overview

For the six months ended 30 June 2019, the Group recorded a revenue of RMB15,942.5 million, representing an increase of 52.2% when compared with the same period for the six months ended 30 June 2018. Profit for the six months ended 30 June 2019 amounted to RMB1,699.9 million, representing an increase of 49.7% when compared with that for the six months ended 30 June 2018. The core net profit for the six months ended 30 June 2019 (excluding changes in fair value of self-owned investment properties, and net of the impact of related deferred tax, the premium paid on early redemption of senior notes, gain or loss incurred from bargain purchase or deemed disposals of subsidiaries, gains on remeasurement of the pre-existing interest in joint ventures and loss on impairment of goodwill) increased to RMB1,806.1 million, representing an increase of 66.9% when compared with that for the six months ended 30 June 2018. Profit attributable to the owners of the Company amounted to RMB1,593.9 million, representing an increase of 34.6% as compared to that for the six months ended 30 June 2018. Basic earnings per share and diluted earnings per share for the six months ended 30 June 2019 were RMB85 cents (for the six months ended 30 June 2018: RMB65 cents) and RMB85 cents (for the six months ended 30 June 2018: RMB65 cents), respectively.

### *Property Development*

The Group focuses on the major core cities in the Pearl River Delta area. As at 30 June 2019, the Group had 120 major projects in various stages in total, including 113 projects in major cities of Guangdong Province, namely Guangzhou, Foshan, Jiangmen, Dongguan, Huizhou, Zhuhai, Zhongshan, Qingyuan, Zhaoqing, Shantou, Shanwei and Heyuan, 4 projects in Changsha, Hunan Province, 2 projects in Chengdu, Sichuan Province and 1 project in Hangzhou, Zhejiang Province. For the six months ended 30 June 2019, the Group's contracted sales<sup>(1)</sup> amounted to approximately RMB31.23 billion with a total GFA of approximately 2,064,000 sq.m.. The Group focuses on its projects in respect of peripheral facilities, seeking to enrich customers' experience in art and to fulfill needs of the middle to upper class households.

*Note 1:* Contracted sales is summarised based on sale and purchase agreements and purchase confirmation agreements.

The table below illustrates the contracted sales achieved by the Group by region for the six months ended 30 June 2019:

<b>Project</b>	<b>Available for sale project numbers</b>	<b>Aggregate saleable area this year (sq. m.)</b>	<b>Aggregate sales amount this year (RMB million)</b>	<b>Aggregate average sales price this year (RMB/sq.m.)</b>
Guangzhou	20	442,000	9,539	21,581
Foshan	21	536,000	8,566	15,981
Jiangmen	5	83,000	671	8,084
Zhuhai	15	227,000	4,384	19,313
Zhongshan	7	140,000	1,631	11,650
Qingyuan	14	259,000	2,478	9,568
Changsha	6	242,000	2,078	8,587
Huizhou	3	68,000	654	9,618
Dongguan	6	67,000	1,229	18,343
<b>Total</b>	<b>97</b>	<b>2,064,000</b>	<b>31,230</b>	<b>15,131</b>

#### *Urban redevelopment business*

For the six months ended 30 June 2019, the Group's new income from urban redevelopment business amounted to RMB641.1 million. The income was mainly generated from the Finance City Project and the Lishuizhou Village Project.

#### *Properties for Leasing and Sub-leasing*

As at 30 June 2019, the Group held a GFA of approximately 46,138 sq.m. and 204 car parking spaces at Times Property Center and a GFA of approximately 37,567 sq.m. at Block No. 26 of Times King City (Zhongshan) for rental purposes, and the GFA for Guangzhou Times Commercial Management Co., Ltd. and its subsidiary for sub-leasing purposes was approximately 468,268 sq.m.. For the six months ended 30 June 2019, the Group's rental income amounted to RMB205.4 million, attributable to 1.3% of its total revenue.

#### *Property Management Services*

Property management fee income represents revenue generated from property management services provided in relation to properties delivered. For the six months ended 30 June 2019, the Group provided property management services for 210 project phases. The Group's revenue from property management services increased from RMB190.4 million for the six months ended 30 June 2018 to RMB332.6 million for the six months ended 30 June 2019. This increase was primarily due to the increase in the number of project phases managed by the Group as it delivered the properties during the six months ended 30 June 2019.

## Land Reserves

As at 30 June 2019, the Group had total land reserves of approximately 23.1 million sq.m., which the Group believes will be sufficient to support its development need for the next three to five years. The table below sets forth the information on land reserves in major cities that the Group has established footholds:

Region	Total land reserves	
	(sq.m.)	(%)
Guangzhou	3,593,574	15.6
Foshan	2,911,403	12.6
Jiangmen	2,779,972	12.0
Zhuhai	815,687	3.5
Zhongshan	1,396,574	6.1
Qingyuan	5,860,752	25.4
Changsha	1,837,302	8.0
Dongguan	1,024,587	4.4
Huizhou	1,244,926	5.4
Chengdu	279,949	1.2
Zhaoqing	682,196	3.0
Shantou	186,965	0.8
Shanwei	159,938	0.7
Hangzhou	92,587	0.4
Heyuan	209,067	0.9
Total	<u>23,075,479</u>	<u>100.0</u>

The following table sets forth the GFA breakdown of the Group's land reserves by planned use as at 30 June 2019:

Planned Use	Total land reserves	
	(sq.m.)	(%)
Residential	14,711,682	63.8
Commercial	1,805,580	7.8
Others ( <i>Note</i> )	<u>6,558,217</u>	<u>28.4</u>
Total	<u>23,075,479</u>	<u>100.0</u>

*Note:* Mainly comprises car parks and ancillary facilities.

## PORTFOLIO OF PROPERTY DEVELOPMENT PROJECTS

The table below is a summary of the portfolio of property development projects as at 30 June 2019<sup>(1)</sup>:

Project	Project type	Actual/ expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
<b>Guangzhou</b>								
Times Bund	Residential and commercial	2013-2016	92,123	–	30,520	–	–	99
Ocean Times	Residential and commercial	2011-2015	354,156	11,325	23,170	–	–	91
Guangzhou Tianhe Project (Pige Factory Project)	Industrial	Pending	–	–	–	–	–	70
Guangzhou Tiansi Project (Qingchu Shiliu Gang Project)	Industrial	Pending	–	–	–	–	–	42
Yun Du Hui	Apartment and commercial	2015	17,480	–	630	–	–	50
Times Cloud Atlas (Guangzhou)	Residential and commercial	2016	45,593	–	6,160	–	–	100
Times Bridges (Zengcheng)	Residential and commercial	2017	93,756	–	91,350	–	–	100
Times Centralpark Living (Guangzhou)	Residential and commercial	2017	70,648	–	74,199	–	–	100
Nansha Times Long Island Project	Residential and commercial	2016-2018	71,310	1,808	41,755	–	–	100
Times Cloud Port (Huadu)	Residential and commercial	2020	29,959	–	–	85,653	24,120	100
Times Park Laurel (Guangzhou)	Residential and commercial	2018	45,537	12,139	39,290	–	–	60
Times Aerobic City (Guangzhou)	Residential and commercial	2018	64,374	10,705	69,078	–	–	95
Huangpu Chemical	Commercial	2022	18,279	–	–	81,797	27,504	45
B2-2 land parcel, Sino-Singapore Knowledge City	Residential and commercial	2019	61,145	–	–	147,317	61,538	60
B2-1 land parcel, Sino-Singapore Knowledge City	Residential and commercial	2018-2019	103,890	5,853	35,589	5,304	36,748	60
Times Cambridge (Huadu)	Residential and commercial	2017-2018	31,665	11,162	18,392	–	–	100
Project of Shigang Road, Haizhu District	Residential and commercial	2021	20,211	–	–	33,356	51,512	70
Times Fairy Land	Residential and commercial	2019	20,076	9,046	–	–	17,483	91
Times Forture	Residential and commercial	2018	20,177	56,780	–	–	33,356	100
Times The Shore	Residential and commercial	2020	53,985	–	–	138,035	56,040	60
Project of Qinghe East Road, Panyu, Guangzhou	Residential and commercial	2021	27,256	–	–	83,600	37,485	31
Project of Chengaihui Xintang, Zengcheng, Guangzhou	Residential and commercial	2020	24,825	–	–	77,839	33,493	52
Tendering, Auction or Listing Project of Jiuhue Village (for the land parcel on the North), Times Realm (Guangzhou)	Residential and commercial	2020	90,976	–	–	281,144	147,451	51

Project	Project type	Actual/ expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
Tendering , Auction or Listing Project of Jiuhue Village (for the land parcel on the South), Times Realm (Guangzhou)	Residential and commercial	2021	31,509	–	–	98,138	52,970	70
Times City (Guangzhou)	Residential and commercial	2020-2022	178,038	–	–	521,357	237,313	100 <sup>(6)</sup>
Guangzhou Baiyun District Airport Committee Project Land Parcel I	Residential and commercial	2021	67,695	–	–	161,558	95,734	100
Guangzhou Baiyun District Airport Committee Project Land Parcel II	Residential and commercial	2021-2022	81,178	–	–	150,908	83,604	49 <sup>(6)</sup>
Guangzhou Huadu Pingbu Avenue Project Land Parcel	Residential and commercial	2021	44,385	–	–	119,179	63,087	25 <sup>(6)</sup>
<b>Foshan</b>								
Times King City (Shunde)	Residential and commercial	2016-2017	125,782	–	31,570	–	–	100
Times City (Foshan)	Residential and commercial	2010-2017	505,776	–	92,817	–	–	100
Times City (Foshan) Phases V and VI	Residential and commercial	2016	12,860	–	3,084	–	–	100
Times Cloud Atlas (Foshan)	Residential and commercial	2015-2016	58,149	–	23,870	–	–	100
Times King City (Foshan) Phase IV	Residential and commercial	2015	34,308	–	355	–	–	91
Goden Lotus (Foshan)	Residential and commercial	2017	20,464	–	2,310	–	–	100
Times Prime (Foshan)	Residential and commercial	2017	17,148	–	910	–	–	100
Times Riverbank (Foshan)	Residential and commercial	2017	64,697	–	15,805	–	–	100
Times The Shore (Foshan)	Residential and commercial	2017	51,457	–	7,753	–	–	100
Times Classic (Foshan)	Residential and commercial	2018	35,383	–	22,172	–	–	100
Times Riverbank (Foshan) Phase II	Residential and commercial	2018-2019	111,658	291,652	5,281	–	103,997	75
Ocean Times (Foshan) Phase I	Residential and commercial	2018	105,553	3,169	58,167	–	–	91
Timing Home	Residential and commercial	2019	40,794	–	–	141,030	40,677	51
Ocean Times (Foshan) Phase II	Residential and commercial	2019	89,927	–	–	289,509	69,038	60
Mt. Tittlis (Foshan)	Residential and commercial	2019	117,893	132,444	13,595	17,106	85,709	90
Project of Juxian, Nanshan, Sanshui, Foshan	Residential and commercial	2020	49,125	–	–	157,001	36,304	91
Project of Aoli Garden, Datang, Sanshui, Foshan	Residential and commercial	2018-2019	91,760	–	–	222,783	64,543	80
Project of Xinya, Nanhai, Foshan	Residential and commercial	2020	41,772	–	–	133,936	53,787	60

Project	Project type	Actual/ expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
Times Starry Mansion (Foshan)	Residential and commercial	2018-2019	37,835	110,140	42,356	–	–	75
Times Merchants Tianxi (Foshan)	Residential and commercial	2020	43,518	–	–	122,843	51,986	50
Times Realm (Foshan)	Residential and commercial	2021	67,579	–	–	209,543	75,776	70
Project of Yinghai Road, Sanshui, Foshan	Residential and commercial	2021	48,498	–	–	131,196	47,189	49 <sup>(6)</sup>
<b>Jiangmen</b>								
Times King City (Heshan)	Residential and commercial	2019-2020	120,804	–	–	296,188	81,509	70
Lake Forest	Residential and commercial	2019-2020	316,980	–	–	402,838	128,415	51
Central Park Living	Residential and commercial	2019	90,034	–	–	182,681	45,620	100
Project of Grace Spring Villa, Enping	Residential and commercial	2020	156,743	–	–	247,552	77,226	51
Times Horizon (Heshan)	Residential and commercial	2020-2021	49,735	–	–	130,526	36,969	90
Project of Left Bank Garden, Enping	Residential and commercial	2020	22,248	–	–	47,568	14,964	51
Central Park Living (Heshan) Phase II	Residential and commercial	2020	119,153	–	–	271,872	64,938	91
Times Elegance (Heshan)	Residential and commercial	2020-2021	187,782	–	–	484,640	135,055	51
Times King City (Jiangmen)	Residential and commercial	2020	34,674	–	–	98,606	32,805	51
<b>Zhuhai</b>								
Eolia City (Zhuhai) Phase VI	Residential and commercial	2013-2014	51,003	–	525	–	–	100
Times Harbor (Zhuhai)	Residential and commercial	2015	81,393	–	8,750	–	–	100
Times King City (Zhuhai) Phase I	Residential and commercial	2015	52,950	–	6,615	–	–	100
Times King City (Zhuhai) Phases II, III and IV	Residential and commercial	2016-2017	198,204	–	3,708	–	–	100
The Shore (Zhuhai)	Residential and commercial	2016-2017	119,169	–	41,160	–	–	100
Baoli Xiangbin Huayuan Project	Residential and commercial	2017	77,206	–	14,700	–	–	49
Zhuhai Baisheng	Industrial	Pending	100,331	–	–	–	–	100
West of Tin Ka Ping Secondary School, Zhuhai	Residential and commercial	2018	85,363	1,708	49,318	–	–	100
Times Eolia City (Zhuhai)	Residential and commercial	2018	53,963	–	37,971	–	–	60
Times King City (Zhuhai) Phase V	Residential and commercial	2018	17,791	–	13,112	–	–	80

Project	Project type	Actual/ expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
Top Plaza	Residential and commercial	2019-2021	60,138	10,903	20,600	185,366	64,708	50
West of Heyi Road (Middle), Baijiao Township, Doumen District, Zhuhai	Residential and commercial	2019	20,000	–	–	41,202	9,504	60
Times Horizon II	Residential and commercial	2019	11,393	–	–	29,179	8,353	50
Times Horizon III	Residential and commercial	2020	23,712	–	–	61,276	18,691	50
Times Horizon I	Residential	2020	9,540	–	–	24,054	6,693	38
Times Horizon IV	Residential and commercial	2019	48,432	–	–	115,367	42,224	38
<b>Zhongshan</b>								
Times King City (Zhongshan)	Residential and commercial	2013-2015	101,821	–	33,775	–	–	100
Times Cloud Atlas (Zhongshan)	Residential and commercial	2015-2016	46,667	–	567	–	–	100
Jin Sha Project (Zhongshan)	Residential and commercial	2020-2021	132,290	–	–	384,308	147,903	71
Royal City (Zhongshan)	Residential and commercial	2018-2021	104,430	118,687	–	190,337	97,225	49
Times Byland (Zhongshan)	Residential and commercial	2014-2021	54,725	27,716	10,287	59,393	7,639	19
Sanxi Village Project (Zhongshan)	Residential and commercial	2019	39,351	–	–	75,131	29,624	91
Baoyi Project (Zhongshan)	Residential and commercial	2020	26,256	–	–	61,926	21,234	100
Jieyue Project of TimesNorth Shore (Zhongshan)	Residential and commercial	2019	25,672	–	–	47,651	19,058	73
Guanfu Project of TimesNorth Shore (Zhongshan)	Residential and commercial	2020	24,328	–	–	45,308	18,805	73
<b>Qingyuan</b>								
Times King City (Qingyuan)	Residential and commercial	2014-2019	301,368	29,360	49,688	121,598	74,309	100
Times Garden (Qingyuan) Phase I	Residential and commercial	2016	70,650	–	33,086	–	–	100
Times Garden (Qingyuan) Phase II	Residential and commercial	2019-2020	84,440	22,666	–	109,397	77,926	100
Fogang Shilian Project	Residential and commercial	2026	551,087	–	–	1,090,746	43,896	100
Fogang Huanghua Lake Project	Residential and commercial	2020-2022	477,020	–	–	952,880	325,384	100
The Shore (Qingyuan) Jiada Feilai Lake Project	Residential and commercial	2021	91,127	–	–	331,466	103,810	100
The Shore (Qingyuan) Wanda West Project	Residential and commercial	2019	68,840	–	–	253,949	80,632	90
Times King City (Qingyuan) Phase IX (Heshun Project)	Residential and commercial	2019	42,214	–	–	159,513	51,740	100
Fogang Songfeng Project	Residential and commercial	2021	118,164	–	–	344,789	121,005	70

Project	Project type	Actual/ expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
Times The Shore II (Qingyuan)	Residential and commercial	2019-2021	133,102	–	–	474,037	154,928	100
Hengda Feilai Lake Project	Residential and commercial	2021	23,137	–	–	71,498	30,832	100
Feilai South Road Project (Qingyuan)								
Times Sweet (Qingyuan)	Residential and commercial	2019-2020	28,620	12,547	–	53,096	34,384	100
Xinteng Project (Qingyuan)	Residential and commercial	2020-2021	123,987	–	–	352,672	105,024	75
Project of Hengfeng (Qingyuan)	Residential and commercial	2021	53,164	–	–	143,663	50,231	100
<b>Changsha</b>								
Times King City (Changsha)	Residential and commercial	2013-2021	649,862	72,701	32,310	842,952	221,816	100
Times Prime (Changsha)	Residential and commercial	2020	48,017	–	–	145,292	39,197	55
Times Memory (Changsha)	Residential and commercial	2021	39,722	–	–	96,359	26,175	60
Times Mt. Tittlis (Meixi)	Residential and commercial	2021	71,041	–	–	296,954	63,546	60
<b>Dongguan</b>								
Times King City (Dongguan)	Residential and commercial	2018	55,792	3,578	26,837	–	–	52
Times Realm (Dongguan)	Residential and commercial	2018-2020	79,190	13,853	–	–	39,120	80
Times Thriving City (Dongguan)	Residential and commercial	2018-2020	42,519	87,556	–	–	20,515	100
Acquisition Project of Xiaohu Road, Daoqiang Town (Dongguan)	Residential and commercial	2019-2021	56,298	–	–	171,040	53,449	60
Project of Luwu Village, Changping Town (Dongguan)	Residential and commercial	2019-2020	26,345	–	–	79,901	23,791	17
Shipai Town Project (Dongguan)	Residential and commercial	2019-2020	95,977	–	–	227,193	58,817	13
Project of Douchizhou, Zhongtang Town, Dongguan	Residential and commercial	2020	22,451	–	–	68,952	21,245	91
Project of Land Parcel II of Douchizhou, Zhongtang Town, Dongguan	Residential and commercial	2021	38,096	–	–	95,170	33,570	49 <sup>(6)</sup>
<b>Huizhou</b>								
Desai Land Parcel of Gutang'ao	Residential and commercial	2019-2021	284,414	–	–	625,592	212,177	49
Golden Totus (Huizhou)	Residential and commercial	2019	23,459	–	–	77,092	25,796	80
Vantin Casa (Huizhou)	Residential and commercial	2019-2020	71,274	–	–	93,537	43,051	100

Project	Project type	Actual/ expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
Sanhe Road Housing Estate (Huizhou)	Residential and commercial	2021	62,000	–	–	120,863	46,818	80
<b>Chengdu</b>								
Times King City (Chengdu)	Residential and commercial	2020	30,429	–	–	62,534	25,362	100
Times Realm (Chengdu)	Residential and commercial	2021	38,338	–	–	127,669	64,384	100
<b>Zhaoqing</b>								
Times Bund (Zhaoqing)	Residential and commercial	2020	59,677	–	–	180,082	52,150	50
Project of Fenghuang Avenue, Zhaoqing New District	Residential and commercial	2021	51,385	–	–	182,544	44,749	100
Project of Yaosha Village, Zhenshan, Sihui City	Residential and commercial	2021	59,394	–	–	163,228	59,443	50 <sup>(6)</sup>
<b>Shantou</b>								
Times Prosperous Horizon (Shantou)	Residential and commercial	2020	36,230	–	–	137,743	49,222	50
<b>Shanwei</b>								
Times Riverbank (Haifeng)	Residential and commercial	2021	27,612	–	–	97,522	62,416	51 <sup>(7)</sup>
<b>Hangzhou</b>								
Project of Future Science and Technology City, Yuhang District, Hangzhou	Residential and commercial	2021	26,861	–	–	61,555	31,032	100
<b>Heyuan</b>								
Times King City (Heyuan)	Residential and commercial	2021	44,470	–	–	153,585	55,482	100
			<u>10,404,216</u>	<u>1,057,498</u>	<u>1,133,187</u>	<u>15,459,764</u>	<u>5,425,030</u>	

Notes:

- (1) The table above includes properties for which (i) the Group has obtained the relevant land use rights certificate(s), but has not obtained the requisite construction permits, or (ii) the Group has signed a land grant contract with the relevant government authority, but has not obtained the land use rights certificate(s). The figures for total and saleable GFA are based on figures provided in the relevant governmental documents, such as the property ownership certificates, the construction work planning permits, the pre-sale permits, the construction land planning permits or the land use rights certificate. The categories of information are based on our internal records.
- (2) Certain completed projects have no GFA available for sale by the Group as all saleable GFA have been sold, pre-sold or rented out.
- (3) “Other GFA” mainly comprises car parks and ancillary facilities.

- (4) “GFA for sale” and “GFA under development and GFA held for future development” are derived from the Group’s internal records and estimates.
- (5) “Ownership interest” is based on the Group’s effective ownership interest in the respective project companies.
- (6) As at 30 June 2019, the industrial and commercial registration for all ownership interests of Times City (Guangzhou); Guangzhou Baiyun District Airport Committee Project Land Parcel II; Guangzhou Huadu Pingdu Avenue Project Land Parcel; Project of Yinghai Road, Sanshui, Foshan; Project of Land Parcel II of Douchizhou, Zhongtang Town, Dongguan; and Project of Yaosha Village, Zhenshan, Sihui City has not been altered.
- (7) As at 30 June 2019, the acquisition of Times Riverbank (Haifeng) has not completed, and the closing of which was completed in July 2019.

### Acquisitions of land parcels for the six months ended 30 June 2019

The Group continued to expand its land reserves through various channels, including participations in public auctions, urban redevelopment projects, primary development, cooperation and acquisition.

For the six months ended 30 June 2019, the Group acquired 21 parcels of land in Guangzhou, Foshan, Jiangmen, Qingyuan, Changsha, Dongguan, Chengdu, Zhaoqing, Shantou, Shanwei, Hangzhou and Heyuan, and the land acquisition costs amounted to a total of approximately RMB18,759 million.

Location (City) of projects	Number of projects	Site area (sq.m.)	Expected total GFA (sq.m.)	Total land costs (RMB million)
Guangzhou	4	371,296	1,432,740	7,680
Foshan	2	116,077	463,704	2,583
Jiangmen	3	341,609	1,087,916	876
Qingyuan	1	53,164	193,894	421
Changsha	2	110,763	483,034	1,583
Dongguan	2	60,547	218,937	1,089
Chengdu	1	38,338	192,053	1,554
Zhaoqing	2	110,779	449,964	983
Shantou	1	36,230	186,965	319
Shanwei	1	27,612	159,938	100
Hangzhou	1	26,861	92,587	996
Heyuan	1	44,470	209,067	575
<b>Total</b>	<b>21</b>	<b>1,337,746</b>	<b>5,170,799</b>	<b>18,759</b>

## **Market Review**

During the six months ended 30 June 2019, the transaction volume in the real estate sector continued to grow at a slower growth rate. According to the data from the National Bureau of Statistics, the saleable area of commodities housing reached 757.86 million sq.m. nationwide, representing a year-on-year decrease of 1.8 percentage points. The transaction volume of commodities housing amounted to RMB7,069.8 billion, representing a year-on-year increase of 5.6%, with its growth rate down by 7.6 percentage points as compared with that of the corresponding period of last year. The industry policy is generally stable. Funds in the market were relatively loose resulting in an improvement of financing environment, as well as the stable increase of individual housing loan. Since the area of land supply for core cities had increased, the land market rebounded. According to the data by the China Index Academy, from January to June, the residential land supply in first-tier and second-tier cities nationwide grew year-on-year by 22%, representing 19 percentage points higher than the national level. The premium rate of residential land across 300 cities in China was 20%, representing 13 percentage points higher than that at the end of last year.

## **Prospects**

The Chinese economy will maintain its steady growth. Given that the monetary policy will remain ease and the fiscal policy will become more proactive, the effect of reduction on tax and charges will progressively work. The policies of real estate sector will remain stable with the government continuing to carry out targeted policy for different cities. Upholding the basic principle of “developing targeted policy for different cities”, China will continue to strengthen the capital management and control of the real estate market. Thus, the capital inflow of the real estate market will still be restricted. The transactions in the real estate industry generally remain stable with performance differentiated across regional markets.

The Group will ensure sustainable and robust development of its core business, proactively expanding our operations such as urban redevelopment, commerce, community services, households and education.

The value of core economic zone will be further highlighted, with continuous population inflow and further infrastructure improvement, offering a sustainable drive to the industry development. The Group will continue to deepen its presence across the Guangdong-Hong Kong-Macau Greater Bay Area, vigorously boost its market share in regions where the Group has made its presence, while gradually extending its layout across cities with well-developed economics in the Guangdong Province, and other regions with high growth potential in China.

We will maintain a prudent investment strategy, and ensure sufficient and quality land reserve and sustainable growth of urban redevelopment business through proactively participating in urban redevelopment and renewal.

In addition, the Group will continue to strengthen cash flow management, adhere to procure sales proactively, and enhance turnover rate of capitals.

## Financial Review

### Revenue

The Group's revenue is primarily generated from property development, urban redevelopment business, property leasing and sub-leasing and property management services, which contributed approximately 92.6%, 4.0%, 1.3% and 2.1% respectively of the revenue for the six months ended 30 June 2019. The Group's revenue increased by RMB5,466.0 million, or 52.2%, to RMB15,942.5 million for the six months ended 30 June 2019 from RMB10,476.5 million for the six months ended 30 June 2018. Such increase was primarily attributable to the increase in revenue from sales of properties and urban redevelopment business.

The table below sets forth the breakdown of the Group's revenue by operating segment as indicated:

	For the six months ended 30 June 2019		For the six months ended 30 June 2018	
	(RMB million)	(%)	(RMB million)	(%)
Sales of properties	14,763.4	92.6	10,125.9	96.7
Urban redevelopment business	641.1	4.0	—	—
Rental income	205.4	1.3	160.2	1.5
Property management fee income	332.6	2.1	190.4	1.8
	<u>15,942.5</u>	<u>100</u>	<u>10,476.5</u>	<u>100.0</u>

### Property development

The Group's revenue from sales of properties increased by RMB4,637.5 million, or 45.8%, to RMB14,763.4 million for the six months ended 30 June 2019 from RMB10,125.9 million for the six months ended 30 June 2018. The increase was primarily due to the increase in the property sales unit price. The projects that contributed substantially to the Group's revenue for the six months ended 30 June 2019 mainly include Sino-Singapore Knowledge City Project, Times Riverbank (Foshan) Phase II, Mt. Tittlis (Foshan), Times King City (Qingyuan), Times Garden (Qingyuan) and Times King City (Changsha).

### Urban redevelopment business

For the six months ended 30 June 2019, the Group's new income from urban redevelopment business amounted to RMB641.1 million. The income was mainly generated from the Finance City Project and the Lishuizhou Village Project.

### *Property leasing and sub-leasing*

The Group's gross rental income increased by RMB45.2 million, or 28.2%, to RMB205.4 million for the six months ended 30 June 2019 from RMB160.2 million for the six months ended 30 June 2018. The increase was primarily due to the rise in rental unit price and occupancy rate during the Period.

### *Property management services*

The Group's revenue from property management services increased by RMB142.2 million, or 74.7%, to RMB332.6 million for the six months ended 30 June 2019 from RMB190.4 million for the six months ended 30 June 2018. The increase was primarily attributable to the increase in the number of projects and area that the Group managed.

### *Cost of sales*

The Group's cost of sales increased by RMB3,234.4 million, or 43.0%, to RMB10,755.3 million for the six months ended 30 June 2019 from RMB7,520.9 million for the six months ended 30 June 2018. Such increase was primarily attributable to the increase in the unit cost of property sales during the Period as compared with the corresponding period in 2018, resulting in the increase in the cost of property sales.

### *Gross profit and gross profit margin*

The Group's gross profit increased by RMB2,231.5 million, or 75.5%, to RMB5,187.2 million for the six months ended 30 June 2019 from RMB2,955.7 million for the six months ended 30 June 2018. For the six months ended 30 June 2019, the Group's gross profit margin increased to 32.5% from 28.2% for the six months ended 30 June 2018. The increase was primarily due to the increase in recognised income from products with higher gross profit margin as compared with the corresponding period in 2018 and the addition of urban redevelopment business which has a higher gross profit margin.

### *Other income and gains*

The Group's other income and gains decreased to RMB387.3 million for the six months ended 30 June 2019 from RMB650.6 million for the six months ended 30 June 2018, which was primarily attributable to no gain from partial disposal of joint ventures and the valuation gain from acquisition of joint ventures.

### *Selling and marketing costs*

The Group's selling and marketing costs increased by RMB181.8 million, or 50.0%, to RMB545.6 million for the six months ended 30 June 2019 from RMB363.8 million for the six months ended 30 June 2018. The increase was mainly due to the increase in sales volume.

### *Administrative expenses*

The Group's administrative expenses increased by RMB284.1 million, or 65.1%, to RMB720.5 million for the six months ended 30 June 2019 from RMB436.4 million for the six months ended 30 June 2018. Such increase was primarily attributable to the increase in the number of staff as a result of the business expansion of the Group.

### *Other expenses*

The Group's other expenses increased by RMB153.9 million, or 86.4%, to RMB332.1 million for the six months ended 30 June 2019 from RMB178.2 million for the six months ended 30 June 2018. The increase was primarily due to the increase in impairment of goodwill and the increase of donations expenditure.

### *Finance costs*

The Group's finance costs increased to RMB432.2 million for the six months ended 30 June 2019 from RMB246.7 million for the six months ended 30 June 2018. The increase was primarily due to an increase in the amount of bank facilities for the Group's land acquisition and expansion of property development.

### *Income tax expense*

The Group's income tax expense increased by RMB909.1 million, or 84.1%, to RMB1,990.6 million for the six months ended 30 June 2019 from RMB1,081.5 million for the six months ended 30 June 2018. The increase was primarily attributable to the increase in the Group's taxable profit and the LAT for the six months ended 30 June 2019.

### *Profit for the Period*

The Group's profit for the Period increased by RMB564.6 million, or 49.7%, to RMB1,699.9 million for the six months ended 30 June 2019 from RMB1,135.3 million for the six months ended 30 June 2018. Basic earnings per share and diluted earnings per share for the six months ended 30 June 2019 were RMB85 cents (for the six months ended 30 June 2018: RMB65 cents) and RMB85 cents (for the six months ended 30 June 2018: RMB65 cents), respectively.

### *Profit attributable to the owners of the Company*

Profit attributable to the owners of the Company increased by RMB409.7 million, or 34.6%, to RMB1,593.9 million for the six months ended 30 June 2019 from RMB1,184.2 million for the six months ended 30 June 2018. Core net profit attributable to the owners of the Company increased by RMB518.1 million, or 43.8%, to RMB1,701.1 million for the six months ended 30 June 2019 from RMB1,183.0 million for the six months ended 30 June 2018.

## Liquidity, Financial and Capital Resources

### *Cash position*

As at 30 June 2019, the carrying balance of the Group's cash and bank deposits was approximately RMB25,782.6 million (31 December 2018: RMB27,425.7 million), representing a decrease of 6.0% when compared with that of 31 December 2018. Under relevant PRC laws and regulations, some of the Group's project companies are required to place a certain amount of pre-sale proceeds in designated bank accounts as guarantee deposits for construction of the relevant properties. These guarantee deposits may only be used for payments to construction contractors in the project development process and for other construction-related payments, such as purchase of materials. The remaining guarantee deposits are released when certificates of completion for the relevant properties have been obtained. In addition, a portion of the Group's bank deposits represented loan proceeds in the monitoring accounts designated by the banks, in which case the use of the restricted bank deposits, subject to the banks' approval, is restricted to the purposes as set out in the relevant loan agreements. As at 30 June 2019, the amount of the Group's restricted bank deposits was RMB3,784.7 million (31 December 2018: RMB4,051.5 million).

### *Borrowings and pledged assets*

The Group had aggregate interest-bearing bank loans and other borrowings of approximately RMB50,120.4 million as at 30 June 2019. Borrowings that are due within one year increased from RMB7,311.8 million as at 31 December 2018 to RMB10,029.7 million as at 30 June 2019, and approximately RMB38,175.1 million of borrowings are due within two to five years and approximately RMB1,915.6 million of borrowings are due in over five years. As at 30 June 2019, the Group's outstanding loans were secured by part of the property, plant and equipment, interests in joint ventures, properties under development, investment properties and prepaid land lease payments, with a carrying value of approximately RMB187.0 million, RMB526.6 million, RMB2,077.3 million, RMB531.0 million and RMB136.0 million, respectively. As at 30 June 2019, equity interests of certain subsidiaries of the Group were pledged as security for certain of the Group's interest-bearing bank and other borrowings.

Details of the equity or debt securities issued by the Company and/or its subsidiaries are set out below:

#### (a) Placing

Reference is made to the Company's announcement dated 18 April 2019 (the "2019 Placing Announcement"). The Group successfully raised gross proceeds of approximately HK\$1,570.32 million through the placing of 108,000,000 existing shares (the "2019 Placing") at the placing price of HK\$14.54 each for the Company's development purposes and as general working capital. The Company subsequently allotted and issued 108,000,000 new shares to Asiatic Enterprises Ltd..

Upon the completion of the 2019 Placing, the Company received gross proceeds of approximately HK\$1,570,320,000 and net proceeds, after deducting all applicable costs and related expenses, of approximately HK\$1,552,530,000, representing a net issue price of approximately HK\$14.38 per 2019 placing share.

As at the date of this announcement, the Group had utilised all the net proceeds from the 2019 Placing for the Company's development purposes and as general working capital of the Group, which were consistent with the purposes disclosed in the 2019 Placing Announcement.

(b) RMB6.80% Public Domestic Corporate Bonds due 2024

On 6 June 2019, 廣州市時代控股集團有限公司 (Guangzhou Times Holdings Group Co., Ltd.\*) ("Guangzhou Times", formerly known as 廣州市時代地產集團有限公司 (Guangzhou Times Property Group Co., Ltd\*)) issued 6.80% public domestic corporate bonds due 2024 in a principal amount of RMB500,000,000 ("RMB6.80% Public Domestic Corporate Bonds due 2024"). RMB6.80% Public Domestic Corporate Bonds due 2024 are listed on the Shanghai Stock Exchange and bear interest from and including 10 June 2019 at the rate of 6.80% per annum, payable annually in arrears.

(c) USD7.625% Senior Notes due 2022

On 21 February 2019, the Company issued 7.625% senior notes due 2022 in a principal amount of USD500,000,000 (equivalent to approximately RMB3,348,725,000) ("USD 7.625% Senior Notes due 2022"). USD7.625% Senior Notes due 2022 are listed on the Stock Exchange and bear interest from and including 21 February 2019 at the rate of 7.625% per annum, payable semi-annually in arrears.

(d) RMB7.50% Non-Public Domestic Corporate Bonds due 2022

On 24 January 2019, Guangzhou Times issued 7.50% non-public domestic corporate bonds due 2022 in a principal amount of RMB1,100,000,000 ("RMB7.50% Non-Public Domestic Corporate Bonds due 2022"). Guangzhou Times is entitled to adjust coupon rate at the end of the second year, while investors are entitled to sell back. RMB7.50% Non-Public Domestic Corporate Bonds due 2022 are listed on the Shanghai Stock Exchange and bear interest from and including 25 January 2019 at the rate of 7.50% per annum, payable annually in arrears.

(e) RMB7.50% Public Domestic Corporate Bonds due 2021

On 7 December 2018, Guangzhou Times issued 7.50% public domestic corporate bonds due 2021 in a principal amount of RMB1,100,000,000 ("RMB7.50% Public Domestic Corporate Bonds due 2021"). Guangzhou Times is entitled to adjust coupon rate at the end of the second year, while investors are entitled to sell back. RMB7.50% Public Domestic Corporate Bonds due 2021 are listed on the Shanghai Stock Exchange and bear interest from and including 10 December 2018 at the rate of 7.50% per annum, payable annually in arrears.

(f) RMB8.10% Public Domestic Corporate Bonds due 2023

On 7 December 2018, Guangzhou Times issued 8.10% public domestic corporate bonds due 2023 in a principal amount of RMB1,900,000,000 (“RMB8.10% Public Domestic Corporate Bonds due 2023”). Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. RMB8.10% Public Domestic Corporate Bonds due 2023 are listed on the Shanghai Stock Exchange and bear interest from and including 10 December 2018 at the rate of 8.10% per annum, payable annually in arrears.

(g) USD10.95% Senior Notes due 2020

On 27 November 2018, the Company issued 10.95% senior notes due 2020 in a principal amount of USD300,000,000 (equivalent to approximately RMB2,087,726,000) (“USD 10.95% Senior Notes due 2020”). USD10.95% Senior Notes due 2020 are listed on the Stock Exchange and bear interest from and including 27 November 2018 at the rate of 10.95% per annum, payable semi-annually in arrears.

(h) RMB8.40% Non-Public Domestic Corporate Bonds II due 2021

On 17 October 2018, Guangzhou Times issued 8.40% non-public domestic corporate bonds due 2021 in a principal amount of RMB1,700,000,000 (“RMB8.40% Non-Public Domestic Corporate Bonds II due 2021”). Guangzhou Times is entitled to adjust coupon rate at the end of the second year, while investors are entitled to sell back. RMB8.40% Non-Public Domestic Corporate Bonds II due 2021 are listed on the Shanghai Stock Exchange and bear interest from and including 17 October 2018 at the rate of 8.40% per annum, payable annually in arrears.

(i) RMB8.40% Non-Public Domestic Corporate Bonds I due 2021

On 20 August 2018, Guangzhou Times issued 8.40% non-public domestic corporate bonds due 2021 in a principal amount of RMB2,200,000,000 (“RMB8.40% Non-Public Domestic Corporate Bonds I due 2021”). Guangzhou Times is entitled to adjust coupon rate at the end of the second year, while investors are entitled to sell back. RMB8.40% Non-Public Domestic Corporate Bonds I due 2021 are listed on the Shanghai Stock Exchange and bear interest from and including 20 August 2018 at the rate of 8.40% per annum, payable annually in arrears.

(j) USD7.85% Senior Notes due 2021

On 4 June 2018, the Company issued 7.85% senior notes due 2021 (the “USD7.85% Senior Notes due 2021”) in a principal amount of USD450,000,000 (equivalent to approximately RMB2,884,954,000). The USD7.85% Senior Notes due 2021 are listed on the Stock Exchange and bear interest from and including 4 June 2018 at the rate of 7.85% per annum, payable semi-annually in arrears.

(k) USD6.25% Senior Notes due 2021

On 17 January 2018, the Company issued 6.25% senior notes due 2021 (the “USD 6.25% Senior Notes due 2021”) in a principal amount of USD500,000,000 (equivalent to approximately RMB3,296,573,000). The USD6.25% Senior Notes due 2021 are listed on the Stock Exchange and bear interest from and including 17 January 2018 at the rate of 6.25% per annum, payable semi-annually in arrears.

(l) USD6.6% Senior Notes due 2023

On 30 November 2017, the Company issued 6.6% senior notes due 2023 (the “USD 6.6% Senior Notes due 2023”) in a principal amount of USD300,000,000 (equivalent to approximately RMB1,981,020,000). The USD6.6% Senior Notes due 2023 are listed on the Stock Exchange and bear interest from and including 30 November 2017 at the rate of 6.6% per annum, payable semi-annually in arrears.

(m) RMB8.2% Non-Public Domestic Corporate Bonds due 2022

On 8 September 2017, Guangzhou Times issued 8.2% non-public domestic corporate bonds due 2022 (the “RMB8.2% Non-Public Domestic Corporate Bonds due 2022”) in a principal amount of RMB1,100,000,000. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. RMB8.2% Non-Public Domestic Corporate Bonds due 2022 are listed on the Shanghai Stock Exchange and bear interest from and including 8 September 2017 at the rate of 8.2% per annum, payable annually in arrears.

(n) RMB7.75% Non-Public Domestic Corporate Bonds due 2020

On 8 September 2017, Guangzhou Times issued 7.75% non-public domestic corporate bonds due 2020 (the “RMB7.75% Non-Public Domestic Corporate Bonds due 2020”) in a principal amount of RMB500,000,000. Guangzhou Times is entitled to adjust coupon rate at the end of the second year, while investors are entitled to sell back. RMB7.75% Non-Public Domestic Corporate Bonds due 2020 are listed on the Shanghai Stock Exchange and bear interest from and including 8 September 2017 at the rate of 7.75% per annum, payable annually in arrears.

(o) USD5.75% Senior Notes due 2022

On 26 April 2017, the Company issued 5.75% senior notes due 2022 (the “USD5.75% Senior Notes due 2022”) in a principal amount of USD225,000,000 (equivalent to approximately RMB1,549,013,000). USD5.75% Senior Notes due 2022 are listed on the Stock Exchange and bear interest from and including 26 April 2017 at the rate of 5.75% per annum, payable semi-annually in arrears.

(p) USD6.25% Senior Notes due 2020

On 23 January 2017, the Company issued 6.25% senior notes due 2020 (the “USD 6.25% Senior Notes due 2020”) in a principal amount of USD375,000,000 (equivalent to approximately RMB2,571,450,000). USD6.25% Senior Notes due 2020 are listed on the Stock Exchange and bear interest from and including 23 January 2017 at the rate of 6.25% per annum, payable semi-annually in arrears.

(q) RMB7.88% Non-Public Domestic Corporate Bonds due 2019

On 18 January 2016, Guangzhou Times issued 7.88% non-public domestic corporate bonds due 2019 (the “RMB7.88% Non-Public Domestic Corporate Bonds due 2019”) in a principal amount of RMB3,000,000,000, with the option to redeem by Guangzhou Times at the end of the second year. RMB7.88% Non-Public Domestic Corporate Bonds due 2019 are listed on the Shenzhen Stock Exchange and bear interest from and including 18 January 2016 at the rate of 7.88% per annum, payable annually in arrears. On 18 January 2019, the Company redeemed the RMB7.88% Non-Public Domestic Corporate Bonds due 2019 at a redemption price of RMB3,236,400,000, which equals to 100% of the principal amount of such notes plus the accrued and unpaid interest to the due date.

(r) RMB7.50% Public Domestic Corporate Bonds due 2020

On 10 July 2015, Guangzhou Times issued 6.75% public domestic corporate bonds due 2020 (the “RMB6.75% Public Domestic Corporate Bonds due 2020”) in a principal amount of RMB2,000,000,000. Guangzhou Times shall be entitled to increase the coupon rate at the end of the third year and the investors shall be entitled to sell back the bonds. RMB6.75% Public Domestic Corporate Bonds due 2020 are listed on the Shanghai Stock Exchange and bear interest from and including 10 July 2015 at the rate of 6.75% per annum, payable annually in arrears. In June 2018, holders of RMB6.75% Public Domestic Corporate Bonds due 2020 have registered to sell back 1,843,920 bonds at a price of RMB100 per share. The Group has subsequently repaid the registered sellback bank bonds of RMB184,392,000 in July 2018. On 10 July 2018, Guangzhou Times adjusted the coupon rate of the bonds to 7.50% (the “RMB7.50% Public Domestic Corporate Bonds due 2020”).

*Financial guarantee*

As at 30 June 2019, the outstanding guarantee mortgage loans that domestic banks provided to purchasers of the Group’s properties amounted to approximately RMB24,904.7 million (31 December 2018: approximately RMB18,017.4 million). These guarantees are released upon the earlier of (i) the relevant certificates of registration of mortgage or the certificates of other interests with respect to the relevant properties being delivered to the mortgagor banks; and (ii) the settlement of mortgage loans between the mortgagor banks and the purchasers of the Group’s projects. If a purchaser defaults on a mortgage loan before the guarantees are released, the Group may have to repurchase the underlying property by paying off mortgage. If the Group fails to do so, the mortgagor bank may auction the underlying property and recover any additional amount outstanding from the Group as the guarantor of the mortgage loans. In line with industry practices, the Group do not conduct independent credit reviews of our customers but rely on the credit reviews conducted by the mortgagor banks.

*Foreign currency risks*

The Group mainly operates in the PRC and conducts its operations mainly in RMB. The Group will closely monitor the fluctuations of the RMB exchange rate and give prudent consideration as to entering into any currency swap arrangement as and when appropriate for hedging corresponding risks. As at 30 June 2019, the Group has not engaged in hedging activities for managing foreign exchange rate risk.

**Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures, and Future Plans for Material Investments or Capital Assets**

Save as disclosed in this announcement, there were no other significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Period, nor were there any plans authorised by the Board for other material investments or additions of capital assets at the date of this announcement.

## **Events After the Period**

On 17 July 2019, the Company issued 6.75% senior notes due 2023 in a principal amount of USD400,000,000 (approximately equivalent to RMB2,754,133,000) at 100% of the principal amount of such notes (the “USD6.75% Senior Notes due 2023”). The USD6.75% Senior Notes due 2023 are listed on the Stock Exchange and bear interest from and including 17 July 2019 at the rate of 6.75% per annum, payable semi-annually in arrears. The Company has received net proceeds of RMB2,712,511,000 by the date of approval of this announcement. Further details of the USD6.75% Senior Notes due 2023 have been set out in the related announcement of the Company dated 16 July 2019.

Save as disclosed above, the Group did not have any material event after the Period.

## **Employees and Remuneration Policy**

As at 30 June 2019, the Group had 12,692 employees (31 December 2018: 9,502 employees). The remunerations of the employees are commensurate with their performance, skills, knowledge, experience and the market trend. Employee benefits provided by the Group include provident fund scheme, medical insurance scheme, unemployment insurance scheme and housing provident fund. The Group reviews the remuneration policies and packages on a regular basis and will make necessary adjustments that accommodate the pay levels in the industry. In addition to basic salaries, the employees may be offered with discretionary bonuses and cash awards based on individual performances. The Group also provides training programs for the employees with a view to constantly upgrading their skills and knowledge. Further, the Group adopted the share option scheme on 19 November 2013 (the “Share Option Scheme”) as incentives or rewards for the employees’ contributions to the Group. Further information of the Share Option Scheme is available in the Company’s annual report for the year ended 31 December 2018. For the six months ended 30 June 2019, the Group’s employee benefit expense (excluding Directors’ remuneration) is approximately RMB658.5 million (for the six months ended 30 June 2018: RMB473.0 million).

## **INTERIM DIVIDEND**

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2019 (for the six months ended 30 June 2018: nil).

## **USE OF NET PROCEEDS FROM LISTING**

The net proceeds from the listing of the Company (after deducting underwriting fees and related expenses) amounted to approximately HKD1,477.4 million, which shall be applied in compliance with the intended use of proceeds set out in the section headed “Future plans and use of proceeds” of the prospectus of the Company dated 29 November 2013 (the “Prospectus”), of which, approximately 33.3% of the net proceeds were utilised for settling part of the outstanding installments under the Restructuring Deed (as defined in the Prospectus) and approximately 55.1% of the net proceeds were utilised for financing new and existing projects, including the land acquisition and construction costs of potential development projects.

## **CORPORATE GOVERNANCE PRACTICES**

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of our shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) as its own code of corporate governance.

The Company has been conducting its business according to the principles of the CG Code set out in Appendix 14 to the Listing Rules. Save for the deviation disclosed in this announcement, in the opinion of the Directors, the Company has complied with all the code provisions as set out in the CG Code for the six months ended 30 June 2019.

The code provision A.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Shum currently assumes the roles of both the chairman and the chief executive officer of the Company. Mr. Shum is one of the founders of the Group and has extensive experience in property development. The Board believes that by holding both roles, Mr. Shum will be able to provide the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies of the Group. As such, the structure is beneficial to the business prospects of the Group. Furthermore, the Directors have regular discussions in relation to major matters affecting the operations of the Group and the Group has an effective risk management and internal control systems in place for providing adequate checks and balances. Based on the foregoing, the Board believes that a balance of power and authority has been and will be maintained.

### **Compliance with Code of Conduct Regarding Directors’ Securities Transactions**

The Company has also adopted a code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the “Model Code”). All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code for the six months ended 30 June 2019.

The Company has also adopted a code for dealing in the Company’s securities by relevant employees, who are likely to be in possession of inside information in relation to the Company or its securities, on no less exacting terms than the required standard set out in the Model Code.

### **Audit Committee and Review of Financial Statements**

The Board has established the audit committee of the Company (the “Audit Committee”) which comprises three independent non-executive Directors, namely Mr. Wong Wai Man (chairman), Mr. Jin Qingjun and Ms. Sun Hui.

The Audit Committee has reviewed the interim report and the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2019 in conjunction with the Company’s management. The Audit Committee has also reviewed the effectiveness of the risk management and the internal control systems of the Company, and considers the risk management and internal control systems to be effective and adequate.

## **Purchase, Sale or Redemption of Listed Securities**

Save as disclosed in this announcement, there was no purchase, sale and redemption of any listed securities of the Company by the Company or any of its subsidiaries during the six months ended 30 June 2019.

## **PUBLICATION OF THE INTERIM RESULTS AND 2019 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This interim results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company (<http://www.timesgroup.cn>), and the 2019 interim report containing all the information required by the Listing Rules will be despatched to our shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By Order of the Board  
**Times China Holdings Limited**  
**Shum Chiu Hung**  
*Chairman*

Hong Kong, 5 August 2019

*As at the date of this announcement, the executive Directors are Mr. Shum Chiu Hung, Mr. Guan Jianhui, Mr. Bai Xihong, Mr. Li Qiang, Mr. Shum Siu Hung and Mr. Niu Jimin; and the independent non-executive Directors are Mr. Jin Qingjun, Ms. Sun Hui and Mr. Wong Wai Man.*

\* *For identification purpose only*