



GLP China Holdings Limited

Interim Financial Report
For the nine-month period ended 30 September 2023



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Review report to the board of directors of GLP China Holdings Limited (Incorporated in Hong Kong with limited liability)



Introduction

We have reviewed the interim financial report set out on pages 3 to 51 which comprises the consolidated statement of financial position of GLP China Holdings Limited ("the Company") and its subsidiaries (hereinafter collectively referred to as "the Group") as at 30 September 2023 and the related consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the nine-month period then ended and selected explanatory notes. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.



Review report to the board of directors
of GLP China Holdings Limited (continued)
(Incorporated in Hong Kong with limited liability)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 September 2023 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.




Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong



15 NOV 2023

Consolidated Statement of Comprehensive Income
for the nine-month period ended
30 September 2023 - unaudited

	Notes	Nine-month period ended	
		30 September 2023 US\$'000	30 September 2022 US\$'000
			
Revenue	4	975,248	895,994
Other income	5	43,345	17,399
Cost of goods sold		(2,061)	(5,876)
Property-related and other business expenses		(486,569)	(391,423)
Other expenses		(187,199)	(253,805)
Changes in fair value of investment properties	9	166,985	816,867
Share of results (net of tax expense) of joint ventures		36,168	19,403
Share of results (net of tax expense) of associates		10,601	187,434
Profit from operations		556,518	1,285,993
Finance costs		(475,098)	(579,084)
Finance income		112,133	53,387
Net finance costs	6	(362,965)	(525,697)
Gain on acquisition of subsidiaries	27	-	208
Gain on disposal of subsidiaries	27	52,073	1,075,906
Gain on disposal of investment properties		49,976	542
Profit before taxation	7	295,602	1,836,952
Tax expense	8	(141,824)	(584,781)
Profit for the period		153,778	1,252,171
Profit attributable to:			
Owners of the Company		40,880	1,185,461
Non-controlling interests		112,898	66,710
Profit for the period		153,778	1,252,171



The notes on pages 13 to 51 form part of this interim financial report.

Consolidated Statement of Comprehensive Income
for the nine-month period ended
30 September 2023 - unaudited (continued)

	<i>Nine-month period ended</i>	
	<i>30 September 2023</i>	<i>30 September 2022</i>
	US\$'000	US\$'000
 		
Profit for the period	153,778	1,252,171
Other comprehensive income for the period		
<i>Items that will not be reclassified to profit or loss:</i>		
Change in fair value of other investments	(76,960)	(21,726)
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements from functional currency to reporting currency	(576,480)	(2,142,382)
Share of other comprehensive income of joint ventures	3,858	14,580
Share of other comprehensive income of associates	(952)	(2,241)
Other comprehensive income for the period	<u>(650,534)</u>	<u>(2,151,769)</u>
Total comprehensive income for the period	<u>(496,756)</u>	<u>(899,598)</u>
Total comprehensive income attributable to:		
Owners of the Company	(427,518)	(395,157)
Non-controlling interests	<u>(69,238)</u>	<u>(504,441)</u>
Total comprehensive income for the period	<u>(496,756)</u>	<u>(899,598)</u>

The notes on pages 13 to 51 form part of this interim financial report.

Consolidated Statement of Financial Position
as at 30 September 2023 - unaudited

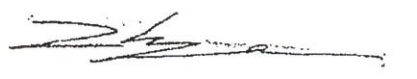
	Notes	30 September 2023 US\$'000	31 December 2022 US\$'000
Non-current assets			
Investment properties	9	13,619,314	13,880,385
Joint ventures	10	2,804,339	2,809,348
Associates	11	2,805,259	2,844,715
Deferred tax assets	12	54,894	54,468
Property, plant and equipment	13	1,703,731	1,352,456
Intangible assets	14	672,910	703,948
Other investments	15	2,582,614	2,512,638
Other non-current assets	16	1,569,473	1,995,642
		<u>25,812,534</u>	<u>26,153,600</u>
Current assets			
Trade and other receivables	17	4,183,002	4,211,604
Assets classified as held for sale	18	5,992,240	6,608,509
Cash and cash equivalents	19	825,101	1,489,426
		<u>11,000,343</u>	<u>12,309,539</u>
Total assets		<u>36,812,877</u>	<u>38,463,139</u>
Equity attributable to owners of the Company			
Share capital	20	6,950,825	6,950,825
Reserves	22	6,738,929	7,162,993
		13,689,754	14,113,818
Non-controlling interests		<u>6,318,634</u>	<u>6,145,160</u>
Total equity		<u>20,008,388</u>	<u>20,258,978</u>

The notes on pages 13 to 51 form part of this interim financial report.

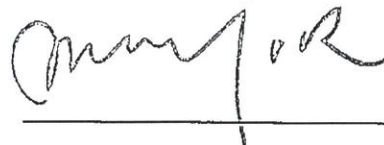
Consolidated Statement of Financial Position
as at 30 September 2023 - unaudited (continued)

	Notes	30 September 2023 US\$'000	31 December 2022 US\$'000
Non-current liabilities			
Loans and borrowings	23	5,271,070	7,616,493
Deferred tax liabilities	12	1,383,099	1,417,960
Other non-current liabilities	24	671,915	711,512
		<u>7,326,084</u>	<u>9,745,965</u>
Current liabilities			
Loans and borrowings	23	3,809,488	2,104,844
Trade and other payables	25	1,760,200	1,717,428
Current tax payable		159,652	395,350
Liabilities classified as held for sale	18	3,749,065	4,240,574
		<u>9,478,405</u>	<u>8,458,196</u>
Total liabilities		<u>16,804,489</u>	<u>18,204,161</u>
Total equity and liabilities		<u>36,812,877</u>	<u>38,463,139</u>

Approved and authorised for issue by the Board of Directors on 15 NOV 2023



Director



Director

The notes on pages 13 to 51 form part of this interim financial report.



Consolidated Statement of Changes in Equity for the nine-month period ended 30 September 2023 - unaudited

	Share capital US\$'000	Capital and PRC statutory reserve US\$'000	Equity compensation reserve US\$'000	Currency translation reserve US\$'000	Fair value reserve (non-recycling) US\$'000	Other reserve US\$'000	Retained earnings US\$'000	Total attributable to owners of the Company US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
At 1 January 2022	6,850,825	90,779	36,849	174,951	228,707	(1,554,630)	8,301,787	14,229,268	5,627,871	19,857,139
Total comprehensive income for the period	-	-	-	-	-	-	1,185,461	1,185,461	66,710	1,252,171
Profit for the period	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation of financial statements from functional currency to reporting currency	-	-	-	(1,571,231)	-	-	-	(1,571,231)	(571,151)	(2,142,382)
Change in fair value of other investments	-	-	-	-	(21,726)	-	-	(21,726)	-	(21,726)
Share of other comprehensive income of joint ventures	-	14,580	-	-	-	-	-	14,580	-	14,580
Share of other comprehensive income of associates	-	(2,241)	-	-	-	-	-	(2,241)	-	(2,241)
Total other comprehensive income	-	12,339	-	(1,571,231)	(21,726)	-	-	(1,560,618)	(571,151)	(2,151,769)
Total comprehensive income for the period	-	12,339	-	(1,571,231)	(21,726)	-	1,185,461	(395,157)	(504,441)	(899,598)
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	1,896,433	1,896,433
Acquisition of subsidiaries	-	9,334	-	-	-	-	-	9,334	(12,487)	(3,153)
Acquisition of interests in subsidiaries from non-controlling interests	-	(56,134)	-	-	-	-	-	(56,134)	(1,813)	(57,947)
Disposal of subsidiaries (Note 27)	-	(4,258)	-	-	-	-	-	(4,258)	(150,479)	(154,737)
Disposal of interests in subsidiaries to minority interests	-	(1,612)	-	-	-	-	-	(1,612)	315,770	314,158
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(2,015,256)	(2,015,256)
Total contributions by and distributions to owners	-	(52,670)	-	-	-	-	-	(52,670)	32,168	(20,502)
At 30 September 2022	6,850,825	50,448	36,849	(1,396,280)	206,981	(1,554,630)	9,487,248	13,781,441	5,155,598	18,937,039

The notes on pages 13 to 51 form part of this interim financial report.


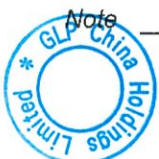


Consolidated Statement of Changes in Equity
for the nine-month period ended 30 September 2023 - unaudited (continued)

	Share capital US\$'000	Capital and PRC statutory reserve US\$'000	Equity compensation reserve US\$'000	Currency translation reserve US\$'000	Fair value reserve (non-recycling) US\$'000	Other reserve US\$'000	Retained earnings US\$'000	Total attributable to owners of the Company US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
At 1 January 2023	6,950,825	67,548	36,849	(1,134,147)	107,484	(1,554,630)	9,639,889	14,113,818	6,145,160	20,258,978
Total comprehensive income for the period	-	-	-	-	-	-	40,880	40,880	112,898	153,778
Profit for the period	-	-	-	-	-	-	40,880	40,880	112,898	153,778
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation of financial statements from functional currency to reporting currency	-	-	-	(394,344)	-	-	-	(394,344)	(182,136)	(576,480)
Change in fair value of other investments	-	-	-	-	(76,960)	-	-	(76,960)	-	(76,960)
Share of other comprehensive income of joint ventures	-	3,858	-	-	-	-	-	3,858	-	3,858
Share of other comprehensive income of associates	-	(952)	-	-	-	-	-	(952)	-	(952)
Total other comprehensive income	-	2,906	-	(394,344)	(76,960)	-	-	(468,398)	(182,136)	(650,534)
Total comprehensive income for the period	-	2,906	-	(394,344)	(76,960)	-	40,880	(427,518)	(65,238)	(496,756)
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	320,092	320,092
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	26,998	26,998
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-
Acquisition of interests in subsidiaries from non-controlling interests	-	810	-	-	-	-	-	810	(1,557)	(747)
Disposal of subsidiaries (Note 27)	-	-	-	-	-	-	-	-	(41,307)	(41,307)
Disposal of interests in subsidiaries to minority interests	-	4,981	-	-	-	-	-	4,981	1,915	6,896
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(63,429)	(63,429)
Other changes	-	-	-	-	-	-	(2,337)	(2,337)	-	(2,337)
Total contributions by and distributions to owners	-	5,791	-	-	-	-	(2,337)	3,454	242,712	246,166
At 30 September 2023	6,950,825	76,245	36,849	(1,528,491)	30,524	(1,554,630)	9,678,432	13,689,754	6,318,634	20,008,388

The notes on pages 13 to 51 form part of this interim financial report.

Consolidated Statement of Cash Flows for the nine-month period ended 30 September 2023 - unaudited

	Note	Nine-month period ended	
		30 September 2023 US\$'000	30 September 2022 US\$'000
Cash flows from operating activities			
Profit before taxation		295,602	1,836,952
Adjustments for:			
Amortisation of intangible assets	14	12,929	5,226
Depreciation of property, plant and equipment	13	84,881	37,548
(Gain)/loss on disposal of property, plant and equipment		(496)	7,742
Gain on disposal of investment properties		(49,976)	(542)
Gain on disposal of subsidiaries	27	(52,073)	(1,075,906)
Gain on acquisition of subsidiaries	27	-	(208)
Share of results (net of tax expense) of joint ventures		(36,168)	(19,403)
Share of results (net of tax expense) of associates		(10,601)	(187,434)
Changes in fair value of investment properties		(166,985)	(816,867)
Changes in fair value of financial assets		9,387	50,927
Impairment losses on trade and other receivables		4,689	1,651
Other expenses		-	74,234
Net finance costs		362,965	525,697
Dividend income		(27,551)	(47,454)
		426,603	392,163
Changes in working capital:			
Trade and other receivables		(21,703)	87,962
Trade and other payables		92,411	(77,747)
Cash generated from operations		497,311	402,378
Tax paid		(54,617)	(102,186)
Net cash generated from operating activities		442,694	300,192

The notes on pages 13 to 51 form part of this interim financial report.

Consolidated Statement of Cash Flows
for the nine-month period ended
30 September 2023 - unaudited (continued)

	Note	Nine-month period ended	
		30 September 2023 US\$'000	30 September 2022 US\$'000
Cash flows from investing activities			
Acquisitions of subsidiaries, net of cash acquired	27	(433,290)	(693,470)
Disposal of subsidiaries, net of cash disposed	27	960,297	828,636
Capital contribution to joint ventures		(64,834)	(48,708)
Capital contribution to associates		(139,192)	(251,424)
Dividends received from joint ventures		24,181	40,254
Dividends received from associates		88,501	91,094
Dividends received from other investments		27,551	49,267
Payment for purchase of property, plant and equipment		(195,835)	(223,830)
Payment for purchase of other investments		(298,170)	(173,984)
Proceeds from sales of property, plant and equipment		812	2,536
Proceeds from disposal of investment properties		60,440	-
Proceeds from disposal of other investments		92,871	206,395
Proceeds from disposal of associates		3,038	246,737
Withholding tax paid on disposal gain, dividend and interest income from subsidiaries		(302,053)	(39,818)
Development expenditure on investment properties		(538,582)	(650,962)
Deposit paid for acquisitions of investment properties		4,830	(119,009)
Loans to joint ventures		(2,333)	(48,880)
Loans to associates		(9,096)	(72,852)
Loans to non-controlling interests		(1,804)	(6,787)
Loans to intermediate holding company and other related parties		(295,934)	(1,407,216)
Repayment of loans from joint ventures		51,049	2,941
Repayment of loans from associates		64,807	162,977
Repayment of loans from non-controlling interests		14,024	-
Repayment of loans from third parties		-	76,571
Repayment of loans from intermediate holding company and other related parties		223,389	69,318
Interest income received		44,082	60,533
Deposits pledged for construction projects		(8,906)	-
Net cash used in investing activities		(630,157)	(1,899,681)


The notes on pages 13 to 51 form part of this interim financial report.

Consolidated Statement of Cash Flows
for the nine-month period ended
30 September 2023 - unaudited (continued)

	<i>Nine-month period ended</i>	
	<i>30 September 2023 US\$'000</i>	<i>30 September 2022 US\$'000</i>
Cash flows from financing activities		
Capital contribution from non-controlling interests	320,092	1,508,233
Deposit received from issue of co-invest shares	2,203	2,418
Dividends paid to co-invest shareholders	(14,035)	-
Repayment of loans from non-controlling interests	(34,059)	(3,204)
Proceeds of loans from third parties	16,024	2,572
Repayment of loans from third parties	-	(700)
Proceeds of loans from other related parties	48,545	631,256
Repayment of loans from related parties	(117,772)	(234,290)
Proceeds of loans from associates	68,961	-
Repayment of loans from associates	(75,162)	-
Proceeds from bank loans	4,476,445	8,883,608
Repayment of bank loans	(4,275,195)	(5,944,153)
Proceeds from issue of bonds	-	284,073
Repayment of bonds	(589,294)	(865,986)
Redemption of bonds	(54,500)	-
Interest paid	(499,623)	(388,497)
Dividends paid to non-controlling interests	(63,429)	(1,627,056)
Acquisition of interests in subsidiaries from non-controlling interests	(747)	(57,947)
Disposal of interests in subsidiaries to non-controlling interests	6,895	314,423
Proceeds of loans from non-controlling interests	2,883	1,240
Cash payments for principal portion of lease liabilities	(17,820)	(13,735)
Cash payments for interest portion of lease liabilities	(8,743)	(8,055)
Net cash (used in)/ generated from financing activities	(808,331)	2,484,200

The notes on pages 13 to 51 form part of this interim financial report.

Consolidated Statement of Cash Flows
 for the nine-month period ended
 30 September 2023 - unaudited (continued)

	Note	Nine-month period ended	
		30 September 2023	30 September 2022
 Net (decrease)/increase in cash and cash equivalents		(995,794)	884,711
Cash and cash equivalents at the beginning of the period		2,070,123	963,449
Effect of exchange rate changes on cash balances held in foreign currencies		<u>(21,499)</u>	<u>(62,174)</u>
Cash and cash equivalents at the end of the period	19	<u>1,052,830</u>	<u>1,785,986</u>



The notes on pages 13 to 51 form part of this interim financial report.



31. Company-level statement of financial position

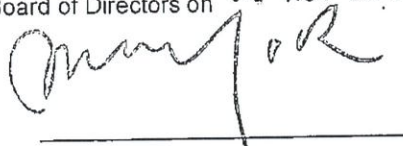
As at 30 September 2023 - unaudited

	Note	30 September 2023 US\$'000	31 December 2022 US\$'000
Non-current assets			
Investments in subsidiaries		20,594,757	20,777,066
Loans to subsidiaries		404,701	848,237
Other non-current assets		549	957
		<u>21,000,007</u>	<u>21,626,260</u>
Current assets			
Other receivables		5,111,413	4,951,658
Cash and cash equivalents		19,504	149,694
		<u>5,130,917</u>	<u>5,101,352</u>
Total assets		<u>26,130,924</u>	<u>26,727,612</u>
Equity attributable to owners of the Company			
Share capital	20	6,950,825	6,950,825
Reserves		(601,104)	(150,251)
Total equity		<u>6,349,721</u>	<u>6,800,574</u>
Non-current liabilities			
Loans and borrowings		1,646,809	4,299,749
		<u>1,646,809</u>	<u>4,299,749</u>
Current liabilities			
Loans and borrowings		3,418,120	1,764,238
Other payables		14,701,300	13,847,615
Current tax payable		14,974	15,436
		<u>18,134,394</u>	<u>15,627,289</u>
Total liabilities		<u>19,781,203</u>	<u>19,927,038</u>
Total equity and liabilities		<u>26,130,924</u>	<u>26,727,612</u>

Approved and authorised for issue by the Board of Directors on 15 NOV 2023




Director



Director


32. Company-level statement of comprehensive income

For the Nine-month period ended 30 September 2023 - unaudited

	<i>Nine-month period ended</i>	
	<i>30 September 2023 US\$'000</i>	<i>30 September 2022 US\$'000</i>
		
Revenue	454	-
Dividend income from a subsidiary	-	26,748
Other income	6,265	-
Other expenses	<u>(11,210)</u>	<u>(14,312)</u>
(Loss)/profit from operations	(4,491)	12,436
Finance costs	<u>(369,442)</u>	<u>(549,728)</u>
Finance income	47,665	27,106
Net finance costs	(321,777)	(522,622)
Gain on disposal of subsidiaries	-	<u>1,259,705</u>
(Loss)/profit before taxation	(326,268)	749,519
Tax expense	<u>(1,971)</u>	<u>(1,032)</u>
(Loss)/profit for the period	(328,239)	748,487
Other comprehensive income for the period		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements from functional currency to reporting currency	<u>(197,745)</u>	<u>(736,405)</u>
Total comprehensive income for the period	<u>(525,984)</u>	<u>12,082</u>

33. Company-level statement of cash flows



For the Nine-month period ended 30 September 2023 - unaudited

	<i>Nine-month period ended</i>	
	<u>30 September</u> 2023 US\$'000	<u>30 September</u> 2022 US\$'000
		
Cash flows from operating activities		
(Loss)/profit before taxation	(326,268)	749,519
Adjustments for:		
Net finance costs	311,015	1,338,069
Dividend income from a subsidiary	-	(26,748)
Gain on disposal of subsidiaries	-	(1,259,705)
	<u>(15,253)</u>	<u>801,135</u>
Changes in working capital:		
Trade and other receivables	(235,340)	(932,294)
Trade and other payables	1,093,881	176,969
	<u>843,288</u>	<u>45,810</u>
Cash generated from operations	843,288	45,810
Tax paid	-	-
Net cash generated from operating activities	<u>843,288</u>	<u>45,810</u>
Cash flows from investing activities		
Interest income received	26,917	28,010
Repayment of loans from subsidiaries	482,696	493,681
Loans to subsidiaries	(40,164)	(708,341)
Investments in subsidiaries	(456,769)	(852,846)
	<u>12,680</u>	<u>(1,039,496)</u>
Net cash generated from/(used in) investing activities	<u>12,680</u>	<u>(1,039,496)</u>



33. Company-level statement of cash flows (continued)

For the Nine-month period ended 30 September 2023 - unaudited

	Nine-month period ended	
	30 September 2023 US\$'000	30 September 2022 US\$'000
Cash flows from financing activities		
Proceeds of loan from subsidiary	191,149	-
Proceeds from bank loans	1,201,820	3,706,079
Proceeds from issue of bonds	-	237,359
Repayment of bank loans	(1,493,489)	(1,998,798)
Repayment of bonds	(589,294)	(519,832)
Redemption of bonds	(54,500)	-
Interest paid	(241,409)	(192,270)
Net cash (used in)/generated from financing activities	(985,723)	1,232,538
Net (decrease)/increase in cash and cash equivalents	(129,755)	238,852
Cash and cash equivalents at the beginning of the period	149,694	31,120
Effect of exchange rate changes on cash balances held in foreign currencies	(435)	(4,308)
Cash and cash equivalents at the end of the period	19,504	265,664