GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED
金輪天地控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1232)

PRELIMINARY ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

FINANCIAL HIGHLIGHTS

- Contracted sales increased by 46.7% to RMB1,867.4 million for the six months ended 30 June 2019 (30 June 2018: RMB1,273.1 million).
- Revenue decreased by 33.8% to RMB561.2 million for the six months ended 30 June 2019 (30 June 2018: RMB847.6 million).
- Rental income and hotel operation income increased by 12.6% to RMB139.0 million for the six months ended 30 June 2019 (30 June 2018: RMB123.4 million).
- Overall gross profit margin was 48.8% (30 June 2018: 50.1%).
- Gross profit margin for property sales, property leasing and hotel operation for the six months ended 30 June 2019 amounted to 38.0% (30 June 2018: 46.9%), 91.1% (30 June 2018: 74.5%) and 47.0% (30 June 2018: 47.1%) respectively.
- Profit for the period decreased by 6.1% to RMB232.7 million for the six months ended 30 June 2019 (30 June 2018: RMB247.9 million).
- Total equity amounted to RMB4,779.8 million as at 30 June 2019 (31 December 2018: RMB4,608.3 million) with net asset value per share amounting to RMB2.65 per share (31 December 2018: RMB2.56 per share). *Note*
- As of 30 June 2019, the Group had total cash and bank deposits of RMB1,572.2 million (31 December 2018: RMB997.9 million).

Note: Net asset value per share is calculated by dividing the total equity by the weighted average number of shares.

The board (the "**Board**") of directors (the "**Directors**", and each a "**Director**") of Golden Wheel Tiandi Holdings Company Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2019, together with the comparative figures for the corresponding period of 2018, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended	
		30 June 2019	30 June 2018
	NOTES	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Revenue	*3*	**561,190**	847,585
Cost of sales		**(287,467)**	(422,597)
Gross profit		**273,723**	424,988
Changes in fair value of investment properties		**155,114**	180,024
Other income, expense, gains and losses	*4(b)*	**8,539**	(21,142)
Selling and marketing expenses		**(23,797)**	(18,127)
Administrative expenses		**(85,061)**	(87,514)
Profit from operations		**328,518**	478,229
Finance costs	*4(a)*	**(74,067)**	(86,335)
Share of profits of associates		**109,809**	3,628
Share of profits of joint ventures		**8,200**	96,396
Profit before tax	*4*	**372,460**	491,918
Income tax	*5*	**(139,715)**	(244,068)
Profit for the period attributable to equity shareholders of the Company		**232,745**	247,850

	NOTES	Six months ended **30 June 2019** ***RMB'000*** **(unaudited)**	 30 June 2018 *RMB'000* (unaudited)
Other comprehensive income for the period (after tax and reclassification adjustments):			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of entities with functional currencies other than RMB		**(2,803)**	1,154
Other comprehensive income for the period		**(2,803)**	1,154
Total comprehensive income for the period attributable to equity shareholders of the Company		**229,942**	249,004
Earnings per share			
Basic *(RMB per share)*	*6*	**0.129**	0.138
Diluted *(RMB per share)*	*6*	**0.129**	0.138

Note: The Group has initially applied IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 2.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at	
		30 June	31 December
		2019	2018
	NOTES	***RMB'000***	*RMB'000*
		(unaudited)	(audited)
Non-current assets			
Investment properties	*7*	**6,234,689**	5,708,069
Other property, plant and equipment	*7*	**629,302**	564,462
Goodwill		**31,241**	31,116
Interest in associates		**455,758**	345,949
Interest in joint ventures		**421,361**	413,161
Other financial assets	*8*	**200,662**	182,913
Restricted bank deposits		**56,500**	70,000
Deferred tax assets		**126,282**	120,585
		8,155,795	7,436,255
Current assets			
Properties under development for sale		**4,673,804**	4,516,490
Completed properties for sale		**825,620**	678,099
Contract costs		**3,474**	1,793
Trade and other receivables	*9*	**467,407**	267,780
Other financial assets		**4,339**	86,189
Structured bank deposits		**42,000**	146,000
Restricted bank deposits		**917,368**	205,858
Cash		**556,311**	576,051
		7,490,323	6,478,260

	NOTES	As at 30 June 2019 RMB'000 (unaudited)	As at 31 December 2018 RMB'000 (audited)
Current liabilities			
Trade and other payables	*10*	**1,294,007**	1,138,093
Contract liabilities		**681,951**	491,612
Rental received in advance		**26,565**	32,362
Lease liabilities		**41,593**	–
Bank loans		**1,798,579**	1,569,118
Current taxation		**626,259**	594,122
Senior notes		**1,040,279**	1,972,944
		5,509,233	5,798,251
Net current assets		**1,981,090**	680,009
Total assets less current liabilities		**10,136,885**	8,116,264
Non-current liabilities			
Bank loans		**1,503,097**	960,145
Lease liabilities		**244,932**	–
Deferred tax liabilities		**1,252,981**	1,178,972
Rental received in advance		**9,691**	15,048
Senior notes		**2,346,356**	1,353,795
		5,357,057	3,507,960
NET ASSETS		**4,779,828**	4,608,304
CAPITAL AND RESERVES			
Share capital		**113,099**	113,099
Reserves		**4,666,729**	4,495,205
TOTAL EQUITY		**4,779,828**	4,608,304

1. GENERAL AND BASIS OF PREPARATION

Golden Wheel Tiandi Holdings Company Limited (the "**Company**") was incorporated as an exempted Company with limited liability in the Cayman Islands on 26 April 2012 and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with effect from 16 January 2013.

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") are principally engaged in the property development, property leasing and hotel operation.

The interim results set out in this announcement do not constitute the interim report for the six months ended 30 June 2019 of the Group but are extracted from the report.

The unaudited interim financial report of the Group has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (IAS) 34, Interim financial reporting, issued by the International Accounting Standards Board (IASB). It was authorised for issue on 28 August 2019.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2018 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2019 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the Hong Kong Institute of Certified Public Accountants. KPMG's independent review report to the Board of Directors is included in the interim financial report.

The financial information relating to the financial year ended 31 December 2018 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements for the financial year ended 31 December 2018. The Company's auditor has reported on those financial statements for the financial year ended 31 December 2018. The auditor's report was unqualified and did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report.

2. CHANGES IN ACCOUNTING POLICIES

The IASB has issued a new International Financial Reporting Standard ("**IFRS**"), IFRS 16, Leases, and a number of amendments to IFRSs that are first effective for the current accounting period of the Group.

Except for IFRS 16, Leases, none of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in the interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

IFRS 16, Leases

IFRS 16 replaces IAS 17, Leases, and the related interpretations, International Financial Reporting Interpretations Committee Interpretation 4, Determining whether an arrangement contains a lease, Standing Interpretation Committee Interpretation 15, Operating leases – incentives, and Standing Interpretation Committee Interpretation 27, Evaluating the substance of transactions involving the legal form of a lease. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less and leases of low value assets. The lessor accounting requirements are brought forward from IAS 17 and remain substantially unchanged.

IFRS 16 defines a lease on the basis of whether a customer controls the use of an identified asset for a period of time, which may be determined by a defined amount of use. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

The Group has initially applied IFRS 16 as from 1 January 2019. The Group has elected to use the modified retrospective approach and has therefore recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019. Comparative information has not been restated and continues to be reported under IAS 17.

The Group has chosen to apply the new definition of a lease to all contracts on transition to the new standard. The reclassifications and the adjustments arising from the new leasing rules for lessees are recognised in the opening balance of the consolidated statement of financial position at 1 January 2019.

Adjustments recognised on adoption of IFRS 16

On the adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of IAS 17. These liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate of the lessees at 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities at 1 January 2019 was 6.4%.

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

IFRS 16, Leases (Continued)

The following table reconciles the operating lease commitments as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

	1 January 2019
	RMB'000
	(unaudited)
Operating lease commitments at 31 December 2018	497,150
Less: Impact of value-added tax and modification of a lease contract	(115,066)
	382,084
Less: total future interest expenses	(90,395)
Present value of remaining lease payments, discounted using the incremental borrowing rate and total lease liabilities recognised at 1 January 2019	291,689

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount as if IFRS 16 had always been applied since the commencement date of the lease (other than discounting using the relevant incremental borrowing rate at the date of initial application of IFRS 16).

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

IFRS 16, Leases (Continued)

The Group presents right-of-use assets that do not meet the definition of investment properties in 'other property, plant and equipment' and presents lease liabilities separately in the consolidated statement of financial position.

The following table summarises the impacts of the adoption of IFRS 16 on the Group's consolidated statement of financial position:

	Carrying amount at 31 December 2018	**Capitalisation of operating lease contracts**	**Carrying amount at 1 January 2019**
	RMB'000	*RMB'000*	*RMB'000*
Line items in the consolidated statement of financial position impacted by the adoption of IFRS 16			
Investment properties	5,708,069	211,084	5,919,153
Other property, plant and equipment	564,462	42,722	607,184
Deferred tax assets	120,585	9,471	130,056
Total non-current assets	7,436,255	263,277	7,699,532
Lease liabilities (current)	–	40,082	40,082
Current liabilities	5,798,251	40,082	5,838,333
Net current assets	680,009	(40,082)	639,927
Total assets less current liabilities	8,116,264	223,195	8,339,459
Lease liabilities (non-current)	–	251,607	251,607
Total non-current liabilities	3,507,960	251,607	3,759,567
Net assets	4,608,304	(28,412)	4,579,892

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

IFRS 16, Leases (Continued)

The analysis of the net book value of the Group's right-of-use assets by class of underlying asset at the end of the reporting period and at the date of transition to IFRS 16 is as follows:

	At 30 June 2019 ***RMB'000***	At 1 January 2019 *RMB'000*
Included in "Investment properties":		
Leasehold investment properties, carried at fair value	**204,200**	211,084
Included in "Other property, plant and equipment":		
Other properties leased for own use, carried at depreciated cost	**40,621**	42,722
	244,821	253,806

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

IFRS 16, Leases (Continued)

The remaining contractual maturities of the Group's lease liabilities at the end of the reporting period and at the date of transition to IFRS 16 are as follows:

	At 30 June 2019		At 1 January 2019	
	Present value of the minimum lease payments	**Total minimum lease payments**	Present value of the minimum lease payments	Total minimum lease payments
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
Within 1 year	**41,593**	**43,085**	40,082	41,456
After 1 year but within 2 years	**40,186**	**44,291**	38,990	51,062
After 2 years but within 5 years	**118,066**	**147,252**	114,611	142,978
After 5 years	**86,680**	**131,937**	98,006	146,588
	244,932	**323,480**	251,607	340,628
	286,525	**366,565**	291,689	382,084
Less: total future interest expenses		**(80,040)**		(90,395)
Present value of lease liabilities		**286,525**		291,689

After the initial recognition of right-of-use assets and lease liabilities as at 1 January 2019, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation or fair value change of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. This does not result in a material impact on the reported profit from operations in the Group's consolidated statement of profit or loss, as compared to the results if IAS 17 had been applied during the period.

3. REVENUE AND SEGMENT REPORTING

The principal activities of the Group are property development, property leasing and hotel operation. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified three operating and reportable segments.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by business lines and geographical location of customers is as follows:

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Properties development	**422,191**	724,153
Property leasing	**109,035**	99,693
Hotel operation	**29,964**	23,739
Total revenue	**561,190**	847,585
Disaggregated by geographical location of customers		
Mainland China	**548,433**	835,858
Hong Kong	**12,757**	11,727
	561,190	847,585

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 3(b).

3. REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Information about profit or loss, assets and liabilities

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below. No segment assets and liabilities are presented as they were not regularly provided to the chief operating decision maker for the purposes of resource allocation and performance assessment.

	Property development		Property leasing		Hotel operation		Total	
For the six months ended	**2019**	2018	**2019**	2018	**2019**	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
Disaggregated by timing of revenue recognition								
Point in time	**422,191**	724,153	**109,035**	99,693	**–**	–	**531,226**	823,846
Over time	**–**	–	**–**	–	**29,964**	23,739	**29,964**	23,739
Reportable segment revenue	**422,191**	724,153	**109,035**	99,693	**29,964**	23,739	**561,190**	847,585
Reportable segment profit	**129,209**	309,386	**48,668**	34,756	**4,409**	3,120	**182,286**	347,262

(c) Reconciliations of reportable segment profit or loss

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Reportable segment profit	**182,286**	347,262
Changes in fair value of investment properties	**155,114**	180,024
Other income, expense, gains and losses	**8,539**	(21,142)
Unallocated head office and corporate expenses	**(17,421)**	(27,915)
Finance costs	**(74,067)**	(86,335)
Share of profits of associates	**109,809**	3,628
Share of profits of joint ventures	**8,200**	96,396
Consolidated profit before taxation	**372,460**	491,918

4. PROFIT BEFORE TAX

Profit before tax has been arrived at after (crediting) charging:

(a) Finance costs

	Six months ended	
	30 June 2019	30 June 2018
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest on bank loans	**58,904**	41,203
Interest on lease liabilities	**9,040**	–
Interest on senior notes	**150,361**	130,393
Interest on bonds	**–**	769
Less: Amount capitalised to properties under development for sale and investment properties under development	**(144,238)**	(86,030)
Total finance costs	**74,067**	86,335

(b) Other income, expense, gains and losses

	Six months ended	
	30 June 2019	30 June 2018
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Dividend and interest income	**18,095**	25,408
Government grant	**419**	1,048
Compensation income from early termination of leasing contract	**2,233**	746
Net foreign exchange losses	**(12,397)**	(44,221)
Changes in fair value of financial assets at fair value through profit or loss ("**FVTPL**")	**20,284**	(3,785)
Gain on disposal of property, plant and equipment	**–**	49
Gain on disposal of financial assets at FVTPL	**3,548**	–
Loss from repurchases of senior notes	**(18,109)**	–
Donation	**(10,000)**	–
Others	**4,466**	(387)
Total	**8,539**	(21,142)

4. PROFIT BEFORE TAX (CONTINUED)

(c) Other items

	Six months ended	
	30 June 2019	30 June 2018
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Cost of properties sold	**261,913**	384,649
Cost of rental income	**9,688**	25,395
Depreciation of property, plant and equipment	**9,775**	7,441
Impairment loss recognised in respect of investments in debt instruments	**1,360**	5,655

5. INCOME TAX

	Six months ended	
	30 June 2019	30 June 2018
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Current tax – Hong Kong Profits Tax	**875**	79
Current tax – People's Republic of China ("**PRC**") corporate income tax	**28,639**	81,294
Current tax – Land appreciation tax ("**LAT**")	**32,806**	117,372
Deferred taxation	**77,395**	45,323
	139,715	244,068

No provision for taxation has been recognised for companies incorporated in the Cayman Islands and the British Virgin Islands as they are not subject to any tax during both periods.

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2018: 16.5%) to the six months ended 30 June 2019. Under the two-tiered profits tax rates regime, the first Hong Kong Dollars ("**HK$**") 2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

5. INCOME TAX (CONTINUED)

The provision for PRC income tax is based on the respective corporate income tax rates applicable to the subsidiaries located in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC.

The LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures including payments made for acquisition of land use rights, costs and expenses for the development of the land or for construction of new buildings and supporting facilities, or the assessed value for old buildings and structures, tax payable relating to transfer of the real estate and other deductible items prescribed by the Ministry of Finance. Apart from the aforementioned deductions, property developers enjoy an additional deduction, which is equal to 20% of the payment made for acquisition of land use rights and the costs of land development and construction of new buildings or related facilities.

6. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB232,745,000 (six months ended 30 June 2018: RMB247,850,000) and the weighted average of 1,802,456,000 ordinary shares (2018: 1,802,456,000 shares) in issue during the interim period.

(b) Diluted earnings per share

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options because the exercise price of those options was higher than the average market price for shares for both reporting periods. Accordingly, the diluted earnings per share was same as the basic earnings per share for both periods.

7. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

As discussed in note 2, the Group has initially applied IFRS 16 using the modified retrospective method and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under IAS 17. Further details on the net book value of the Group's right-of-use assets by class of underlying asset are set out in note 2.

7. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Acquisitions and disposals of owned assets

During the six months ended 30 June 2019, the group acquired items of plant and machinery with a cost of RMB25,481,000 (six months ended 30 June 2018: RMB3,575,000). Items of plant and machinery with a net book value of RMB nil were disposed of during the six months ended 30 June 2019 (six months ended 30 June 2018: RMB5,000), resulting in a gain on disposal of RMB nil (six months ended 30 June 2018: RMB49,000).

(c) Valuation

The valuations of investment properties and land and buildings held for rental income carried at fair value were updated at 30 June 2019 by the Group's independent valuer using the same valuation techniques as were used by this valuer when carrying out the December 2018 valuations.

As a result of the update, a net gain of RMB155,114,000 (2018: RMB180,024,000) and the deferred tax thereon of RMB38,778,000 (2018: RMB45,006,000) have been recognised in profit or loss for the period in respect of investment properties.

8. OTHER FINANCIAL ASSETS

	As at	
	30 June 2019	31 December 2018
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Financial assets		
Financial assets measured at FVTPL		
– Held-for-trading	**4,339**	86,189
– Unlisted equity securities	**192,111**	173,002
Financial assets measured at fair value through other comprehensive income	**8,551**	9,911
Total	**205,001**	269,102
Less: Amounts due within one year shown under current assets	**(4,339)**	(86,189)
Amounts shown under non-current assets	**200,662**	182,913

9. TRADE AND OTHER RECEIVABLES

Trade receivables mainly comprises certain consideration for sale of properties and rental receivable in respect of self-owned investment properties and sub-leased properties. Consideration in respect of sale of properties is receivable in accordance with the terms of related sale and purchase agreements. Rentals are usually received in advance. Rental receivables are normally due within 30 days. However, longer credit periods might grant to certain customers on a discretions basis.

As of the end of the reporting period, the ageing analysis of trade receivables net of allowance for credit losses presented based on the date of delivery of properties/date of rendering of services, is as follows:

	As at	
	30 June 2019	31 December 2018
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Within 30 days	**79,566**	90,220
31 to 60 days	**1,295**	1,739
61 to 180 days	**1,412**	575
Trade receivables, net of loss allowance	**82,273**	92,534
Amount due from associates and joint ventures	**42,465**	15,106
Other debtors	**256,640**	106,751
Less: Allowance for credit losses	**(27,714)**	(27,714)
Financial assets measured at amortised cost	**353,664**	186,677
Advances to contractors	**6,884**	21,404
LAT and income tax prepaid	**29,786**	18,405
Other taxes prepaid	**77,073**	41,294
	467,407	267,780

10. TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade creditors and bills payables (which are included in trade and other payables), based on the invoice date, is as follows:

	As at	
	30 June	31 December
	2019	2018
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Within 60 days	**521,375**	385,175
61 to 180 days	**9,016**	362
181 to 365 days	**4,555**	1,448
Over 1 year	**12,612**	98,030
Total creditors and bills payable	**547,558**	485,015
Other creditors and accrued charges	**354,194**	341,173
Amounts due to joint ventures and associates	**392,255**	311,905
Financial liabilities measured at amortised cost	**1,294,007**	1,138,093

11. DIVIDENDS

(a) Dividends payable to equity shareholders attributable to the interim period

	2019	2018
	RMB'000	*RMB'000*
Interim dividend declared and paid after the interim period is nil (2018: RMB0.014 per share)	**–**	25,070

The interim dividend has not been recognised as a liability at the end of the reporting period.

11. DIVIDENDS (CONTINUED)

(b) Dividends payable to equity shareholders attributable to the previous financial year, approved and paid during the interim period

	2019	2018
	RMB'000	*RMB'000*
Final dividend in respect of the previous financial year, approved and paid during the following interim period, of HK$0.019 (equivalent to RMB0.017) per share (six months ended 30 June 2018: RMB0.028 per share)	**30,120**	50,469

The calculation of dividend per share is based on 1,802,456,000 ordinary shares in issue.

BUSINESS REVIEW

In the first half of 2019, China's real estate market remained stable in terms of both overall transaction volume and price. During the period, market sentiment has gradually improved, and the Group has accelerated the launch of its pre-sale projects. As a result, the Group has achieved a record high contracted sales during the period. For the six months ended 30 June 2019, the Group and its joint ventures and associates contracted sales amounted to RMB1,867.4 million, which was 46.7% higher than the corresponding period in 2018. On the other hand, to maintain the Group's competitive edge as well as to ensure its sustainable development, in March 2019, the Group acquired a piece of land which has a total saleable gross floor area ("**GFA**") of 204,646 sq.m. in Nanjing. This is the Group's best quality project ever as the land is in a prime location, which is in a walking distance to Nanjing South Station, and the land cost is only around RMB4,600 per sq.m..

The Group's another strategy is to increase its recurring income. As at 30 June 2019, the Group had investment properties with a carrying value of RMB6,234.7 million. The growth of the Group's recurring income from property leasing and hotel operation businesses remained stable during the period and it has achieved a stable increase of 12.6% when compared to the corresponding period in 2018.

Property development

Contracted sales

The Group currently has 11 projects on sale. During the period, the Group has launched the pre-sale of two new projects, namely Golden Wheel Romantic Tower and Golden Wheel Shuiying Hua Ting. Both projects are located in Nanjing. For the six months ended 30 June 2019, the Group and its joint ventures and associates achieved total contracted sales value and contracted sales area of approximately RMB1,867.4 million (30 June 2018: RMB1,273.1 million) and approximately 151,667 sq.m. (30 June 2018: 96,780 sq.m.) respectively.

Property sales

For the six months ended 30 June 2019, the Group's revenue from sale of properties amounted to approximately RMB422.2 million with an aggregate GFA of approximately 33,757 sq.m. being sold and delivered. The average selling price of these sold properties amounted to approximately RMB12,506.8 per sq.m.

As at 30 June 2019, there were total unrecognised contracted sales of RMB708.1 million. These unrecognised contracted sales are expected to be recognised in the second half of 2019 and in 2020 as and when the related projects are completed and delivered.

New land acquired during the first half of 2019 and land bank of the Group

In March 2019, the Group acquired a piece of land in Nanjing City, Jiangsu Province, the PRC with a site area of approximately 101,845.10 sq.m. Its comprehensive plot ratio is 5.79. The newly acquired land is located at the central axis of Nanjing South Station, Dong Shan Street, Jiang Ning District, Nanjing City, Jiangsu Province. The land is designated for developing commercial, service and office use with a term of 40 years.

The Group currently has 20 projects under development or on sale, which included 5 projects managed by joint venture and associate entities. Average land cost for these 20 projects amounted to approximately RMB3,600 per sq.m.

As at 30 June 2019, the Group had a total land bank of GFA of 1,785,496 sq.m. including 120,421 sq.m. of completed but unsold properties, 16,597 sq.m. of own used properties, 143,903 sq.m. of completed investment properties, 1,004,838 sq.m. of properties under development and 499,737 sq.m. of properties developed by joint venture and associate entities.

Property leasing

Rental income arising from the Group's investment properties maintained a stable growth in the current period. As at 30 June 2019, the Group had completed investment properties with a total GFA of approximately 143,903 sq.m. The average occupancy rate of the Group's investment properties was close to 90%.

Metro leasing and operational management business

As at 30 June 2019, the Group had leasing and operational management contracts of 15 metro station shopping malls in four cities in mainland China, namely, Nanjing, Suzhou, Wuxi and Changsha with a total leasable GFA of around 68,914 sq.m. As at 30 June 2019, 10 metro station shopping malls were under operation and the overall occupancy rate was over 90%.

Hotel operation

Our new hotel, Golden Wheel Hampton by Hilton in Changsha, commenced its operation in April 2019. In June 2019, its occupancy rate had already reached 80% which was considered a very good result for a brand new hotel.

As at 30 June 2019, the Group had three hotels under operation, namely Silka West Kowloon Hotel in Hong Kong, Golden Wheel Atour Hotel in Nanjing and Golden Wheel Hampton by Hilton in Changsha. Total number of rooms for these three hotels amounts to 456. Average room occupancy rate of these three hotels during the period was over 90%.

Significant investments held

The Group's major investment was its equity investment in the shares of Xiamen International Bank. As at 30 June 2019, the Group had 34 million (31 December 2018: 34 million) unlisted equity shares of Xiamen International Bank with a carrying value of RMB192.1 million (31 December 2018: RMB173.0 million). The investment is for long-term purpose and it can also further enhance the business relationship between the Group and Xiamen International Bank.

First property development project in Hong Kong

The development progress of the Group's first commercial project in Hong Kong which was acquired in 2018 was on schedule. It is expected that the project would be completed in December 2019. The Group plans to re-develop the project, which is located near Tin Hau MTR Station in Hong Kong, into a commercial building with a total GFA of approximately 51,975 square feet.

Financing

In February 2019, the Group issued additional senior notes in an aggregate principal amount of USD160 million, bearing coupon rate of 7% per annum and due in January 2021. Proceeds from this issue was solely used for the repurchase of part of the senior notes in the principal amount of USD300 million issued by the Group, bearing coupon rate of 8.25% per annum and due in November 2019.

OUTLOOK

The Communist Party's Politburo meeting in July 2019 has released a message and emphasised the principle that "housing is used for living, not for speculation". Instead of using property as a short-term means of stimulating the economy, local government was required to implement a long-term mechanism for the real estate market. The home price to income ratio and leverage ratio have reached such a level that the risk of loosening property policies far outweighs the benefits. As such, the Group believes the existing control policies on the property market will continue to be in place and remain stable. The Group also expects that in the second half of 2019, more Chinese property developers would reduce land acquisition and put emphasis on cash collection from projects sales, possibly at discounted prices, to offset the impact of a financing squeeze.

Starting from the second half of 2016, the Group has been actively participating in public auctions to acquire good quality land that can meet the Group's development strategy. As at 30 June 2019, the Group had a land bank of GFA of 1,785,496 sq.m. which could enable the Group's stable growth for the next three years.

In the second half of 2019, two projects, namely Wuxi Golden Wheel Lakeside Orchid Garden and Nanjing Golden Wheel Binary Star Plaza, are expected to be completed and delivered. In addition, the Group has scheduled to launch the pre-sale of two projects, namely Nanjing Golden Wheel Cuiyong Hua Ting and Wuxi Golden Wheel Starry Plaza, in the second half of 2019. Total saleable value of these two projects amounted to approximately RMB1.6 billion.

For leasing business, contributed by the Group's new shopping malls which were opened in the second half of 2017 and the period, together with the continual increase in overall rental rate, the Group is confident that recurring rental income will continue to achieve a reasonable growth in the second half of 2019. The Group's strategy is to continue building up its investment property portfolio so as to maintain a stable return to its shareholders.

Last but not least, the Group's hotel operation business ran very well in the first half of 2019, with an average room occupancy rate of over 90%. Including the newly launched hotel in Changsha, it is expected that there would be a considerable increase in hotel revenue for the full 2019 year.

Looking ahead, the Group will continue to carry out its core strategy, that is "Focusing on the development and operation of projects that are physically connected to metro stations or other transportation hub". Together with the Group's prudent financial management, the Group believes it could maintain its competitive edge for further development and expansion.

FINANCIAL REVIEW

Results of operation

Revenue

The Group's revenue consists of revenue derived from (i) sale of developed properties; (ii) rental income from property leasing; and (iii) income from hotel operation. The following table sets forth a breakdown of the Group's revenue and the percentage of total revenue for the periods indicated:

	For the six months ended			
	30 June 2019 (unaudited)		30 June 2018 (unaudited)	
	RMB'000	***%***	*RMB'000*	*%*
Property development	**422,191**	**75.2**	724,153	85.4
Property leasing	**109,035**	**19.4**	99,693	11.8
Hotel operation	**29,964**	**5.4**	23,739	2.8
Total	**561,190**	**100.0**	847,585	100.0

The Group's revenue was primarily generated from its sale of developed properties, which accounted for 75.2% of its revenue for the six months ended 30 June 2019 (six months ended 30 June 2018: 85.4%), rental income from property leasing, which accounted for 19.4% of its revenue for the six months ended 30 June 2019 (six months ended 30 June 2018: 11.8%) and income from hotel operation, which accounted for 5.4% of its revenue for the six months ended 30 June 2019 (six months ended 30 June 2018: 2.8%). Revenue decreased by 33.8% from RMB847.6 million for the six months ended 30 June 2018 to RMB561.2 million for the six months ended 30 June 2019, primarily due to the decrease in revenue derived from the sale of developed properties.

Property development

Revenue derived from the property development business decreased by 41.7% from RMB724.2 million for the six months ended 30 June 2018 to RMB422.2 million for the six months ended 30 June 2019. This decrease was primarily due to the decrease in the total GFA sold and delivered during the first half of 2019. During the period, the Group had only completed and delivered one project.

Property leasing

Revenue derived from property leasing increased by 9.4% to RMB109.0 million for the six months ended 30 June 2019 (six months ended 30 June 2018: RMB99.7 million). The increase was mainly due to the addition of one new metro station shopping mall as well as the increase in average rent during the period. The overall occupancy rate maintained at around 90% for the period.

Hotel operation

Revenue derived from hotel operation increased by 26.2% to RMB30.0 million for the six months ended 30 June 2019 (six months ended 30 June 2018: RMB23.7 million). The increase was mainly due to the opening of Golden Wheel Hampton by Hilton in April 2019. Our hotels operated very well during the period with an average occupancy rate of over 90%.

Cost of sales

The following table sets forth a breakdown of the Group's cost of sales for the periods indicated:

	For the six months ended			
	30 June 2019 (unaudited)		30 June 2018 (unaudited)	
	RMB'000	*%*	*RMB'000*	*%*
Property development				
– Land acquisition costs	**123,672**	**43.0**	194,536	46.0
– Construction costs	**108,175**	**37.6**	134,252	31.8
– Capitalised finance costs	**26,175**	**9.1**	49,001	11.6
– Tax expenses	**3,891**	**1.4**	6,860	1.6
Subtotal	**261,913**	**91.1**	384,649	91.0
Property leasing	**9,688**	**3.4**	25,395	6.0
Hotel operation	**15,866**	**5.5**	12,553	3.0
Total	**287,467**	**100.0**	422,597	100.0

Cost of sales decreased by 32.0% from RMB422.6 million for the six months ended 30 June 2018 to RMB287.5 million for the six months ended 30 June 2019, primarily due to the decrease in the sale of developed properties.

Gross profit and gross profit margin

Gross profit decreased by 35.6% from RMB425.0 million for the six months ended 30 June 2018 to RMB273.7 million for the six months ended 30 June 2019, primarily due to the decrease in gross profit generated from the sale of developed properties which was offset by the increase in gross profit generated from property leasing and hotel operation.

Gross profit margin of the Group decreased from 50.1% for the six months ended 30 June 2018 to 48.8% for the six months ended 30 June 2019, primarily due to the decrease in gross profit margin of the sale of developed properties.

The gross profit margin of the sale of developed properties decreased from 46.9% for the six months ended 30 June 2018 to 38.0% for the six months ended 30 June 2019. The decrease was mainly because fewer commercial units, which have a higher gross profit margin than residential units, were sold during the period.

The gross profit margin for property leasing increased from 74.5% for the six months ended 30 June 2018 to 91.1% for the six months ended 30 June 2019. The increase was mainly due to the reclassification of the rental costs which were included in the cost of sales in 2018 to change in fair value of investment properties and financial costs as a result of the adoption of the new accounting standard IFRS 16 for the period ended 30 June 2019.

Changes in fair value of investment properties

The Group's investment properties were revaluated at the end of each of the relevant periods as at 30 June 2019 and 30 June 2018 on an open market value or existing use basis by an independent property valuer.

The fair value change of investment properties decreased by 13.8% from RMB180.0 million as at 30 June 2018 to RMB155.1 million as at 30 June 2019.

Other income, expense, gains and losses

The Group had a net gain of RMB8.5 million for other income, expense, gains and losses for the six months ended 30 June 2019 (net loss for the six months ended 30 June 2018: RMB21.1 million). The net gain for the six months ended 30 June 2019 mainly consisted of dividend and interest income of RMB18.1 million (for the six months ended 30 June 2018: RMB25.4 million) and fair value gain from financial assets at FVTPL of RMB20.3 million (for the six months ended 30 June 2018: fair value loss of RMB3.8 million), which were offset by net foreign exchange losses of RMB12.4 million (for the six months ended 30 June 2018: RMB44.2 million), loss from repurchases of senior notes of RMB18.1 million (for the six months ended 30 June 2018: Nil) and donation of RMB10.0 million (for the six months ended 30 June 2018: Nil).

Selling and marketing expenses

Selling and marketing expenses primarily consisted of advertising and promotional expenses.

Selling and marketing expenses increased from RMB18.1 million for the six months ended 30 June 2018 to RMB23.8 million for the six months ended 30 June 2019, mainly due to the increase in advertising and promotional expenses for the pre-sale activities of projects during the period.

Administrative expenses

Administrative expenses primarily consisted of staff salaries and benefits, depreciation and amortisation, office expenses, travelling expenses, professional fees, utilities and property tax, land use tax and stamp duty.

Administrative expenses decreased slightly from RMB87.5 million for the six months ended 30 June 2018 to RMB85.1 million for the six months ended 30 June 2019. During the period, the Group continued to maintain tight cost control policy. As a result, even though the Group has carried out more selling activities and increased its operating scale, the Group was able to maintain a similar level of overall administrative expenses as that in the corresponding period in 2018.

Share of profits of associates and joint ventures

The Group's share of profits of associates and joint ventures amounted to RMB118.0 million during the six months ended 30 June 2019 (for the six months ended 30 June 2018: RMB100.0 million). The Group shared the profits from its 33% owned associate, which, during the period, has completed and delivered a project in Nanjing with a gross profit margin of 33.0%, resulting in an increase in the Group's share of profits of associates of RMB106.2 million from RMB3.6 million for the six months ended 30 June 2018 to RMB109.8 million for the six months ended 30 June 2019.

Finance costs

Finance costs consisted primarily of interest expenses on borrowings net of capital finance costs. Finance costs decreased from RMB86.3 million for the six months ended 30 June 2018 to RMB74.1 million for the six months ended 30 June 2019, primarily because more finance costs were qualified to be capitalised to properties under development for sales and investment properties under development in 2019 as the Group had more projects under development during the period.

Income tax

Tax expenses decreased by RMB104.4 million from RMB244.1 million for the six months ended 30 June 2018 to RMB139.7 million for the six months ended 30 June 2019. The decrease was due to the decrease of PRC corporate income tax and land appreciation tax which resulted from the decrease in revenue from the sale of developed properties as well as the decrease of gross profit margin of sale of developed properties.

Profit attributable to equity shareholders of the Company

Net profit attributable to equity shareholders of the Company was RMB232.7 million for the six months ended 30 June 2019, representing a decrease of 6.1% from RMB247.9 million for the corresponding period in 2018.

Liquidity, financial and capital resources

Cash position

As at 30 June 2019, the Group's cash and bank balances were RMB1,572.2 million (31 December 2018: RMB997.9 million), including restricted bank deposits of RMB973.9 million (31 December 2018: RMB275.9 million) and structured bank deposits of RMB42.0 million (31 December 2018: RMB146.0 million). The increase in cash and bank balances was mainly due to the fact that the Group has obtained a number of construction loans for our PRC projects during the period.

Bank and other borrowings

As at 30 June 2019, the Group's bank and other borrowings were RMB6,688.3 million (including senior notes of RMB3,386.6 million), representing an increase of RMB832.3 million from RMB5,856.0 million as at 31 December 2018 (including senior notes of RMB3,326.7 million). Of the bank borrowings, RMB1,798.6 million are repayable within one year or on demand, RMB466.5 million are repayable between one and two years and RMB1,036.6 million are repayable between two and five years. Senior notes of RMB1,040.3 million are repayable within one year and RMB2,346.4 million are repayable after one year.

As at 30 June 2019, the Group's bank borrowings of RMB3,226.9 million were secured by the properties, including land and buildings, investment properties, properties under development for sale and completed properties held for sale, and cash of the Group with a total carrying value of RMB8,409.5 million. The senior notes were secured by the share pledge of a majority of the Group's subsidiaries incorporated outside the PRC.

Except for the senior notes, the majority of the Group's bank borrowings carried a floating interest rate linked with the base lending rate of the People's Bank of China, London Inter-bank offered rate or Hong Kong Inter-bank offered rate. The Group's interest rate risk is mainly associated with the floating interest rates of its bank borrowings.

Cost of borrowings

For the six months ended 30 June 2019, the Group's total cost of borrowings was RMB218.3 million, representing an increase of RMB45.9 million or 26.7% as compared to the figure in the corresponding period in 2018 which was RMB172.4 million. The increase was primarily due to the higher average debt balance in the period as compared to the corresponding period in 2018. The Group's average costs of borrowings during the six months ended 30 June 2019 and 2018 were approximately 7.24% and 6.78%, respectively.

Gearing ratio

The net gearing ratio was calculated by dividing the total borrowings (net of cash, structured and restricted bank deposits) by the total equity. As at 30 June 2019, the net gearing ratio of the Group was 107.0% (31 December 2018: 105.4%).

The Group's debt-to-asset ratio (total indebtedness divided by total assets) was approximately 69.5% as at 30 June 2019 versus approximately 66.9% as at 31 December 2018.

Foreign exchange rate risk

The Group operates its businesses mainly in China and a majority of the Group's bank deposits and bank and other borrowings are denominated in Renminbi. Certain bank deposits, bank borrowings and senior notes are denominated in Hong Kong dollars or US dollars. Fluctuations in foreign currencies' exchange rates have had and will continue to have an impact on the business, financial condition and results of operations of the Group. The Group currently does not have a foreign currency hedging policy but the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Contingent liabilities

The Group typically provides guarantees to banks in connection with its customers' mortgage loans to finance their purchases of the Group's properties. The Group's guarantees are released upon the banks receiving the individual property ownership certificate of the respective properties from the customers as pledges for security to the mortgage loan granted. If any such customer defaults on the mortgage payment during the terms of the respective guarantees, the banks may demand the Group to repay the outstanding amount of the mortgage loan of such defaulting customer and any accrued interest thereon.

As at 30 June 2019, mortgage loan guarantees provided by the Group to the banks in favour of its customers amounted to RMB208.0 million (31 December 2018: RMB96.3 million). In the opinion of the Directors, the fair value of the guarantees at initial recognition is insignificant as the default rate is low.

Employees and remuneration policies

As at 30 June 2019, the Group had a total of approximately 680 (31 December 2018: 593) full-time employees in Hong Kong and China. The Group enters into employment contracts with its employees to cover matters such as job position, terms of employment, wage, employee benefits and liabilities for breaches and grounds for termination. Remuneration of the Group's employees includes basic salaries, allowances, pensions, performance bonuses and share options. Remuneration is determined with reference to the performance, skills, qualifications and experience of the employee concerned and the prevailing industry practice.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained the public float as required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") during the period under review.

CORPORATE GOVERNANCE PRACTICES

The Board and management of the Company are committed to maintaining high standards of corporate governance. The Board firmly believes that conducting the Group's business in a transparent and responsible manner and following good corporate governance practices serve its long-term interests and those of shareholders.

During the six months ended 30 June 2019, the Company has complied with the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules and most of the recommended best practices contained therein.

The Board will continue to review and monitor the practices of the Company with an aim to maintaining and improving a high standard of corporate governance practices.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") with specific terms of reference explaining its role and authorities delegated by the Board. The Audit Committee currently consists of three independent non-executive Directors: Mr. Li Sze Keung (Chairman) (appointed on 14 June 2019), Mr. Lie Tak Sen and Mr. Wong Cho Kei, Bonnie, who together have sufficient accounting and financial management expertise and business experience to carry out their duties. Mr. Li Yiu Fai resigned as chairman and a member of the Audit Committee on 14 June 2019.

The primary duties of the Audit Committee are: to review and supervise the Company's financial reporting process, half-yearly and annual results, risk management and internal control systems, effectiveness of the internal audit function performed by the internal audit department of the Group and provide advice and comments to the Board. The Audit Committee meets with the external auditors and the management of the Group to ensure that the audit findings are addressed properly.

The Audit Committee has reviewed the unaudited interim condensed consolidated financial statements for the six months ended 30 June 2019 and discussed with the Company's management regarding risk management, internal control and other important matters.

REMUNERATION COMMITTEE

The Company has established a remuneration committee (the "**Remuneration Committee**") with specific terms of reference which deal clearly with its authorities and duties. The Remuneration Committee currently consists of two independent non-executive Directors and an executive Director: Mr. Wong Cho Kei, Bonnie (Chairman), an independent non-executive Director, Mr. Wong Kam Fai, an executive Director, and Mr. Lie Tak Sen, an independent non-executive Director.

The primary duties of the Remuneration Committee are: to make recommendations to the Directors on the Company's policy and structure for all remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; to assess the performance of each executive Director; to recommend to the Board on the terms of the specific remuneration package of each executive Director and senior management (adopted the approach under code provision B.1.2(c)(ii)); and to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time.

NOMINATION COMMITTEE

The Company has established a nomination committee (the "**Nomination Committee**") with specific terms of reference explaining its role and authorities delegated by the Board. The Nomination Committee currently consists of two independent non-executive Directors and an executive Director: Mr. Wong Yam Yin (Chairman), an executive Director, Mr. Wong Ying Loi, an independent non-executive Director, and Mr. Li Sze Keung, an independent non-executive Director (appointed on 14 June 2019). Mr. Li Yiu Fai resigned as a member of the Nomination Committee on 14 June 2019.

The primary duties of the Nomination Committee are: to review the structure, size and composition of the Board on a regular basis; to make recommendations to the Board regarding any proposed changes; to identify, select or make recommendations to the Board on the selection of individuals nominated for directorships; to assess the independence of the independent non-executive Directors; and to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors.

A Director appointed by the Board is subject to election by shareholders at the first annual general meeting after his appointment in case of the appointment of an additional Director or at the first general meeting after his appointment in case of filling of casual vacancy.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the model code as set out in Appendix 10 to the Listing Rules (the "**Model Code**") as its code for securities transactions by the Directors. The Company has made specific enquiries with all the Directors and all of them have confirmed that they have complied with the required standards set out in the Model Code during the period under review.

ISSUANCE OF SENIOR NOTES

On 25 February 2019, the Company issued additional senior notes in an aggregate principal amount of USD160 million, bearing coupon rate of 7% per annum and due in January 2021 (the "**Additional Notes**"), which were consolidated and formed a single class with the senior notes issued by the Company on 18 January 2018 in the aggregate principal amount of USD200 million bearing coupon rate of 7% per annum and due in January 2021. The Additional Notes have been admitted to the official list of Singapore Exchange Securities Trading Limited.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

With respect to the senior notes in the principal amount of USD300 million with a coupon rate of 8.25% per annum and due in November 2019 (the "**USD 2019 Notes**"), the Company repurchased part of the USD 2019 Notes in the aggregate principal amount of USD138 million in March 2019. After the cancellation of the repurchased USD 2019 Notes on 12 March 2019, the aggregate principal amount of the USD 2019 Notes which remains outstanding and subject to the terms of the indenture governing the USD 2019 Notes is USD150 million as at 12 March 2019.

Meanwhile, the Company further repurchased part of the USD 2019 Notes in the aggregate principal amount of USD7.7 million in June and July 2019. After the cancellation of the repurchased USD 2019 Notes on 21 August 2019, the aggregate principal amount of the USD 2019 Notes which remains outstanding and subject to the terms of the indenture governing the USD 2019 Notes is USD142.3 million as at 21 August 2019.

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

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the six months ended 30 June 2019.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is published on the websites of the Stock Exchange at www.hkexnews.hk under "Latest Listed Company Information" and the Company (www.gwtd.com.hk). The interim report of the Group for the six months ended 30 June 2019 containing all the information required by the Listing Rules will be despatched to shareholders of the Company and published on the websites of the Stock Exchange at www.hkexnews.hk under "Latest Listed Company Information" and the Company (www.gwtd.com.hk) in due course.

By Order of the Board
Golden Wheel Tiandi Holdings Company Limited
Wong Yam Yin
Chairman

Hong Kong, 28 August 2019

As at the date of this announcement, the Board of Directors of the Company consists of Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Tjie Tjin Fung, and Mr. Janata David as Executive Directors; Mr. Suwita Janata and Mr. Gunawan Kiky as Non-Executive Directors; Mr. Wong Ying Loi, Mr. Lie Tak Sen, Mr. Wong Cho Kei, Bonnie and Mr. Li Sze Keung as Independent Non-Executive Directors.