



保利置業集團有限公司

POLY PROPERTY GROUP CO., LIMITED

Incorporated in Hong Kong with limited liability
Stock Code : 00119



2026 Interim Report

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

WAN Yuqing (*Chairman*)

HU Zaixin (*General Manager*)

Non-executive Directors

LIU Wensheng (*appointed on 2 July 2026*)

GENG Yuehua

DENG Huan

ZHANG Yi (*resigned on 18 May 2026*)

Independent Non-executive Directors

FUNG Chi Kin

NG Kim Lam

LAM Sau Fung (*appointed on 18 May 2026*)

ZANG Yunzhi (*appointed on 18 May 2026*)

LEUNG Sau Fan, Sylvia (*resigned on 18 May 2026*)

WONG Ka Lun (*resigned on 18 May 2026*)

AUDIT COMMITTEE

LAM Sau Fung

(*Chairlady, appointed on 18 May 2026*)

LIU Wensheng (*appointed on 2 July 2026*)

GENG Yuehua

DENG Huan

FUNG Chi Kin

NG Kim Lam

ZANG Yunzhi (*appointed on 18 May 2026*)

ZHANG Yi (*resigned on 18 May 2026*)

LEUNG Sau Fan, Sylvia

(*Former Chairlady, resigned on 18 May 2026*)

WONG Ka Lun (*resigned on 18 May 2026*)

REMUNERATION COMMITTEE

FUNG Chi Kin

(*Chairman, re-designated on 18 May 2026*)

HU Zaixin

LIU Wensheng (*appointed on 2 July 2026*)

LAM Sau Fung (*appointed on 18 May 2026*)

ZANG Yunzhi (*appointed on 18 May 2026*)

ZHANG Yi (*resigned on 18 May 2026*)

WONG Ka Lun

(*Former Chairman, resigned on 18 May 2026*)

LEUNG Sau Fan, Sylvia (*resigned on 18 May 2026*)

NOMINATION COMMITTEE

WAN Yuqing (*Chairman*)

GENG Yuehua

FUNG Chi Kin

LAM Sau Fung (*appointed on 18 May 2026*)

ZANG Yunzhi (*appointed on 18 May 2026*)

LEUNG Sau Fan, Sylvia (*resigned on 18 May 2026*)

WONG Ka Lun (*resigned on 18 May 2026*)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

NG Kim Lam (*Chairman*)

HU Zaixin

DENG Huan

FUNG Chi Kin



CORPORATE INFORMATION

COMPANY SECRETARY AND AUTHORIZED REPRESENTATIVE

XIE Yang

SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Rooms 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East, Hong Kong

AUDITOR

BDO Limited

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of Beijing Co., Ltd.
Bank of China Limited
Bank of Communications Co., Ltd.
Bank of Shanghai Co., Ltd.
China CITIC Bank Corporation Limited
China CITIC Bank International Limited
China Construction Bank Corporation
China Everbright Bank Co., Ltd.
China Guangfa Bank Co., Ltd.
China Minsheng Banking Corp., Ltd.
China Zheshang Bank Co., Ltd.
Hua Xia Bank Co., Limited
Industrial and Commercial Bank of China Limited
Industrial Bank Co., Ltd.
Nanyang Commercial Bank, Limited
Ping An Bank Co., Ltd.
Postal Savings Bank of China Co., Ltd.
Shanghai Pudong Development Bank Co. Ltd.
The Bank of East Asia, Limited

LEGAL ADVISER

Jingtian & Gongcheng LLP

INVESTOR RELATIONS CONSULTANT

Strategic Financial Relations Limited

REGISTERED OFFICE

Room 2503, Admiralty Centre, Tower 1
18 Harcourt Road, Hong Kong

COMPANY WEBSITE

www.polyhongkong.com

MANAGEMENT DISCUSSION AND ANALYSIS

For the first half of 2026, the Group recorded a revenue of RMB15,089 million (corresponding period of 2025: RMB18,444 million), representing a decrease of RMB3,355 million or 18.2% when comparing with the corresponding period of last year. Loss attributable to shareholders amounted to RMB740 million, while the profit attributable to shareholders amounted to RMB208 million for the corresponding period of 2025. Basic and diluted losses per share stood at RMB19.37 cents, while basic and diluted earnings per share stood at RMB5.44 cents for the corresponding period of 2025. As at 30 June 2026, shareholders' equity of the Group amounted to RMB32,671 million (31 December 2025: RMB33,719 million), indicating a 3.1% decrease from last year end. Net asset value per share amounted to RMB8.55 (31 December 2025: RMB8.82).

BUSINESS REVIEW

In the first half of the year, China's economy maintained an overall stability while pivoting toward higher-quality and more innovation-driven growth, with Gross Domestic Product growing by 4.7% year-on-year. Key indicators stayed within a rational range, underscoring the economy's resilience. The role of the real estate sector within the national economy, once the growth driver over the past two decades, is gradually shifting to serve as a pillar for people's livelihood and an economic stabiliser. Local governments have adopted city-specific policies to control new supply, reduce existing inventory, and optimise housing supply structure. As market supply and demand fundamentals continued to improve, the availability of "good houses" effectively unlocked demand, while the secondary market performed better than expected. Although the industry as a whole remains in a bottom-consolidation phase, positive signals are gradually gaining momentum.

During the period, Poly Property Group (the Group, together with its joint ventures and associates) achieved contracted sales of RMB23.2 billion, ranking 13th on the CRIC List in terms of total sales amount, moving up 2 spots from the end of last year. The average selling price of contracted sales was RMB29,051 per square metre, an increase of 5% year-on-year. The Yangtze River Delta and the Greater Bay Area accounted for 76%, and the sales contribution from first-tier cities and Hong Kong accounted for 47% and 7% respectively.

Despite an overall contraction in the land market, competition for certain land parcels in core regions has intensified, reflecting property developers' generally prudent approach to investment and a preference for premium projects to secure higher safety margins. Poly Property Group acquired a total of four property development projects, located in Shanghai, Suzhou, Shenzhen, and Wuhan, respectively, with a total land cost of approximately RMB10.8 billion. By the end of June, Poly Property Group's total land bank was 11.16 million square metres. In terms of the land cost, the cost of land bank in the Yangtze River Delta and Pearl River Delta accounted for 77%, and that in the first and second-tier cities accounted for 97%.



MANAGEMENT DISCUSSION AND ANALYSIS

Since the onset of the property market adjustment, the Group has been firmly committed to destocking of long-aged inventory, with a view to accelerating cash collection, enhancing asset efficiency, and continuously optimising its inventory structure. Certain legacy projects faced significant pressure on profitability; coupled with the impact of the timing of project deliveries, both recognised revenue and gross profit margin declined during the period, resulting in a loss. Given the inherent lag in the property settlement cycle, the results for the period largely reflect sales results from prior periods.

The Group's overall operations remained stable, with the three red lines indicators maintaining a green-tier status. Total debt decreased by RMB2.4 billion or 3.4% to RMB67.8 billion; total cash as a percentage of total assets stood at 15.5%, and liquidity remained ample. In late July, the Group issued RMB1.0 billion medium-term notes with a term of 5 years and a coupon rate of 2.46%, and both the financing cost and maturity further optimised compared with that in the first half of the year. By the end of June, the Group's average financing cost was 2.75%, a decrease of 11 basis points from the end of last year.

Looking ahead to the second half of the year, first-tier and core second-tier cities are expected to maintain relatively high activity, driven by the launch of "good houses" and replacement demand from secondary-home transactions. Third- and fourth-tier cities, however, will still need time to absorb existing inventory and are likely to remain in a bottom-consolidation phase. As the market navigates the inevitable phase of supply-demand rebalancing and a gradual recovery of market confidence from the trough, the Group will firmly steady its operations by offering leading products and services, and weather market fluctuations through unwavering quality delivery. By doing so, we aim to advance steadily and sustainably along the new trajectory of high-quality industry development.

PROPERTY SALES

In the first half of 2026, Poly Property Group recorded contracted area sold of approximately 799,000 square metres, and contracted sales of approximately RMB23.2 billion in value. Poly Property Group had 136 major projects for sale, with three of them being debut projects, namely Shanghai Poly River Mansion, Hangzhou Vista Villa and Guangzhou Infinite Residence.



MANAGEMENT DISCUSSION AND ANALYSIS

During the period, the contracted sales of Poly Property Group by regions were as follows:

Region and City	Contracted Sales for the First Half of 2026 (RMB million)	Percentage (%)
Yangtze River Delta Region	9,838	42%
Shanghai	5,103	
Kunshan	1,038	
Changzhou	400	
Taicang	2	
Suzhou	969	
Changshu	1	
Ningbo	542	
Hangzhou	1,782	
Pearl River Delta Region	6,092	26%
Guangzhou	4,408	
Foshan	126	
Shenzhen	1,336	
Huizhou	222	
Southwestern Region	824	4%
Guiyang	151	
Zunyi	4	
Nanning	444	
Liuzhou	2	
Kunming	222	
Other Regions	4,785	21%
Wuhan	753	
Harbin	89	
Mudanjiang	4	
Jinan	3,332	
Yantai	20	
Weihai	422	
Zibo	4	
Weifang	4	
Tai'an	1	
Wanning	156	
Hong Kong	1,668	7%
Hong Kong	1,668	
Total	23,207	100%



MANAGEMENT DISCUSSION AND ANALYSIS

Notes:

1. Contracted sales include car park sales;
2. Since figures were rounded up, their grand total or sub-total may not equal to the actual sum.

In the second half of 2026, subject to construction progress and market conditions, Poly Property Group plans to launch five new projects which include Suzhou Hu Qiu Project, Hangzhou Xiyuan Wulu Project, Yuyao Cheng Dong Project, Nanning Xixiang Tang District Project and Wuhan Wuchang District Project.

NEWLY COMMENCED CONSTRUCTION

In the first half of 2026, Poly Property Group commenced construction on a total of 9 new projects with a gross floor area of approximately 751,000 square metres. Among which, 5 projects commenced construction for the first time, namely, Shanghai Poly River Mansion, Yuyao Cheng Dong Project, Guangzhou Infinite Residence, Nanning Xixiang Tang District Project and Wuhan Wuchang District Project.

Project	Gross Floor Area of Newly Commenced Construction ('000 square metres)	Interests Attributable to the Group (%)
Shanghai Poly River Mansion	63	100%
Yuyao Cheng Dong Project	207	100%
Guangzhou Infinite Residence	36	49%
Nanning Xixiang Tang District Project	69	100%
Wuhan Poly City	69	68%
Wuhan Poly Embossed Elegance	137	55%
Wuhan Wuchang District Project	81	100%
Jinan Poly Minghu Residence	14	40%
Jinan Poly Greentown Phoenix Mansion	75	34%
Total	751	

MANAGEMENT DISCUSSION AND ANALYSIS

RECOGNISED PROPERTY SALES

In the first half of 2026, the Group recognised a total sales value of approximately RMB13,971 million and a total gross floor area of approximately 724,000 square metres. Details of recognised project sales as follows:

Region and Project	Sales Recognised in the First Half of 2026 (RMB million)	Percentage (%)
Yangtze River Delta Region	6,320	45%
1. Shanghai Poly Moonrise Mansion	118	
2. Shanghai Poly Center Manor	1,529	
3. Kunshan Poly Brilliant Palace	1,806	
4. Kunshan Poly Shangyun Fu	1,779	
5. Changzhou Poly Jingyue Palace	414	
6. Ningbo Poly Lustrous Elegance	374	
7. Ningbo Poly Villa Re Place	169	
8. Others	132	
Pearl River Delta Region	1,712	12%
9. Guangzhou Poly Gratified West Bay	266	
10. Guangzhou Poly Polaris	407	
11. Foshan Poly Mansion	249	
12. Shenzhen Poly Vibe Centro	165	
13. Shenzhen Poly Urban Cultural Bay	406	
14. Others	220	
Southwestern Region	1,063	8%
15. Guiyang Poly Bright Moon on Top	142	
16. Nanning Poly Jin House	474	
17. Kunming Poly City	197	
18. Others	249	
Other Regions	3,650	26%
19. Jinan Poly Grand Joy II	1,004	
20. Jinan Poly Crown	1,655	
21. Jinan Poly Quehua Peak Scenery	231	
22. Weihai Poly Moon Fenghua	119	
23. Wanning Poly Peninsula No. 1	110	
24. Others	532	
Hong Kong Region	1,225	9%
25. Hong Kong Chill Residence	1,189	
26. Others	36	
Total	13,971	100%

MANAGEMENT DISCUSSION AND ANALYSIS

Note:

Since figures were rounded up, their grand total or sub-total may not equal to the actual sum.

NEW LAND RESERVES

In the first half of 2026, Poly Property Group acquired 4 new projects, which are located in Shanghai, Suzhou, Shenzhen and Wuhan. The planned total gross floor area of the new projects amounted to approximately 285,000 square metres with land cost at a reasonable level.

New Projects	Planned Property Type	Total Site Area ('000 square metres)	Planned Total Gross Floor Area ('000 square metres)	Interests Attributable to the Group (%)
Suzhou Hu Qiu Project	Residential	33	64	60%
Shanghai Pu Dong Project	Commercial and Residential	17	75	100%
Wuhan Zhongnan Second Road Project	Commercial and Residential	17	56	100%
Shenzhen Nan Shan Project	Commercial and Residential	14	90	100%
Total		81	285	

Suzhou Hu Qiu Project

The project is located in the core sector of Suzhou Xiangcheng High-tech Industrial Development Zone, within the administrative, commercial and business office cluster of Xiangcheng District. It is adjacent to Huqiu Wetland Ecological Park, offering premium ecological and landscape resources. Approximately 1.5 kilometres to the east of the site, it shares access to the well-developed commercial, educational and living facilities of the Huolidao area. The project, with a planned total gross floor area of approximately 64,000 square metres, is intended to be developed as a low density residential community comprising townhouses and garden houses.



MANAGEMENT DISCUSSION AND ANALYSIS

Shanghai Pu Dong Project

The project is located in the Expo area of Pudong New District, Shanghai. The district is planned as the “Expo Waterfront Ring” project of Pudong, which is set to create an integrated urban waterfront living circle encompassing ecology, culture and community life, offering superior ecological resources. The project is surrounded by three metro lines, providing excellent transport connectivity. It is supported by well established living amenities including education, commercial and medical facilities, and surrounded by well-developed residential communities. The project, with a planned total gross floor area of approximately 75,000 square metres, is intended to be developed into high-rise residential buildings.

Wuhan Zhongnan Second Road Project

The project is located in the Huazhong Financial City area of Wuchang District, Wuhan, adjacent to two major urban thoroughfares, Wuluo Road and Zhongnan Road, and approximately 300 metres from the Inner Ring Road. The project neighbours the Zhongnan Road Station of Metro Lines 2 and 4, enjoying convenient transportation links. It is proximate to comprehensive commercial and medical facilities with abundant high-quality educational resources. The project, with a planned total gross floor area of approximately 56,000 square metres, is intended to be developed into high-rise residential buildings.

Shenzhen Nan Shan Project

The project is located in the core area of Yuehai Sub-district, Nanshan District, Shenzhen. It is home to premium industrial clusters such as Shenzhen Bay Science and Technology Ecological Park and Nanshan Science and Technology Park, gathering numerous leading technology companies and high-tech enterprises. The site is close to multiple metro lines and is supported by well-established commercial, educational, cultural and sports facilities. It also boasts Shenzhen Bay landscape resources, featuring prominent location advantages, convenient transportation and great development potential. The project, with a planned total gross floor area of approximately 90,000 square metres, is intended to be developed into high-rise residential buildings.



MANAGEMENT DISCUSSION AND ANALYSIS

INVESTMENT PROPERTIES

The Group has various investment properties and hotels located in first-tier cities and second-tier provincial capitals. Its investment properties have a total gross floor area of approximately 826,000 square metres and asset value of approximately RMB10,286 million.

Location	Major Investment Properties and Hotels	Gross Floor Area Held ('000 square metres)	Interests Attributable to the Group (%)	Property Type
Investment properties				
Beijing	Beijing Poly Plaza	15	75%	Office
Shanghai	Shanghai Poly Plaza (partial)	30	100%	Office and commercial
Shanghai	Shanghai Stock Exchange Buildings (partial)	48	100%	Office
Shenzhen	Shenzhen Poly Cultural Plaza (partial)	135	100%	Commercial
Wuhan	Wuhan Poly Plaza (partial)	56	100%	Office
Hotels				
Beijing	Beijing Poly Plaza Hotel	63	75%	Hotel
Shanghai	Hyatt Regency Shanghai Jiading	69	100%	Hotel
Wuhan	Wuhan Poly Hotel	28	100%	Hotel

PROPERTY MANAGEMENT

The Group has various property management companies engaging in the operation management service of residential, commercial, offices, hotels, theatres and other property types. They have been the leading players in the property management industry in China and have received many titles and awards.

In the first half of 2026, the Group's property management companies recorded revenue of RMB656 million in aggregate, representing an increase of 5.0% when comparing with the corresponding period of last year. The companies managed a total of 335 property projects with a gross floor area under management of approximately 55.93 million square metres, representing an increase of 3.4% when comparing with the corresponding period of last year.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Liquidity and Capital Structure

As at 30 June 2026, total equity attributable to shareholders of the Company amounted to RMB32,671,325,000 (31 December 2025: RMB33,719,299,000), while the net asset value per share was RMB8.55 (31 December 2025: RMB8.82). As at 30 June 2026, the Group's gearing ratio (on the basis of the amount of total liabilities divided by the amount of total assets) was 74.1% (31 December 2025: 73.7%).

As at 30 June 2026, the Group had an outstanding bank and other borrowings (including the notes payable) of RMB67,815,450,000. In terms of maturity, the outstanding bank and other borrowings (including notes payable) can be divided into RMB15,881,486,000 (23.4%) to be repaid within one year, RMB21,159,840,000 (31.2%) to be repaid after one year but within two years, RMB17,513,124,000 (25.8%) to be repaid after two years but within five years, RMB13,261,000,000 (19.6%) to be repaid after five years. In terms of currency denomination, the outstanding bank and other borrowings (including the notes payable) can be divided into RMB64,422,450,000 (95%) in Renminbi and RMB3,393,000,000 (5%) in Hong Kong dollars.

40% of the bank and other borrowings (including the notes payable) of the Group are subject to fixed interest rates and the remaining 60% are subject to floating interest rates. Therefore, under circumstances of interest rates uncertainty or fluctuations or otherwise as appropriate, the Group will consider the use of hedging instruments (including interest rates swaps), in order to manage interest rate risks.

As at 30 June 2026, the Group had a net current assets of RMB79,899,069,000 and total bank balances of RMB27,879,729,000 (31 December 2025: RMB82,115,290,000 and RMB31,161,954,000, respectively). With the available banking facilities and cash revenue from business operations, it is believed that the Group has sufficient resources to meet the foreseeable working capital demands and capital expenditure.

The monetary assets and liabilities and business transactions of the Group are mainly carried and conducted in Hong Kong dollars, Renminbi and United States dollars. The Group maintains a prudent strategy in its foreign exchange risk management, where foreign exchange risks are minimised via balancing the monetary assets versus monetary liabilities, and foreign exchange revenue versus foreign exchange expenditures. The management believes that the foreign exchange rate between Hong Kong dollars and United States dollars is relatively stable. Due to recent fluctuation of Renminbi exchange rate against Hong Kong dollars, the Group closely monitors the fluctuation and adopts policy to minimise exchange rate risks, if necessary.

MANAGEMENT DISCUSSION AND ANALYSIS

Pledged Assets

At the end of the reporting period, the carrying value of the Group's assets which were pledged to secure credit facilities granted to the Group are as follows:

	30 June 2026 RMB'000	31 December 2025 RMB'000
Investment properties	8,203,140	7,286,200
Hotel properties	1,779,000	1,518,000
Buildings	116,421	126,345
Right-of-use assets	194,782	197,356
Properties under development	24,246,141	27,575,707
Properties held for sale	8,104,389	2,562,008
Bank deposits	46,414	86,163
	42,690,287	39,351,779

In addition to above pledge of assets, at 30 June 2026 and 31 December 2025, the Group's interests in certain subsidiaries were pledged to secure credit facilities granted to the Group. The details of net assets value of subsidiaries are as follows:

	30 June 2026 RMB'000	31 December 2025 RMB'000
Total assets	6,233,991	5,662,882
Total liabilities	(4,744,190)	(5,282,121)
	1,489,801	380,761

Contingent Liabilities

The Group arranged mortgage loan facilities with certain banks for purchasers of property units and provided guarantees to banks to secure obligations of such purchasers of repayment. The maximum guarantees given to banks amounted to RMB10,721,376,000 as at 30 June 2026 (31 December 2025: RMB13,867,366,000). Such guarantees will terminate upon the earlier of (i) issue of the real estate ownership certificate; and (ii) the satisfaction of the mortgage loans by the purchasers of the properties. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the Directors. The Directors also consider that the fair value of the underlying properties is able to cover the outstanding mortgage loan guaranteed by the Group in the event the purchasers default payments to the banks.



MANAGEMENT DISCUSSION AND ANALYSIS

At 30 June 2026, the Group had given guarantees to certain banks in respect of credit facilities granted to certain associates and joint ventures of the Group amounting to RMB2,437,500,000 (31 December 2025: RMB3,074,500,000), of which RMB1,764,435,000 (31 December 2025: RMB1,833,135,000) had been utilised by these associates and joint ventures.

EMPLOYEES

As at 30 June 2026, the Group employed 6,142 employees (corresponding period of 2025: 6,437) with remuneration for the period amounted to approximately RMB340 million (corresponding period of 2025: RMB379 million). The Group's remuneration framework, combining basic salary, performance bonus and employee benefits, takes into account employee performance, job experience and market compensation levels. The aim is to provide fair and competitive rewards to attract, retain and motivate talent. Various benefits include provident funds, pension schemes and medical insurance at appropriate levels. Discretionary bonuses are awarded based on the Group's overall performance and individual employee performance. Employees continuously receive various training and development opportunities to enhance their professional capabilities and to keep pace with the business development of the Group.

INTERIM RESULTS

The board of directors (the "Board") of Poly Property Group Co., Limited (the "Company") hereby announces that the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2026, together with the comparative figures for the six months ended 30 June 2025, are as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Six months ended 30 June	
	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	2	15,089,225	18,444,209
Cost of sales		(14,182,687)	(15,224,705)
Gross profit		906,538	3,219,504
Increase in fair value of investment properties		191,138	—
Increase in fair value of financial assets		12,742	14,878
Other gains, net	3	326,473	363,026
Selling expenses		(888,367)	(831,921)
Administrative expenses		(362,965)	(496,711)
Other operating expenses		(131,579)	(149,674)
Finance costs		(428,698)	(648,072)
Share of results of associates		(10,805)	(45,962)
Share of results of joint ventures		(58,195)	(49,093)
(Loss)/profit before income tax expense	4	(443,718)	1,375,975
Income tax expense	5	(300,197)	(1,143,493)
(Loss)/profit for the period		(743,915)	232,482
Attributable to:			
Owners of the Company		(740,303)	207,865
Non-controlling interests		(3,612)	24,617
		(743,915)	232,482
(Loss)/earnings per share (expressed in RMB cents)	7		
— Basic and diluted		(19.37)	5.44



INTERIM RESULTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(Loss)/profit for the period	(743,915)	232,482
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Surplus arising on revaluation of properties, net of tax	33,535	11,952
Exchange differences arising on translation of functional currency to presentation currency	(247,660)	(169,377)
Other comprehensive income for the period, net of tax	(214,125)	(157,425)
Total comprehensive income for the period	(958,040)	75,057
Attributable to:		
Owners of the Company	(959,552)	51,973
Non-controlling interests	1,512	23,084
	(958,040)	75,057



INTERIM RESULTS

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Notes			
Non-current assets			
	8	10,285,670	9,706,000
Investment properties			
Property, plant and equipment	8	3,242,895	3,273,493
Right-of-use assets		493,404	494,252
Interests in associates		2,607,799	2,595,657
Interests in joint ventures		2,331,828	2,382,972
Financial assets at fair value through profit or loss	22	832,962	820,245
Loan receivables		129,212	145,823
Deposits paid for acquisition of land use rights		374,237	1,051,957
Deferred tax assets		126,375	154,722
Total non-current assets		20,424,382	20,625,121
Current assets			
		77,443,650	76,913,371
Properties under development			
Properties held for sale		36,109,117	35,614,027
Other inventories		88,471	71,235
Contract costs		328,305	547,066
Trade and other receivables	9	4,698,007	4,245,346
Amounts due from associates	10	2,182,250	2,835,387
Amounts due from joint ventures	11	1,386,377	1,567,151
Amounts due from non-controlling shareholders of subsidiaries		5,615,094	4,857,900
Taxation recoverable		3,717,305	3,361,301
Pledged bank deposits		46,414	86,163
Bank balances, deposits and cash		27,833,315	31,075,791
Total current assets		159,448,305	161,174,738



INTERIM RESULTS

		30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Notes			
Current liabilities			
Trade and other payables	12	19,378,041	19,584,531
Contract liabilities		32,863,399	29,967,178
Property rental deposits		89,181	84,488
Amounts due to associates	10	1,503,897	1,315,037
Amounts due to joint ventures	11	801,729	791,071
Amount due to the ultimate holding company	13	6,831	6,831
Amount due to an intermediate holding company	14	2,792	2,792
Amount due to a fellow subsidiary	15	485	485
Amounts due to non-controlling shareholders of subsidiaries		2,437,484	2,786,397
Taxation payable		6,583,911	7,704,031
Notes payable — due within one year	17	4,126,000	5,126,000
Bank and other borrowings — due within one year	16	11,755,486	11,690,607
Total current liabilities		79,549,236	79,059,448
Net current assets		79,899,069	82,115,290
Total assets less current liabilities		100,323,451	102,740,411
Capital and reserves attributable to owners of the Company			
Share capital	18	15,712,159	15,712,159
Reserves		3,513,962	3,733,211
Accumulated profits		13,445,204	14,273,929
Equity attributable to owners of the Company		32,671,325	33,719,299
Non-controlling interests		13,996,517	14,015,725
Total equity		46,667,842	47,735,024



INTERIM RESULTS

		30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Notes			
Non-current liabilities			
Bank and other borrowings — due after one year	16	35,433,964	37,869,844
Notes payable — due after one year	17	16,500,000	15,500,000
Lease liabilities		19,622	4,544
Deferred tax liabilities		1,702,023	1,630,999
Total non-current liabilities		53,655,609	55,005,387
		100,323,451	102,740,411



INTERIM RESULTS

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company										
	Share capital RMB'000	Hotel properties revaluation reserve RMB'000	Translation reserve RMB'000	PRC statutory reserves RMB'000	Other capital reserve RMB'000	Asset revaluation reserve RMB'000	Other reserve RMB'000	Accumulated profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2026	15,712,159	881,241	254,140	3,375,943	208,593	86,592	(1,073,298)	14,273,929	33,719,299	14,015,725	47,735,024
Total comprehensive income for the period	—	33,440	(252,689)	—	—	—	—	(740,303)	(959,552)	1,512	(958,040)
Dividend approved in respect of the previous year	—	—	—	—	—	—	—	(88,422)	(88,422)	—	(88,422)
Dividends paid to non-controlling shareholders of subsidiaries	—	—	—	—	—	—	—	—	—	(140,720)	(140,720)
Acquisition of assets through acquisition of a subsidiary	—	—	—	—	—	—	—	—	—	120,000	120,000
At 30 June 2026	15,712,159	914,681	1,451	3,375,943	208,593	86,592	(1,073,298)	13,445,204	32,671,325	13,996,517	46,667,842

For the six months ended 30 June 2025

	Attributable to owners of the Company										
	Share capital RMB'000	Hotel properties revaluation reserve RMB'000	Translation reserve RMB'000	PRC statutory reserves RMB'000	Other capital reserve RMB'000	Asset revaluation reserve RMB'000	Other reserve RMB'000	Accumulated profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2025	15,712,159	837,018	506,777	3,107,974	208,593	86,592	(639,250)	14,389,490	34,209,353	12,337,957	46,547,310
Total comprehensive income for the period	—	16,387	(172,279)	—	—	—	—	207,865	51,973	23,084	75,057
Dividend approved in respect of the previous year	—	—	—	—	—	—	—	(73,825)	(73,825)	—	(73,825)
Dividends paid to non-controlling shareholders of subsidiaries	—	—	—	—	—	—	—	—	—	(84,000)	(84,000)
Capital contribution by non-controlling shareholders	—	—	—	—	—	—	—	—	—	115,714	115,714
De-registration of a subsidiary	—	—	(1,012)	—	—	—	—	1,012	—	—	—
At 30 June 2025	15,712,159	853,405	333,486	3,107,974	208,593	86,592	(639,250)	14,524,542	34,187,501	12,392,755	46,580,256



INTERIM RESULTS

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Cash generated from operations	2,277,640	395,789
Income taxes paid	(1,687,542)	(1,321,640)
Interest paid	(1,007,562)	(1,174,686)
Net cash used in operating activities	(417,464)	(2,100,537)
Cash flows from investing activities		
Acquisition of associates	—	(120,000)
Deposits paid for acquisition of a subsidiary	—	(849,598)
Acquisition of assets through acquisition of a subsidiary, net of cash acquired	(174,443)	—
Bank interest income received	86,892	149,989
Advance to non-controlling shareholders of subsidiaries	(757,194)	(369,285)
Advance to joint ventures	(53,469)	(399,026)
Repayment from joint ventures	225,443	84,457
Advance to associates	(7,119)	(8,412)
Repayment from associates	550,495	295,156
Interest income received from loans to joint ventures	12,874	—
Interest income received from loans to associates	6,716	5,818
Decrease in pledged bank deposits	39,749	451
Other cash flows arising from investing activities	6,099	5,573
Net cash used in investing activities	(63,957)	(1,204,877)
Cash flows from financing activities		
Borrowings raised	7,362,534	7,947,367
Notes payable raised	3,000,000	4,000,000
Capital contribution by non-controlling shareholders of subsidiaries	—	115,714
Dividend paid to non-controlling shareholders of subsidiaries	(140,720)	(84,000)
Repayment of borrowings	(9,616,535)	(9,541,834)
Repayment of notes payable	(3,000,000)	(4,500,000)
Repayment to non-controlling shareholders of subsidiaries	(313,156)	(762,931)
Advance from joint ventures	10,658	84,986
Repayment to joint ventures	—	(981)
Advance from associates	190,389	49,250
Repayment to associates	(1,529)	—
Payment of lease liabilities	(5,956)	(12,942)
Other cash flows arising from financing activities	—	(134)
Net cash used in financing activities	(2,514,315)	(2,705,505)



INTERIM RESULTS

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Net decrease in cash and cash equivalents	(2,995,736)	(6,010,919)
Cash and cash equivalents at beginning of the period	31,075,791	34,507,500
Effect of exchange rate changes on cash and cash equivalents	(246,740)	(191,873)
Cash and cash equivalents at end of the period	27,833,315	28,304,708
Analysis of cash and cash equivalents		
Cash and cash equivalents as stated in the consolidated statement of financial position	27,833,315	28,304,708

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

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

The condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the most recent consolidated financial statements for the year ended 31 December 2025, except for the changes in accounting policy made when the Group initially applies financial reporting standards newly applicable to the annual accounting period beginning on 1 January 2026.

The preparation of condensed consolidated financial statements in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This report contains condensed consolidated financial statements and selected explanatory notes. The explanatory notes include an explanation of events and transactions that are significant to the understanding of the changes in financial position and performance of the Group since the most recent consolidated financial statements for the year ended 31 December 2025. The condensed consolidated financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The financial information relating to the financial year ended 31 December 2025 that is included in this report of the interim results for the six months ended 30 June 2026 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. Further information relating to these statutory financial statements is as follows:

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The HKICPA has issued the following amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group. Of these, the following amendments are relevant to the Group:

Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments

Annual Improvements to HKFRS Accounting Standards — Volume 11

Amendments to HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37, Amendments to Disclosures about Uncertainties in the Financial Statements

The Group has assessed the impact of the adoption of these amended standards that are effective for the first time for this interim financial period. The adoption of these amended standards did not have any material impact on the Group's accounting policies and did not require retrospective adjustments.

The following new/revised HKFRS Accounting Standards, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

HKFRS 18, Presentation and Disclosure in Financial Statements¹

HKFRS 19, Subsidiaries without Public Accountability: Disclosures¹

Amendments to HKFRS 19, Subsidiaries without Public Accountability: Disclosures¹

Amendments to HKAS 21, Translation to Hyperinflationary Presentation Currency¹

Amendments to HK Int 5, Hong Kong Interpretation 5 Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause¹

Amendments to HKFRS 10 and HKAS 28, Sale or Contribution of Assets between an investor and its Associate or Joint Venture²

¹ Effective for annual periods beginning on or after 1 January 2027.

² To be determined by the HKICPA.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the Directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

HKFRS 18, Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the HKICPA in July 2024 supersedes HKAS 1 and will result in major consequential amendments to HKFRS Accounting Standards including HKAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though HKFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The application of the new standard is expected to affect the presentation and disclosure of the statement of profit or loss in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

2. REVENUE AND SEGMENT INFORMATION

For management purposes, the Group is organised into four operating divisions. These divisions are the basis on which the Group reports its segment information.

Principal activities are as follows:

Property development business — property development

Property investment and management — property investment and management

Hotel operations — hotel and restaurant business and its related services

Other operations — manufacturing and sales of digital discs and others



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Information about these segments is presented below:

For the six months ended 30 June 2026

	Property development business RMB'000	Property investment and management RMB'000	Hotel operations RMB'000	Other operations RMB'000	Eliminations RMB'000	Total RMB'000
REVENUE						
Revenue from contracts with customers within the scope of HKFRS 15:						
— Recognised at a point in time	14,011,435	—	—	9,745	—	14,021,180
— Recognised over time	—	655,565	142,895	—	—	798,460
Revenue from other sources outside the scope of HKFRS 15:						
— Rental income	—	269,585	—	—	—	269,585
External revenue	14,011,435	925,150	142,895	9,745	—	15,089,225
Inter-segment revenue*	—	58,434	—	—	(58,434)	—
Total revenue	14,011,435	983,584	142,895	9,745	(58,434)	15,089,225
SEGMENT RESULTS						
	(581,957)	421,754	(14,676)	12,999	—	(161,880)
Unallocated income						224,454
Unallocated expenses						(8,594)
Finance costs						(428,698)
Share of results of associates						(10,805)
Share of results of joint ventures						(58,195)
Loss before income tax expense						(443,718)
Income tax expense						(300,197)
Loss for the period						(743,915)

* Inter-segment revenue were charged with reference to prices charged to external parties for similar services or products.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2026

Assets and liabilities

	Property development business RMB'000	Property investment and management RMB'000	Hotel operations RMB'000	Other operations RMB'000	Total RMB'000
Assets					
Segment assets	128,288,345	11,189,173	2,788,219	926,198	143,191,935
Interests in associates					2,607,799
Interests in joint ventures					2,331,828
Unallocated corporate assets					31,741,125
Total assets					<u>179,872,687</u>
Liabilities					
Segment liabilities	55,049,241	927,338	1,006,787	8,191	56,991,557
Unallocated corporate liabilities					<u>76,213,288</u>
Total liabilities					<u>133,204,845</u>



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

	Property development business RMB'000	Property investment and management RMB'000	Hotel operations RMB'000	Other operations RMB'000	Eliminations RMB'000	Total RMB'000
REVENUE						
Revenue from contracts with customers within the scope of HKFRS 15:						
— Recognised at a point in time	17,458,481	—	—	10,783	—	17,469,264
— Recognised over time	—	625,294	114,312	—	—	739,606
Revenue from other sources outside the scope of HKFRS 15:						
— Rental income	—	235,339	—	—	—	235,339
External revenue	17,458,481	860,633	114,312	10,783	—	18,444,209
Inter-segment revenue*	—	53,054	—	—	(53,054)	—
Total revenue	17,458,481	913,687	114,312	10,783	(53,054)	18,444,209
SEGMENT RESULTS						
	1,690,693	143,069	(30,548)	13,332	—	1,816,546
Unallocated income						314,417
Unallocated expenses						(11,861)
Finance costs						(648,072)
Share of results of associates						(45,962)
Share of results of joint ventures						(49,093)
Profit before income tax expense						1,375,975
Income tax expense						(1,143,493)
Profit for the period						232,482

* Inter-segment revenue were charged with reference to prices charged to external parties for similar services or products.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 December 2025

Assets and liabilities

	Property development business RMB'000	Property investment and management RMB'000	Hotel operations RMB'000	Other operations RMB'000	Total RMB'000
Assets					
Segment assets	127,882,477	10,338,371	2,949,034	931,299	142,101,181
Interests in associates					2,595,657
Interests in joint ventures					2,382,972
Unallocated corporate assets					34,720,049
Total assets					181,799,859
Liabilities					
Segment liabilities	53,409,318	1,027,546	66,141	4,728	54,507,733
Unallocated corporate liabilities					79,557,102
Total liabilities					134,064,835

3. OTHER GAINS, NET

	Six months ended 30 June 2026 RMB'000	2025 RMB'000
Exchange gain, net	137,179	164,427
Government subsidy	19,666	4,292
Interest income from banks	86,892	149,989
Interest income from loans to associates	6,716	315
Interest income from loans to joint ventures	12,874	—
Interest income from amounts due from non-controlling shareholders of subsidiaries	5,262	5,704
Others	57,884	38,299
	326,473	363,026



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4. (LOSS)/PROFIT BEFORE INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
(Loss)/profit before income tax expense is arrived at after charging/(crediting):		
Depreciation of property, plant and equipment	72,055	72,062
Depreciation of right-of-use assets	14,816	16,595
Share of tax of associates (included in share of results of associates)	7,778	13,626
Share of tax of joint ventures (included in share of results of joint ventures)	(1,565)	1,382

5. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
The charge comprises:		
Hong Kong Profits Tax	2,758	262
People's Republic of China Enterprise Income Tax ("PRC EIT")	230,443	559,396
People's Republic of China Land Appreciation Tax ("LAT")	(21,201)	594,395
	212,000	1,154,053
Deferred taxation	88,197	(10,560)
	300,197	1,143,493

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 June 2025: 16.5%) based on the estimated assessable profit for the period ended 30 June 2026, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rates regime.

For that subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in prior period.

The PRC EIT is calculated at 25% (six months ended 30 June 2025: 25%) based on the estimated assessable profit for the period.

Certain People's Republic of China (the "PRC") subsidiaries are also subject to the LAT which is levied at progressive rates ranging from 30% to 60% on the appreciation of properties, being the proceeds from sales of properties less deductible expenditure including costs of land use rights and development and construction.

6. DIVIDENDS

The Directors have resolved not to declare any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: HK\$Nil).

7. (LOSS)/EARNINGS PER SHARE

The calculation of basic and diluted (loss)/earnings per share for the six months ended 30 June 2026 is based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
(Loss)/earnings:		
(Loss)/profit for the period attributable to owners of the Company	(740,303)	207,865
	Six months ended 30 June	
	2026	2025
Number of shares:		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	3,821,183,118	3,821,183,118



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The diluted (loss)/earnings per share for the six-month period ended 30 June 2026 and 2025 are the same as basic (loss)/earnings per share as there were no potentially dilutive ordinary shares in 2026 and 2025.

8. MOVEMENTS IN INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

The Group's investment properties increased by RMB579,670,000 during the period ended 30 June 2026 (30 June 2025: decreased by RMB29,640,000).

During the period ended 30 June 2026, RMB391,862,000 was transferred from properties held for sale to investment properties (30 June 2025: RMBNil) and increase in fair value of investment properties of RMB191,138,000 (30 June 2025: RMBNil) was noted.

The Group's property, plant and equipment decreased by RMB30,598,000 during the period ended 30 June 2026 (30 June 2025: decreased by RMB42,650,000).

During the period ended 30 June 2026, depreciation charge of RMB72,055,000 (30 June 2025: RMB72,062,000) and disposal of property, plant and equipment of RMB13,145,000 (30 June 2025: RMB327,000) were noted.

The decrease was offset by the additions of motor vehicles, furniture and fixture and plant and machinery of RMB10,913,000 (30 June 2025: RMB14,611,000) and the surplus arising on revaluation of hotel properties of RMB44,713,000 (30 June 2025: RMB15,937,000).

The Group's investment properties and hotel properties at 30 June 2026 were valued by AA Property Services Limited, an independent professional surveyor and property valuer not connected with the Group. AA Property Services Limited is a member of the Hong Kong Institute of Surveyors and has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation was arrived at using the same valuation techniques as were used by this valuer when carrying out the valuations at 31 December 2025.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9. TRADE AND OTHER RECEIVABLES

The credit terms in connection with sales of properties granted to the customers are set out in the sale and purchase agreements and vary from agreements. There is no concentration of credit risk with respect to trade receivables arising from sales of properties as the Group has numerous customers. In respect of sales of goods granted to trade customers, the Group allows an average credit period of 30 days to 90 days. The following is an ageing analysis of trade receivables net of allowance for credit losses at the end of the reporting period presented based on invoice dates:

	30 June 2026 RMB'000	31 December 2025 RMB'000
0 to 30 days	20,929	332,107
31 to 90 days	69,009	9,939
More than 90 days	550,679	434,144
Total trade receivables	640,617	776,190
Other receivables	4,057,390	3,469,156
	4,698,007	4,245,346

10. AMOUNTS DUE FROM/(TO) ASSOCIATES

	30 June 2026 RMB'000	31 December 2025 RMB'000
Amounts due from associates:		
— Interest-free	2,150,304	2,835,387
— Fixed rate of 4.95%	31,946	—
	2,182,250	2,835,387
Amounts due to associates:		
— Interest-free	1,413,897	1,225,037
— Fixed rate of 3%	90,000	90,000
	1,503,897	1,315,037

The amounts are unsecured and repayable on demand.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

11. AMOUNTS DUE FROM/(TO) JOINT VENTURES

	30 June 2026 RMB'000	31 December 2025 RMB'000
Amounts due from joint ventures:		
— Interest-free	1,174,171	1,423,645
— Fixed rate of 6.9%	54,000	—
— Fixed rate of 6.5%	—	143,506
— Fixed rate of 6%	158,206	—
	1,386,377	1,567,151
Amounts due to joint ventures:		
— Interest-free	801,729	791,071

The amounts are unsecured and repayable on demand.

12. TRADE AND OTHER PAYABLES

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

	30 June 2026 RMB'000	31 December 2025 RMB'000
0 to 30 days	1,947,448	1,157,198
31 to 90 days	615,610	560,348
More than 90 days	11,333,075	12,644,665
Total trade payables	13,896,133	14,362,211
Other payables	5,481,908	5,222,320
	19,378,041	19,584,531



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

13. AMOUNT DUE TO THE ULTIMATE HOLDING COMPANY

	30 June 2026 RMB'000	31 December 2025 RMB'000
Interest-free	6,831	6,831

The amount is unsecured and repayable on demand.

14. AMOUNT DUE TO AN INTERMEDIATE HOLDING COMPANY

	30 June 2026 RMB'000	31 December 2025 RMB'000
Interest-free	2,792	2,792

The amount is unsecured and repayable on demand.

15. AMOUNT DUE TO A FELLOW SUBSIDIARY

	30 June 2026 RMB'000	31 December 2025 RMB'000
Interest-free	485	485

The amount is unsecured and repayable on demand.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

16. BANK AND OTHER BORROWINGS

The Group's bank and other borrowings decreased by RMB2,371,001,000 (30 June 2025: decreased by RMB1,672,467,000).

During the period ended 30 June 2026, the Group repaid bank and other borrowings of RMB9,616,535,000 (30 June 2025: RMB9,541,834,000). The decrease was offset by additions of bank and other borrowings of RMB7,362,534,000 (30 June 2025: RMB7,947,367,000), which bear interest at market rates.

17. NOTES PAYABLE

The Group has issued the following notes payable:

- (i) On 8 September 2021, the Group issued the 3.29% note due in 2027 in the aggregate principal amount of RMB626,000,000 with an redemption right and interest rate adjustment right exercisable in 2024 held by the noteholders and the Group respectively. The note bore interest at the rate of 3.29% per annum and is payable annually in arrears on the interest payment date falling on 8 September, in each year.

On 12 August 2024, the Group exercised the interest rate adjustment right. Since then, the note bears interest at the rate of 2.4% per annum.
- (ii) On 18 February 2022, the Group issued the 3.66% note due in 2027 in the aggregate principal amount of RMB500,000,000. The note bears interest at the rate of 3.66% per annum. The note is payable annually in arrears on the interest payment date falling on 18 February, in each year.
- (iii) On 6 June 2022, the Group issued the 3.65% note due in 2027 in the aggregate principal amount of RMB500,000,000. The note bears interest at the rate of 3.65% per annum. The note is payable annually in arrears on the interest payment date falling on 6 June, in each year.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(iv) On 20 June 2022, the Group issued the 3.68% note due in 2027 in the aggregate principal amount of RMB500,000,000. The note bears interest at the rate 3.68% per annum respectively. The note is payable annually in arrears on the interest payment date falling on 20 June, in each year.

(v) On 9 January 2023, the Group issued the 3.82% note due in 2026 in the aggregate principal amount of RMB1,500,000,000. The note bears interest at the rate of 3.82% per annum. The note is payable annually in arrears on the interest payment date falling on 9 January, in each year.

During the period ended 30 June 2026, note with principal amount of RMB1,500,000,000 in aggregate has been repaid in full at its maturity date.

(vi) On 24 February 2023, the Group issued the 3.7% and 4.2% notes due in 2026 and 2028 in the aggregate principal amount of RMB1,000,000,000 and RMB1,000,000,000 respectively. The notes bear interest at the rate of 3.7% and 4.2% per annum respectively. The notes are payable annually in arrears on the interest payment date falling on 24 February, in each year.

During the period ended 30 June 2026, note with principal amount of RMB1,000,000,000 in aggregate has been repaid in full at its maturity date.

(vii) On 6 April 2023, the Group issued the 3.47% and 3.88% notes due in 2026 and 2028 in the aggregate principal amount of RMB500,000,000 and RMB1,500,000,000 respectively. The notes bear interest at the rate of 3.47% and 3.88% per annum respectively. The notes are payable annually in arrears on the interest payment date falling on 6 April, in each year.

During the period ended 30 June 2026, note with principal amount of RMB500,000,000 in aggregate has been repaid in full at its maturity date.

(viii) On 27 July 2023, the Group issued the 3.40% note due in 2026 in the aggregate principal amount of RMB1,000,000,000. The note bears interest at the rate of 3.40% per annum. The note is payable annually in arrears on the interest payment date falling on 27 July, in each year.

(ix) On 17 October 2023, the Group issued the 3.48% note due in 2026 in the aggregate principal amount of RMB500,000,000. The note bears interest at the rate of 3.48% per annum. The note is payable annually in arrears on the interest payment date falling on 17 October, in each year.

(x) On 11 June 2024, the Group issued the 2.5% and 2.8% notes due in 2027 and 2029 in the aggregate principal amount of RMB500,000,000 and RMB1,000,000,000 respectively. The notes bear interest at the rate of 2.5% and 2.8% per annum respectively. The notes are payable annually in arrears on the interest payment date falling on 11 June, in each year.

(xi) On 22 July 2024, the Group issued the 2.45% and 2.83% notes in the aggregate principal amount of RMB1,200,000,000 and RMB800,000,000 due in 2027 and 2029 respectively. The notes bear interest at the rate of 2.45% and 2.83% per annum. The notes are payable annually in arrears on the interest payment date falling on 22 July, in each year.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

- (xii) On 16 October 2024, the Group issued the 2.98% note due in 2027 in the aggregate principal amount of RMB1,500,000,000. The note bears interest at the rate of 2.98% per annum. The note is payable annually in arrears on the interest payment date falling on 16 October, in each year.
- (xiii) On 5 March 2025, the Group issued the 2.66% note due in 2028 in the aggregate principal amount of RMB1,500,000,000. The note bears interest at the rate of 2.66% per annum. The note is payable annually in arrears on the interest payment date falling on 5 March, in each year.
- (xiv) On 16 April 2025, the Group issued the 2.46% note due in 2028 in the aggregate principal amount of RMB1,500,000,000. The note bears interest at the rate of 2.46% per annum. The note is payable annually in arrears on the interest payment date falling on 16 April, in each year.
- (xv) On 12 June 2025, the Group issued the 2.6% note due in 2030 in the aggregate principal amount of RMB1,000,000,000. The note bears interest at the rate of 2.6% per annum. The note is payable annually in arrears on the interest payment date falling on 12 June, in each year.
- (xvi) On 14 July 2025, the Group issued the 2.57% note due in 2030 in the aggregate principal amount of RMB500,000,000. The note bears interest at the rate of 2.57% per annum. The note is payable annually in arrears on the interest payment date falling on 14 July, in each year.
- (xvii) On 14 August 2025, the Group issued the 2.72% note due in 2030 in the aggregate principal amount of RMB1,000,000,000. The note bears interest at the rate of 2.72% per annum. The note is payable annually in arrears on the interest payment date falling on 14 August, in each year.
- (xviii) On 28 October 2025, the Group issued the 2.79% note due in 2030 in the aggregate principal amount of RMB1,000,000,000. The note bears interest at the rate of 2.79% per annum. The note is payable annually in arrears on the interest payment date falling on 28 October, in each year.
- (xix) On 12 January 2026, the Group issued the 2.69% note due in 2029 in the aggregate principal amount of RMB1,000,000,000. The note bears interest at the rate of 2.69% per annum. The note is payable annually in arrears on the interest payment date falling on 12 January, in each year.
- (xx) On 22 January 2026, the Group issued the 2.95% note due in 2029 in the aggregate principal amount of RMB500,000,000. The note bears interest at the rate of 2.95% per annum. The note is payable annually in arrears on the interest payment date falling on 22 January, in each year.
- (xxi) On 20 April 2026, the Group issued the 2.53% note due in 2029 in the aggregate principal amount of RMB1,500,000,000. The note bears interest at the rate of 2.53% per annum. The note is payable annually in arrears on the interest payment date falling on 20 April, in each year.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

18. SHARE CAPITAL

	Number of ordinary shares	Amount RMB'000
Ordinary shares, issued and fully paid:		
At 31 December 2025 and 30 June 2026	3,821,183,118	15,712,159

19. CONTINGENT LIABILITIES

The Group arranged mortgage loan facilities with certain banks for purchasers of property units and provided guarantees to banks to secure obligations of such purchasers of repayment. The maximum guarantees given to banks amounted to approximately RMB10,721,376,000 as at 30 June 2026 (31 December 2025: RMB13,867,366,000). Such guarantees will terminate upon the earlier of (i) issue of the real estate ownership certificate; and (ii) the satisfaction of the mortgage loans by the purchasers of the properties. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the Directors. The Directors also consider that the fair value of the underlying properties is able to cover the outstanding mortgage loan guaranteed by the Group in the event the purchasers default payments to the banks.

At 30 June 2026, the Group had given guarantees to certain banks in respect of credit facilities granted to certain associates and joint ventures of the Group amounting to approximately RMB2,437,500,000 (31 December 2025: RMB3,074,500,000), of which approximately RMB1,764,435,000 (31 December 2025: RMB1,833,135,000) had been utilised by these associates and joint ventures.

20. CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of property development expenditures and acquisition of land use right amounted to RMB8,555,530,000 (31 December 2025: RMB8,674,960,000) and RMB67,976,000 (31 December 2025: RMB1,143,403,000), respectively, as at 30 June 2026.

The Group did not have any capital expenditure authorised but not contracted for as at 30 June 2026 (31 December 2025: RMBNil).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

21. MATERIAL RELATED PARTY TRANSACTIONS

During the current period, the Group entered into the following material related party transactions:

(I) Transactions with related parties

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Property rental income (note a)	9,140	9,006
Interest expenses (note b)	13,490	8,750
Interest income (note c)	19,590	315
Management fee income	890	890

Notes:

- (a) The property rental income was received from subsidiaries of the ultimate holding company, which was charged in accordance with the relevant tenancy agreements.
- (b) The interest expenses arose from loans advanced by a subsidiary of the ultimate holding company. These loans were unsecured, carried interest at either a fixed rate of 3.25% or variable rates based on LPR ranging from LPR minus 2.1% to 0.25% and repayable within three years.
- (c) The interest income was derived from loans advanced to associates and joint ventures, which carried interest at fixed rates from 4.95% to 6.9% and repayable on demand.

(II) Compensation to key management personnel

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Short-term benefits	5,126	5,402
Post-employment benefits	1,424	1,650
	6,550	7,052

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

22. FAIR VALUE MEASUREMENTS

(i) Financial instruments carried at fair value

The fair value of financial assets are determined with reference to quoted market prices or using valuation techniques in which no significant input is based on observable market data.

The following table presents financial instruments measured at fair value in the condensed consolidated statement of financial position on a recurring basis, categorised into the three- level fair value hierarchy as defined in HKFRS 13, "Fair Value Measurement". The level into which a fair value measurement classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments
- Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data
- Level 3 (lowest level): fair values measured using valuation techniques in which no significant input is based on observable market data

At 30 June 2026, the Group had following financial instruments carried at fair value all of which are based on the level 1 or level 3 of the fair value hierarchy:

	Fair value at 30 June 2026 RMB'000	Fair value measurements as at 30 June 2026 categorised into		
		Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Assets				
Financial assets at fair value through profit or loss				
— Listed	612	612	—	—
— Unlisted	832,350	—	—	832,350
	832,962	612	—	832,350



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

	Fair value at 31 December 2025	Fair value measurements as at 31 December 2025 categorised into		
	RMB'000	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Assets				
Financial assets at fair value through profit or loss				
— Listed	966	966	—	—
— Unlisted	819,279	—	—	819,279
	820,245	966	—	819,279

During the six months ended 30 June 2026 and the year ended 31 December 2025, there were no transfers between financial instruments in level 1 and level 2, or transfer into and out of level 3. The Group policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(ii) **The fair values of financial assets and financial liabilities are determined as follows:**

The fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted active bid prices and ask prices respectively; and the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as inputs.



OTHER INFORMATION

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: HK\$Nil).

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 30 June 2026, details of the interests and short positions (including interests or short positions which were taken or deemed to have under the Securities and Futures Ordinance (the "SFO")) held by the Directors and chief executive of the Company in the shares, underlying shares, and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), whether as recorded in the register maintained under Section 352 of the SFO or notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), are as follows:

1. **Interests in the issued ordinary shares and underlying shares of the Company:**

No Director or chief executive held any interest in the issued ordinary shares or underlying shares of the Company.

2. **Interests in the issued ordinary shares and underlying shares of Poly Developments and Holdings Group Co., Ltd. ("Poly Developments and Holdings"), an associated corporation of the Company:**

Name	Long position/ short position	Number of ordinary shares	Approximate percentage of interest ¹
Hu Zaixin	Long position	742,670	0.00620%

Notes :

- This represents the percentage of the aggregate long positions in shares and underlying shares of Poly Developments and Holdings of the total number of issued shares of Poly Developments and Holdings as at 30 June 2026.
- Mr. Hu Zaixin was deemed to be interested in 27,173 shares through the interest of his spouse.

Save as disclosed above, as at 30 June 2026, pursuant to the register maintained under Section 352 of the SFO and to notifications made to the Company and the Stock Exchange under the Model Code, no Director or chief executive held or was deemed to hold any interest or short position in the shares, underlying shares, or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).



OTHER INFORMATION

INTERESTS IN SECURITIES OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2026, the register required to be kept under Section 336 of the SFO shows that the interests and short positions of the substantial shareholders of the Company and other persons in the shares and underlying shares of the Company are as follows:

Name of shareholder	Number of shares held (long position)			Approximate percentage of the issued share capital of the Company
	Beneficial owner	Held by controlled corporation(s)	Total number of shares	
China Poly Group Corporation Limited* (中國保利集團有限公司)	253,788,246	1,583,738,058	1,837,526,304 (Note 1)	48.09%
Poly Developments and Holdings Group Co., Ltd.* (保利發展控股集團股份有限公司)	—	1,583,738,058	1,583,738,058 (Note 2)	41.45%
Poly (Hong Kong) Holdings Limited	120,381,544	1,463,356,514	1,583,738,058 (Note 3)	41.45%
Ting Shing Holdings Limited	—	1,463,356,514	1,463,356,514 (Note 4)	38.30%
Congratulations Company Ltd.	1,111,578,283	—	1,111,578,283	29.09%
Source Holdings Limited	244,594,241	107,183,990	351,778,231 (Note 5)	9.21%

Notes:

1. China Poly Group Corporation Limited directly and beneficially holds 253,788,246 shares of the Company and owns 50% of the issued share capital of Poly (Hong Kong) Holdings Limited, and is accordingly deemed to be interested under the SFO in the shares held directly and indirectly by Poly (Hong Kong) Holdings Limited.
2. Poly Developments and Holdings Group Co., Ltd. owns 50% of the issued share capital of Poly (Hong Kong) Holdings Limited and is accordingly deemed to be interested under the SFO in the shares held directly and indirectly by Poly (Hong Kong) Holdings Limited.
3. Poly (Hong Kong) Holdings Limited is deemed to be interested under the SFO in 1,583,738,058 shares of the Company by virtue of its direct holding of 120,381,544 shares of the Company and indirect holding of 1,463,356,514 shares of the Company through its wholly-owned subsidiary, Ting Shing Holdings Limited.



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4. Ting Shing Holdings Limited is deemed to be interested under the SFO in 1,463,356,514 shares of the Company by virtue of its indirect holding of 1,463,356,514 shares through its subsidiaries, Source Holdings Limited and Congratulations Company Ltd., of 351,778,231 shares and 1,111,578,283 shares, respectively.
5. Source Holdings Limited is deemed to be interested under the SFO in 351,778,231 shares of the Company by virtue of its direct holding of 244,594,241 shares of the Company and indirect holding of 107,183,990 shares through its wholly-owned subsidiaries, Musical Insight Holdings Ltd. and Wincall Holding Ltd., of 47,825,571 shares and 59,358,419 shares, respectively.

* *for identification purposes only*

Save as disclosed above, the Company was not aware of any other persons (other than the Directors or chief executive of the Company) who had interests in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO as at 30 June 2026.

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DISCLOSURES PURSUANT TO RULE 13.21 OF THE LISTING RULES

1. On 31 January 2024, the Company (as borrower) entered into a term loan facility agreement with certain banks and financial institutions in an aggregate amount of HK\$3,900,000,000. The final maturity date of the facility is 36 months from the date of the first drawdown.

Pursuant to the facility agreement, it shall be an event of default if, among other things, China Poly Group Corporation Limited ("China Poly Group") ceases to: (a) (together with its controlled corporations) be the single largest shareholder of the Company, or directly or indirectly through its controlled corporations, to hold at least 40% of the issued share capital of the Company; (b) maintain management control of the Company; or (c) be under the control and supervision of the State-owned Assets Supervision and Administration Commission of the State Council ("SASAC").



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2. On 12 August 2025, the Company (as borrower) entered into a term loan facility agreement with certain banks and financial institutions in an aggregate amount of RMB3,650,000,000. The final maturity date of the facility is 36 months from the date of the first drawdown.

Pursuant to the facility agreement, if, among other things, China Poly Group: (a) ceases to be directly or indirectly (legally or beneficially) owned as to at least 50.1% of its issued share capital by SASAC and/or any entity directly or indirectly controlled by the Central Government of the People's Republic of China (collectively, "SASAC and/or PRC Central Government-Controlled Entities"), or SASAC and/or PRC Central Government-Controlled Entities cease to have management control over China Poly Group; or (b) ceases to directly or indirectly (through its controlled corporations) own at least 38% of the issued share capital of the Company, or (together with its controlled corporations in aggregate) ceases to remain the single largest shareholder of the Company, or ceases to maintain management control over the Company, the lenders shall have the right to: (i) cancel all or part of the commitments under the facility agreement; and (ii) declare all or part of the loans under the facility agreement, together with accrued interest thereon and all other amounts accrued or outstanding under the finance documents immediately due and payable.

CORPORATE GOVERNANCE

The Company and the Board are committed to maintaining high standards of corporate governance practices and procedures. By establishing a robust governance structure, the Group aims to effectively implement its strategies and manage risks, creating long-term sustainable returns for shareholders.

Throughout the period under review, the Company has adopted and complied with all the code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules. It also continues to enhance its corporate governance practices, taking reference from certain recommended best practices therein.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors (the "Dealing Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules. Having made specific enquiries with all Directors of the Company, all Directors have confirmed that they have complied with the Dealing Code during the six months ended 30 June 2026.



OTHER INFORMATION

CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information of the Directors required to be disclosed by the Company are as follows:

On 15 July 2026, Mr. Geng Yuehua was appointed as a non-independent director of Poly Developments and Holdings Group Co., Ltd. (600048.SH) for a term of three years.

REVIEW OF INTERIM RESULTS

The audit committee of the Company has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026.