

YIDA 亿达

億達中國控股有限公司

YIDA CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

股份代號 Stock Code : 3639.HK

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INTERIM REPORT

中 期 報 告





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CORPORATE OVERVIEW

Yida China Holdings Limited, founded in 1988, is China's largest business park developer and leading business park operator. The main business involves business park development and operation, sales of residential properties within and outside business parks and office properties and standalone residential properties, business park entrusted operation and management and construction, decoration and landscaping services. On 27 June 2014, the Company was successfully listed on the Main Board of the Stock Exchange.

During the early stage of corporate development, the Group established its foothold in Dalian and relied on its local knowledge advantages. Meanwhile, it catered to the international development trends and enjoyed the advantages of its unique business model. Since 1998, the Group had firmly been seizing the international industrial relocation opportunities of service outsourcing industry and IT outsourcing industry, implementing "Private Investment + Government Support", Internationalization and "Industry – Universities" integration strategies, creating the business model of City-Industry Integration, and constructing and operating Dalian Software Park at a high standard. The Group had become a pioneer in the field of China's service outsourcing business park development and operation and had determined its future development direction.

During the business expansion stage, the Group improved its capacities in all fields, raised abruptly based on its accumulated strength and established its own core competitiveness. The Group, by relying on its successful experiences in the operation of Dalian Software Park and the government's economic development and industrial upgrading strategies, fully integrated internal and external resources, further developed and operated Dalian Tiandi, Dalian BEST City, Wuhan Software New Town, Yida Information Software Park and many other software parks and technology parks. It helped the Group achieve its preliminary strategic goals of "National Expansion, Business Model Exploration and Diversified Cooperation". For over 20 years, the Group had provided its services to nearly 80 Fortune Global 500 Companies. The Group had accumulated rich client base and operation experiences, forming a blue ocean for business development featuring high entry threshold, high customer loyalty, whole production chain coverage and immunity to cyclicity risk.

Throughout these years upon the Listing, the Group clearly put forward to be "China's leading business park operator". It pursued its national expansion goal through the strategy of "leading the development of asset-light business to actuate asset-heavy business, and developing asset-light and asset-heavy businesses simultaneously". Thus, the Group, by virtue of using the development mode of "City-Industry Integration", had been fully exploring its business in major first-tier and second-tier cities and economically vital regions.

In the "second half" of the real estate industry, the Group will cater to the trends and, by virtue of its strong internal and external resources, enhance its core competitiveness as to its business park development and operation to finally achieve scale development and performance improvement.

CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Jiang Xiuwen (*Chairman and Chief Executive Officer*)
Mr. Yuan Wensheng

Non-executive Directors

Mr. Lu Jianhua (*vice chairman*)
Mr. Wang Gang
Ms. Jiang Qian

Independent Non-executive Directors

Mr. Guo Shaomu
Mr. Han Gensheng (*resigned on 13 January 2025*)
Mr. Tong Wing Chi (*appointed on 13 January 2025*)
Mr. Chen Yi Chuan (*appointed on 13 January 2025*)

Joint Company Secretaries

Mr. Sun Mingze
Ms. Kwong Yin Ping Yvonne

Authorised Representatives

Mr. Jiang Xiuwen
Mr. Sun Mingze

Board Committees

Audit Committee

Mr. Han Gensheng (*resigned on 13 January 2025*)
Mr. Guo Shaomu
Mr. Tong Wing Chi (*appointed on 13 January 2025*)
Mr. Chen Yi Chuan (*chairman, appointed on 13 January 2025*)

Remuneration Committee

Mr. Jiang Xiuwen
Mr. Guo Shaomu (*chairman*)
Mr. Han Gensheng (*resigned on 13 January 2025*)
Mr. Tong Wing Chi (*appointed on 13 January 2025*)

Nomination Committee

Mr. Jiang Xiuwen (*chairman*)
Mr. Han Gensheng (*resigned on 13 January 2025*)
Mr. Guo Shaomu
Mr. Chen Yi Chuan (*appointed on 13 January 2025*)

Registered Office

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Headquarters in the People's Republic of China

Block 4, Yida Plaza
93 Northeast Road
Shahekou District
Dalian, Liaoning Province
PRC

Principal Place of Business in Hong Kong

Room 2008, 20/F
Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

Principal Share Registrar and Transfer Office

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

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

CORPORATE INFORMATION (continued)

Auditor

Prism Hong Kong Limited

Certified Public Accountants

Registered Public Interest Entity Auditor

Legal Advisors

As to Hong Kong Law

Sidley Austin

As to Cayman Islands Law

Conyers Dill & Pearman (Cayman) Limited

Principal Bankers

Bank of Dalian

Shanghai Pudong Development Bank

Harbin Bank

Huaxia Bank

Stock Code

3639

Company's Website

www.yidachina.com

CHAIRMAN'S STATEMENT

Dear shareholders,

I am pleased to present you the Group's interim results for the Period.

YIDA 亿达

WWW.YIDACHINA.COM



Operation of
Business Parks



Sales of
Properties



Construction,
Decoration and
Landscaping



Entrusted
Operation and
Management



Changsha Yida & CSCEC Intelligent Technology Centre



Dalian Yida Core Park

CHAIRMAN'S STATEMENT (continued)

During the Period, the Group recorded revenue of approximately RMB700 million, of which sales income from residential properties within and outside business parks, office properties and standalone residential properties was approximately RMB212 million; rental income from business parks was approximately RMB216 million; business park entrusted operation and management income was approximately RMB87 million; construction, decoration and landscaping income was approximately RMB185 million, with a gross profit of approximately RMB100 million and a gross profit margin of 14.2%. Net loss attributable to owners of the Company during the Period was approximately RMB776 million.

REVIEW OF THE FIRST HALF OF 2025

In the first half of 2025, the real estate market continued its three-year shrinking trend and remained in a period of profound adjustment. The transaction volume of land auctions and the transacted floor area continued to delivered a year-on-year decline. At the same time, insufficient market demand for operation and frequent risks faced by real estate enterprises put short-term pressure on its performance, hindering the development of the industry. Although the implementation of supportive policies and specialized government acquisition measures has, to a certain extent, delayed the concentrated outbreak of the liquidity crisis in the short term, real estate enterprises continued to face multiple challenges on the sales side and debt side.

During the Period, the debt risks of the Group became prominent, adversely affecting its stable operation. Under the leadership of the management of the Group, all business teams worked together and, with the steadfast support of the controlling shareholder, focused on improving operational quality as a safeguard and resolving debt risks as a breakthrough. The Group made every endeavor to promote the effective implementation of key tasks and actively addressed operational risks, ensuring the sustained stability of all business activities.

OUTLOOK FOR THE SECOND HALF OF 2025

Amidst the evolving real estate market situation, it is expected that macroeconomic policies will provide stepped-up support in the second half of 2025. The recovery in land auction market, along with the positive interaction between the supply of high-quality land parcels and the willingness for business investment, will drive the transformation of the industry into a new development model. However, current household income is low, demographic structure is poor and housing price expectations are on the weak side, alongside insufficient supply of high-quality real estate projects. Coupled with differentiation of regional development and product types, and imbalances in financing supply and demand, both short-term operation and long-term business transformation will face significant pressure.

Currently, with the overall market undergoing a phase of profound adjustment, the Group will actively address both the operational and debt challenges, focus on driving its main business, promote the realization of operating targets, and expedite destocking of existing projects. At the same time, the Group will leverage the policy window of government acquisition, promote the revitalization of existing assets, improve its asset and liability position, and fully mitigate risks. The Group will precisely match organizational resources and business resources, strengthen the operation and management capabilities of the business parks, and accelerate the disposal and revitalization of inefficient assets. Through strict implementation of budgets and rigorous expenses control, the Group will maintain the stability of the core team, focus on overcoming operational difficulties and safeguard the fundamentals of operational stability.

Dear shareholders, on behalf of the Board, I would like to express our heartfelt gratitude to all shareholders, investors, business partners and customers for their support for the Group, and to the management and employees for their tireless efforts and contributions.

Jiang Xiuwen
Yida China Holdings Limited
Chairman and Chief Executive Officer

29 August 2025

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

I. Operation of Properties Owned by Business Parks

During the Period, the Group wholly owned four business parks, including Dalian Software Park, Dalian BEST City, Dalian Tiandi and Yida Information Software Park, and it also owned a 50% stake in Wuhan First City. The total completed GFA of the above business parks was approximately 1.929 million sq.m., with a leasable area of approximately 1.373 million sq.m.. During the Period, the Group recorded a rental income of approximately RMB216 million, representing a decrease of 11.2% from the corresponding period of 2024, which was mainly attributable to the decrease in occupancy rate during the Period.

An overview of properties owned by the Group is as follows (unit: '000 sq.m.):

Business Parks	Interest Held by the Group	Total Completed Floor Area	Leasable Area				Occupancy Rate at the End of the Period
			Office Buildings	Apartments	Shops	Parking Spaces	
Dalian Software Park	100%	635	367	180	35	41	80%
Dalian BEST City	100%	147	97	–	8	40	53%
Yida Information Software Park	100%	120	78	–	10	31	83%
Dalian Tiandi	100%	337	227	38	28	12	85%
Wuhan First City	50%	690	78	30	26	47	84%
Total		1,929		1,373			

Note:

1. The financial statements of Wuhan First City were not consolidated to the financial statements of the Group, therefore the rental income of the Group excludes the rental income from such park.

During the Period, affected by international relations and geopolitics, corporate clients occupying a total of approximately 28 thousand sq.m. moved out from the business parks, which was mainly due to the reduction of office space by some foreign enterprises as planned, while local clients remained relatively stable. Meanwhile, the Group continued to actively expand its customer resources by acquiring 11 new corporate clients during the Period, with newly contracted area of approximately 7,000 sq.m..

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

In order to enhance client stickiness and provide diversified value-added services, the Group has adhered to the importation of industrial resources and industrial development services as its core competitiveness. It continuously innovates its industrial service models, actively engages with potential clients, and organizes various corporate and commercial events, creating more interactive activities for both companies and employees. Those activities include manager circle activities that foster career development and resource sharing; university-enterprise collaborations that establish deep partnerships with universities to introduce talent needed for the parks; and hosting thematic salons exclusive to the parks that empower enterprises in reducing costs and increasing efficiency. Through these interactive activities, the Group has further gathered requirements and feedback from existing park tenants, while simultaneously establishing a robust communication platform for potential clients.

With innovation as the core and ecology as the foundation, Wuhan First City of the Group has been committed to building a “digital and intelligent industrial city ecosystem” for more than ten years, empowering and deepening the advancement and development of the digital industry. At present, the park has signed more than 240 enterprises, including 11 listed companies, 112 high-tech enterprises, 5 specialized and innovative “Little Giant” enterprises, 7 provincial specialized and innovative enterprises and 24 gazelle enterprises.

II. Sales of Properties

In the first half of 2025, the overall real estate market continued the trend of profound adjustment and transformation in recent years. Although favorable policies were frequently introduced, the implementation of a series of measures to “stabilize the market, promote transformation and prevent risks” required additional time. It is difficult for real estate enterprises to reconcile repayment pressure of short-term debts with requirements for operational transformation, which forces them to strategically narrow their business scope to ensure survival. Guided by the principle of “cash flow security,” the Group sought survival opportunities through revitalizing core assets and debt restructuring while awaiting systemic policy relief and a turning point in demand.

Amid this market environment, the Group will continue to focus on its core businesses such as “asset revitalization, debt decrease and risk control, sales collection and project construction.” Precise allocation of limited resources and optimization of operational strategies will be carried out to ensure the on-schedule completion of our key projects of “Guaranteed Delivery Building.” While safeguarding operational stability, the Group will seek new opportunities for future development.

During the Period, the Group achieved contracted sales of approximately RMB415 million, contracted sales area of 34.1 thousand sq.m. and average contracted sales price of approximately RMB12,148 per sq.m.. The majority of projects sold were located in Dalian (82.2% of contracted sales) and Hefei (8.2% of contracted sales); while residential property sales accounted for 75.2% of contracted sales.

During the Period, the sales revenue from the business was approximately RMB212 million, representing a year-on-year increase of 20.8%, which was mainly due to the increase in projects delivered during the Period; the average sales price was approximately RMB11,077 per sq.m., representing a year-on-year decrease of 39.7%, mainly due to the main products carried forward during the Period were different from those of the same period of 2024. The projects carried forward during the Period were mainly ordinary residential properties and apartments with lower prices as compared to ordinary residential properties carried forward during the same period of 2024. Revenue-recognized projects were mainly located in Dalian (93.1% of revenue), Shenyang (4.7% of revenue), Chongqing (2.2% of revenue) and other cities.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Dalian

In the first half of 2025, the transactions of Dalian's commercial housing market continued to show an overall significant decline and a trend of value recovery in core areas. The total transacted floor area decreased by approximately 16% compared to the same period of 2024. However, the transacted floor area in the five central districts increased by approximately 14% year-on-year, with the average transacted price rising by approximately 7% year-on-year. This indicates that supply and transactions are gradually contracting towards the core areas of the city. New supply and transaction volumes in the peripheral markets are expected to have a further decline.

During the Period, Dalian introduced a substantial number of stimulus policies, including those broadening the application scope of preferential deed tax policies for first and second homes, supporting talents in housing purchase, continuously increasing the supply of indemnificatory housing, and strengthening financing support for real estate projects. The combination of these policies further unleashed the demand from potential home buyers. The Hekou Bay Xinyuan project of the Group is situated in the heart of the transportation hub of Hekou Bay in the High-Tech District and is adjacent to the six major ancillary facilities of transportation, industry, commerce, waterfront, leisure, and lifestyle. With a balanced distance from all ancillary facilities, buyers can enjoy a more convenient urban life and achieving the concept of a 300-meter golden living circle. During the Period, the contracted sales amounted to approximately RMB114 million, with a sales area of approximately 10.6 thousand sq.m. and an average sales price of approximately RMB10.7 thousand per sq.m..

The following table sets forth the Group's contracted sales breakdown as at 30 June 2025:

	Sales Floor Area (sq.m.)	Sales Amount (RMB'0000)	Average Sales Price (RMB/sq.m.)	Percentage of Total Sales
Dalian	24,184	34,113	14,106	82.2%
Wuhan	–	26	–	0.1%
Shenyang	1,567	630	4,020	1.5%
Chongqing	2,407	2,371	9,850	5.7%
Hefei	5,064	3,393	6,700	8.2%
Changsha	927	951	10,262	2.3%
Total	34,149	41,484	12,148	100.0%
Dalian Software Park	417	1,214	29,127	2.9%
Dalian BEST City	3,584	4,106	11,459	9.9%
Yida Information Software Park	2,706	2,779	10,268	6.7%
Dalian Tiandi	11,872	13,590	11,447	32.8%
Wuhan First City	–	26	–	0.1%
Changsha Yida & CSCEC Intelligent Technology Centre	927	951	10,262	2.3%
Hefei Industrial Project	5,064	3,393	6,700	8.2%
Chongqing Yida Innovation Plaza	2,407	2,371	9,850	5.7%
Residential Properties outside Business Parks	5,605	12,424	22,166	29.9%
Shenyang Sino-German Yida Intelligent Technology City Creative Industrial Park	1,567	630	4,020	1.5%
Total	34,149	41,484	12,148	100.0%

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

III. Business Park Operation and Management

The Group is committed to developing smart park investment and operations, to create a national network matrix for industrial investment. During the Period, the Group had a total business park contracted operation and management area of approximately 219,000 sq.m.. During the Period, we achieved revenue of approximately RMB87 million, representing a year-on-year decrease of 13.2%, which was mainly attributable to the reduction in business scale of the Group's clients during the Period.

IV. Construction, Decoration and Landscaping

In recent years, due to the significant influence by the overall downturn in the real estate industry, this business segment has continued to experience market contraction. During the Period, in view of the challenging industry landscape, the Group adopted multiple measures to strictly control costs and ensure on-time project delivery. Through the effective utilization of the digital management platform, the Group has continuously optimized its corporate organizational structure, and supported material management technology to flexibly utilize existing resources to improve per capita effectiveness. During the Period, there were five projects under construction, expecting to achieve an output value for the year of approximately RMB180 million. During the Period, the total revenue from the construction, decoration and landscaping business was approximately RMB185 million, representing an increase of 25.3% as compared with the same period of 2024, mainly due to the increase in output value of completed external projects during the Period.

V. Land Reserves

As of 30 June 2025, the total GFA of the Group's land reserve was approximately 6.47 million sq.m., among which the land reserve in Dalian accounted for 77.1%. The GFA of land reserves attributable to the Group was approximately 5.96 million sq.m..

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

The following table sets forth a breakdown of the Group's land reserves as at 30 June 2025:

By City	Total GFA of Land Reserves (sq.m.)	Proportion	Attributable GFA of Land Reserves (sq.m.)	Proportion
Dalian	4,992,525	77.1%	4,992,525	83.8%
Shenyang	27,714	0.4%	14,134	0.2%
Wuhan	620,072	9.6%	310,036	5.2%
Zhengzhou	297,535	4.6%	297,535	5.0%
Changsha	253,879	3.9%	129,478	2.2%
Chengdu	65,848	1.0%	45,063	0.7%
Chongqing	80,755	1.3%	80,755	1.4%
Hefei	136,284	2.1%	88,585	1.5%
Total	6,474,612	100.0%	5,958,111	100.0%

By Location	Total GFA of Land Reserves (sq.m.)	Proportion	Attributable GFA of Land Reserves (sq.m.)	Proportion
Business Parks	5,673,405	87.6%	5,156,904	86.6%
Residential Properties outside Business Parks	801,207	12.4%	801,207	13.4%
Total	6,474,612	100.0%	5,958,111	100.0%

MANAGEMENT DISCUSSION AND ANALYSIS (continued)



Zhengzhou Yida Creation City

Projects Within/Outside Business Parks	Equity Held by the Group	Completed Saleable/Leasable GFA (sq.m.)	GFA under Development (sq.m.)	GFA Held for Future Development (sq.m.)
Business Parks				
Dalian Software Park				
Office	100%	622,289	–	179,500
Residential	100%	48,040	–	–
Subtotal		670,329	–	179,500

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Projects Within/Outside Business Parks	Equity Held by the Group	Completed Saleable/Leasable GFA (sq.m.)	GFA under Development (sq.m.)	GFA Held for Future Development (sq.m.)
Dalian BEST City				
Office	100%	124,432	129,361	515,172
Residential	100%	134,043	6,570	23,816
Subtotal		258,475	135,931	538,988
Wuhan First City				
Office	50%	217,894	93,124	291,635
Residential	50%	17,419	–	–
Subtotal		235,313	93,124	291,635
Yida Information Software Park				
Office	100%	175,700	–	111,614
Residential	100%	70,222	55,990	–
Subtotal		245,922	55,990	111,614
Dalian Tiandi				
Office	100%	270,027	252,866	1,393,669
Residential	100%	91,894	–	–
Subtotal		361,921	252,866	1,393,669
Chengdu Intelligent Science and Technology City				
Office	60%	–	51,961	–
Subtotal		–	51,961	–
Changsha Yida & CSCEC Intelligent Technology Centre				
Office	51%	102,144	40,797	110,938
Subtotal		102,144	40,797	110,938

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Projects Within/Outside Business Parks	Equity Held by the Group	Completed Saleable/Leasable GFA (sq.m.)	GFA under Development (sq.m.)	GFA Held for Future Development (sq.m.)
Zhengzhou Yida Creation City				
Office	100%	100,535	37,300	159,700
Subtotal		100,535	37,300	159,700
Chongqing Yida Innovation Plaza				
Office	100%	80,755	–	–
Subtotal		80,755	–	–
Sino-German Yida Intelligent Technology City Creative Industrial Park				
Office	51%		27,714	–
Subtotal		–	27,714	–
Hefei Industrial Project				
Office	65%		136,284	–
Subtotal		–	136,284	–
Projects Within Business Parks Subtotal		2,055,394	831,967	2,786,044
Projects Outside Business Parks				
Dalian	100%	363,832	167,791	255,697
Chengdu	100%	13,887	–	–
Projects Outside Business Parks Subtotal		377,719	167,791	255,697
Total		2,433,113	999,758	3,041,741

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

FINANCIAL REVIEW

Revenue

The sources of revenue of the Group include (1) revenue from sales of properties; (2) rental income; (3) income from providing business park operation and management services; and (4) income from providing construction, decoration and landscaping services.

During the Period, the revenue of the Group was approximately RMB700.41 million, representing an increase of 5.0% from the corresponding period of 2024. The following table sets forth a breakdown of the revenue for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	Amount RMB'000	% of total amount	Amount RMB'000	% of total amount
Revenue from sales of properties	212,200	30.3%	175,623	26.3%
Rental income	216,387	30.9%	243,798	36.5%
Business park operation and management services income	86,889	12.4%	100,080	15.0%
Construction, decoration and landscaping income	184,932	26.4%	147,564	22.2%
Total	700,408	100.0%	667,065	100.0%

(1) Revenue from sales of properties

The Group's revenue arising from sales of residential properties within and outside business parks, office properties and apartments for the Period was approximately RMB212.20 million, representing an increase of 20.8% from the corresponding period of 2024, which was mainly attributable to the increase in projects delivered during the Period.

(2) Rental income

The Group's rental income derived from operation of business parks owned by the Group for the Period amounted to approximately RMB216.39 million, representing a decrease of 11.2% from the corresponding period of 2024, which was mainly attributable to the decrease in occupancy rate during the Period.

(3) Business park operation and management services income

During the Period, the income arising from business park operation and management services provided by the Group amounted to approximately RMB86.89 million, representing a decrease of 13.2% from the corresponding period of 2024, which was mainly attributable to the business scale reduction of customers during the Period.

(4) Construction, decoration and landscaping income

During the Period, the income derived from construction, decoration and landscaping services provided by the Group amounted to approximately RMB184.93 million, representing an increase of 25.3% from the corresponding period of 2024, which was mainly attributable to the increase in output value of completed external projects during the Period.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Cost of Sales

The cost of sales of the Group during the Period amounted to approximately RMB600.71 million, representing an increase of 25.7% from the corresponding period of 2024, which was mainly attributable to the increase in costs resulting from the increase in revenue during the Period and the provision for impairment of inventories during the Period.

Gross Profit and Gross Profit Margin

The gross profit of the Group during the Period amounted to approximately RMB99.70 million, representing a decrease of 47.3% from the corresponding period of 2024; the gross profit margin decreased from 28.4% for the corresponding period of 2024 to 14.2% during the Period, which was mainly attributable to different products carried forward during the Period and the decrease in corresponding gross profit of each product carried forward as compared to the same period in 2024.

Selling and Marketing Expenses

The selling and marketing expenses of the Group for the Period increased by 19.5% to approximately RMB27.92 million from approximately RMB23.36 million in the corresponding period of 2024, which was mainly attributable to the increase in property management expenses and sales commissions during the Period.

Administrative Expenses

The administrative expenses of the Group for the Period amounted to approximately RMB50.75 million, representing a decrease of 12.9% from the corresponding period of 2024, which was mainly due to the adoption of active measures to control administrative costs during the Period.

Other losses – net

The net other losses of the Group recorded for the Period amounted to approximately RMB101.80 million, representing an increase of 74.1% from the corresponding period of 2024, which was mainly due to the penalties for overdue payment incurred during the Period.

Fair Value (Losses)/Gains on Investment Properties

During the Period, the fair value losses on investment properties of the Group amounted to approximately RMB123.90 million, compared to the gains of approximately RMB0.23 million for the corresponding period of 2024. This was mainly due to lease termination by a number of companies in the business parks during the Period as a result of the relocation of businesses of certain international customers, coupled with some clients shifting operations to lower-cost regions to achieve cost reduction and efficiency improvement.

Finance Costs – net

The net finance costs of the Group increased by 26.4% to approximately RMB505.43 million during the Period from approximately RMB399.79 million in the corresponding period of 2024, which was mainly due to the increase in interest expenses and the decrease in interest capitalised during the Period.

Share of Profits/(Losses) of Joint Ventures and Associates

During the Period, the Group recorded share of profits of joint ventures and associates amounted to approximately RMB1.38 million, representing an increase of approximately RMB1.44 million from loss of approximately RMB0.06 million recorded during the corresponding period of 2024, which was mainly attributable to the increase in income from equity investments in Wuhan New Software Park Development Company Limited.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Income Tax Expenses

The income tax expenses of the Group include corporate income tax, land appreciation tax and deferred income tax. The income tax expenses of the Group increased by 332.4% to approximately RMB70.01 million during the Period from approximately RMB16.19 million in the corresponding period of 2024, which was mainly attributable to the increase in provision for land appreciation tax arising from the settlement of land appreciation tax for sales of properties during the Period.

Loss for the Period

As a result of the foregoing, the Group recorded a loss before tax of approximately RMB708.33 million during the Period as compared to the loss before tax of approximately RMB345.24 million for the corresponding period of 2024.

The Group recorded a net loss of approximately RMB778.34 million during the Period as compared to the net loss of approximately RMB361.43 million for the corresponding period of 2024.

The net loss attributable to equity owners for the Period amounted to approximately RMB775.54 million, as compared to net loss attributable to equity owners of approximately RMB360.12 million for the corresponding period of 2024.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash Position

As at 30 June 2025, the Group had cash and bank balances of approximately RMB440.87 million (including restricted cash of approximately RMB254.92 million) (31 December 2024: cash and bank balances of approximately RMB373.80 million, including restricted cash of approximately RMB217.55 million).

Debts

As at 30 June 2025, the Group had bank and other borrowings of approximately RMB11,605.35 million (31 December 2024: approximately RMB11,670.88 million), of which:

(1) By Loan Type

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Secured bank loans	5,072,665	5,340,153
Secured other borrowings	4,263,965	4,119,741
Unsecured other borrowings	2,268,715	2,210,990
	11,605,345	11,670,884

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

(2) By Maturity Date

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within one year or on demand	11,551,811	11,618,346
In the second year	53,534	52,538
	11,605,345	11,670,884

As of 30 June 2025, the Group's bank and other borrowing amounted to approximately RMB11,320.35 million were charged with fixed interest rate of 1.2% – 12.00% per annum with the remaining balances of approximately RMB285.00 million were charged with variable rates.

Debt Ratio

The net gearing ratio (net debt, including interest-bearing bank and other borrowings, less cash and cash equivalents and restricted cash, divided by the total equity) of the Group was approximately 168.6% as at 30 June 2025, which increased by 16 percentage points as compared to 152.6% as at 31 December 2024.

Pledge of Assets

Details of the Group's assets pledged for the Group's bank and other borrowings are included in note 24 to the financial statements.

Foreign Exchange Risks

The functional currency of the Group is RMB and most transactions were denominated in RMB. As at 30 June 2025, the Group had cash and bank balances (including restricted cash) of approximately RMB0.10 million and approximately RMB0.68 million denominated in Hong Kong dollars and USD, respectively. As at 30 June 2025, the Group had borrowings of approximately RMB1,842.15 million and approximately RMB378.70 million denominated in United States dollars and Hong Kong dollars, respectively, with the remaining borrowings all denominated in RMB. All such amounts were exposed to foreign currency risks. The Group currently has no foreign currency hedging policies, but the management monitors foreign exchange risks and will consider hedging significant foreign exchange risks when necessary.

Contingent Liabilities

The Group enters into arrangements with PRC commercial banks to provide mortgage facilities to its customers to purchase the Group's properties. In accordance with industry practice, the Group is required to provide guarantees to these banks in respect of mortgages provided to such customers. Guarantees for such mortgages are generally discharged at the earlier of: (i) registration of mortgage interest to the bank, or (ii) the settlement of mortgage loans between the mortgagee banks and the purchasers. As at 30 June 2025, the Group provided guarantees of approximately RMB132.38 million to commercial banks in the PRC in respect of mortgage loans granted to the customers of the Group (31 December 2024: approximately RMB156.32 million). Besides, the Group provided guarantees to the extent of approximately RMB48.78 million as at 30 June 2025 (31 December 2024: approximately RMB56.11 million) in respect of bank loans granted to a joint venture.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had 300 full-time employees (31 December 2024: 348). The Group distributes remunerations to the staff based on the performances, work experiences of the employees and the current market salary level.

The Group regularly reviews the remuneration policy and plan and will make necessary adjustments to make it in line with the industry salary standards.

INTERIM DIVIDEND

The Board has resolved not to declare any payment of interim dividend for the Period.

PURCHASES, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Period, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As at 30 June 2025, the Company does not hold any treasury shares.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Period, the Company had no significant investments held or material acquisitions or disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

During the Period, the Group had not authorised any plans for material investments or additions of capital assets.

DISCLOSURE OF INTERESTS

Directors and Chief Executives' Interests and Short Positions in the Shares and Underlying Shares or Debentures of the Company or any of Its Associated Corporations

As at 30 June 2025, the interests and short positions of each of the Directors and the chief executives 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) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(I) Interest in the shares and underlying shares of the Company

Name of Director	Capacity/Nature of interest	Number of shares held ⁽¹⁾	Approximate percentage in the Company's issued share capital as at 30 June 2025
Mr. Jiang Xiuwen	Interest of a controlled corporation	68,600,000 (L) ⁽²⁾	2.65%
Mr. Wang Gang	Interest of a controlled corporation	69,200,000 (L) ⁽³⁾	2.68%

Notes:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) Mr. Jiang Xiuwen beneficially owns the entire issued share capital of Grace Excellence Limited, Wonderful High Limited and Everest Everlasting Limited, which, in total own 74.21% of the issued share capital of Keen High Keen Source Limited. Keen High Keen Source Limited owns 2.65% of the issued share capital of the Company. By virtue of the SFO, Mr. Jiang Xiuwen is deemed to be interested in the shares of the Company held by Keen High Keen Source Limited.
- (3) Mr. Wang Gang beneficially owns the entire issued share capital of Mighty Equity Limited, which in turn owns the entire issued share capital of Grace Sky Harmony Limited. Grace Sky Harmony Limited owns 2.68% of the issued share capital of the Company. By virtue of the SFO, Mr. Wang Gang is deemed to be interested in the shares of the Company held by Grace Sky Harmony Limited.

DISCLOSURE OF INTERESTS (continued)

(II) Interest in associated corporations of the Company

Name of Director	Name of associated corporation	Capacity	Number of shares held ⁽¹⁾	Percentage of the issued share capital of that associated corporation held as at 30 June 2025
Mr. Jiang Xiuwen	Keen High Keen Source Limited	Interest of a controlled corporation	5,180 (L) ⁽²⁾	74.21%

Notes:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) These shares are held by Grace Excellence Limited with 3,000 shares, Everest Everlasting Limited with 180 shares and Wonderful High Limited with 2,000 shares, which are wholly owned by Mr. Jiang Xiuwen.

Save as disclosed above, as at 30 June 2025, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions 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) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DISCLOSURE OF INTERESTS (continued)

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

As at 30 June 2025, so far as the Directors are aware, the following persons (other than the Directors and the chief executives of the Company) or institutions have interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of shareholder	Capacity/Nature of interest	Number of shares held ⁽¹⁾	Approximate percentage in the Company's issued share capital as of 30 June 2025
Jiayou (International) Investment Limited ⁽²⁾⁽³⁾	Beneficial owner	1,581,485,750 (L)	61.20%
Jiahuang (Holdings) Investment Limited ⁽²⁾	Interest of corporation controlled by the substantial shareholder	1,581,485,750 (L)	61.20%
Shanghai Pinzui Enterprise Management Ltd. ⁽²⁾	Interest of corporation controlled by the substantial shareholder	1,581,485,750 (L)	61.20%
China Minsheng Jiaye Investment Co., Ltd. ⁽²⁾	Interest of corporation controlled by the substantial shareholder	1,581,485,750 (L)	61.20%
China Minsheng Investment Corp., Ltd. ⁽²⁾	Interest of corporation controlled by the substantial shareholder	1,581,485,750 (L)	61.20%
Yeung Mei Lee	Joint and several receivers	516,764,000	19.99%
Chen Mingxiao	Joint and several receivers	516,764,000	19.99%
Sun Yinhan ⁽⁴⁾	Founder of a discretionary trust	241,400,000 (L)	9.34%
TMF (Cayman) Ltd. ⁽⁴⁾	Trustee	241,400,000 (L)	9.34%
Right Ying Holdings Limited ⁽⁴⁾	Interest of controlled corporation	241,400,000 (L)	9.34%
Right Won Management Limited ⁽⁴⁾	Beneficial owner	241,400,000 (L)	9.34%

Notes:

- (1) The letter "L" represents a long position in the Shares.
- (2) China Minsheng owns 67.26% share equity of CMIG Jiaye. Pinzui is beneficially wholly-owned by CMIG Jiaye. Jiahuang is beneficially wholly-owned by Pinzui. Jiayou is beneficially wholly-owned by Jiahuang. By virtue of the SFO, China Minsheng, CMIG Jiaye, Pinzui and Jiahuang are deemed to hold equity in 1,581,485,750 Shares held by Jiayou.
- (3) 516,764,000 Charged Shares were charged by Jiayou in favour of the Aetos Parties. On 11 May 2022, Mr. Chen Mingxiao (Jason Chen) and Ms. Yeung Mei Lee (Kitty Yeung) were appointed as the joint and several receivers of the Charged Shares.
- (4) The entire issued share capital of Right Won Management Limited is held by TMF (Cayman) Ltd. (as the trustee of The Right Ying Trust) through Right Ying Holdings Limited. The entire issued share capital of Right Ying Holdings Limited is held by TMF (Cayman) Ltd. The Right Ying Trust is a discretionary trust established by Mr. Sun Yinhan on 14 November 2018. The beneficiaries of The Right Ying Trust include Mr. Sun Yinhan and certain of his family members.
- (5) Mr. Lu Jianhua, a non-executive Director, is also a director, the chairman of the board of directors of CMIG Jiaye. Save as disclosed, as at 30 June 2025, none of the Directors was a director or employee of a company which had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, as at 30 June 2025, there was no other person, other than a Director or chief executives of the Company, who had interests or short positions in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with Corporate Governance Code

The Directors recognise the importance of good corporate governance in the management of the Group. The Company has adopted the code provisions set out in the CG Code contained in Part 2 to Appendix C1 to the Listing Rules. During the Period, except for the deviation for reason set out below, the Company has applied the principles of good corporate governance and complied with the code provisions set out in Part 2 of the CG Code.

Pursuant to code provision C.2.1 of Part 2 of the CG Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. Mr. Jiang Xiuwen, the chief executive officer of the Company, was appointed as the chairman of the Company on 22 June 2018 and is responsible for overseeing the operations of the Group. The Board has considered the merits of separating the roles of the chairman and chief executive officer but is of the view that it is in the best interests of the Company to vest the two roles in Mr. Jiang Xiuwen as it will ensure the Company is under a consistent leadership and facilitates the implementation and execution of the Group's business strategies currently and in the foreseeable future. The Board will nevertheless review the relevant structure from time to time in light of the prevailing circumstances.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as set forth in Appendix C3 to the Listing Rules as the code for securities transactions by the Directors. The Company has made specific enquiry with each of the Directors and all Directors have confirmed that they complied with the Model Code throughout the Period.

Share Option Scheme

As the end of the Period, no share option schemes was adopted by the Group.

Audit Committee

The Company has established the Audit Committee on 1 June 2014. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group, oversee the audit process and perform other duties and responsibilities as assigned by the Board. As at 30 June 2025, the Audit Committee consisted of three independent non-executive Directors, namely Mr. Chen Yi Chuan, Mr. Guo Shaomu and Mr. Tong Wing Chi, with Mr. Chen Yi Chuan acting as the chairman of the Audit Committee. In compliance with Rule 3.21 of the Listing Rules, the chairman of the Audit Committee has appropriate professional qualifications. During the period from 1 January 2025 to 12 January 2025, the Company failed to meet the requirements of Rules 3.10(1), 3.10(2), 3.10A and 3.21 of the Listing Rules. Since 13 January 2025, the Company has re-complied with Rules 3.10, 3.10A and 3.21 of the Listing Rules. For details, please refer to the announcement of the Company dated 13 January 2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION (continued)

Review of the Interim Results

The unaudited interim results of the Group for the six months ended 30 June 2025 have been reviewed and approved by the Audit Committee.

Litigation and Arbitration

Arbitrations in relation to Aetos

On 23 October 2017, certain subsidiaries of the Company (collectively, the “**Respondents**”) received an arbitration notice from the Hong Kong International Arbitration Centre in respect of the submission of arbitration applications by the joint venture partners of the Group (the “**Claimants**”) relating to the put price of the put options pursuant to certain agreements entered into between such parties.

On 20 October 2020, the Hong Kong International Arbitration Centre issued a final award (the “**Final Award**”) comprising the full put option price of USD108 million, accrued interest of USD84 million, legal costs and expenses, and arbitration cost.

On 4 March 2021, a settlement agreement was entered into among Aetos Parties, the Obligors and the Yida Parties (all as defined in the announcement of the Company dated 5 March 2021) in relation to the settlement arrangement for the outstanding payments under the Final Award (the “**Settlement Agreement**”). Pursuant to the Settlement Agreement, the Obligors acknowledged that they are indebted to Aetos Parties for approximately USD209 million (the “**Total Payment Obligation**”), and it was agreed that such amount would be reduced to USD175 million.

For details, please refer to the announcements of the Company dated 25 February 2021 and 5 March 2021.

As at the date of this report, the Respondents have not fulfilled all payment obligations pursuant to the Settlement Agreement. The Respondents and Aetos Parties maintained communication and will reach an agreement in relation to the performance and arrangement of the Settlement Agreement as soon as practically possible.

Criminal Order

Dalian Services Outsourcing Base Development Company Limited (大連服務外包基地發展有限公司) (“**Outsourcing Company**”) (a wholly-owned subsidiary of the Company) received a criminal order (the “**Order**”) issued by the Intermediate People’s Court of Dalian Municipal Liaoning Province (遼寧省大連市中級人民法院) (the “**Dalian Court**”) with effect from 17 January 2025 against, inter alia, two former employees of Outsourcing Company for bribery. As the bribes were provided for and on behalf of Outsourcing Company, Outsourcing Company was also convicted of bribery. The Company and the Board noted from the Order that Mr. Wen Hongyu (a former Director who had resigned on 31 December 2016) and a former employee of Outsourcing Company (who was neither a director nor senior management of the Company) provided bribes, individually or jointly, for and on behalf of Outsourcing Company to various third parties and state functionary since 2008 in order to assist Outsourcing Company to obtain commercial benefits in certain commercial projects. Meanwhile, the former employee also accepted bribes as a non-state functionary.

For details, please refer to the announcement dated 27 January 2025 of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION (continued)

Senior Notes

On 17 April 2017, the Company issued the 2020 Notes, i.e. the USD300,000,000, 6.95% senior notes due 19 April 2020.

On 27 March 2020, the Company issued the 2022 Notes, i.e. the USD224,899,000 senior notes (ISIN: XS2130508000; Common Code: 213050800) due 27 March 2022 pursuant to the Exchange Offer and Consent Solicitation of the holders of the 2020 Notes. The 2022 Notes are listed on the Singapore Exchange Securities Trading Limited.

On 7 February 2022, the Company entered into the solicitation of consents (the “**Consent Solicitation**”) in relation to the proposed waivers of certain defaults under the indenture (as supplemented or amended, the “**Indenture**”) of the 2022 Notes and the 2022 Notes and the proposed amendments to the Indenture. Completion of the Consent Solicitation took place on 16 February 2022, which mainly included (i) the waiver of events of default relating to the failure to pay the outstanding principal amount and interest (including default interest) under the Indenture, and other payment defaults under other indebtedness and the waiver of other consequential breaches and defaults arising from such events of default; (ii) the extension of the maturity date of the 2022 Notes to 30 April 2025 and the amendment to the repayment schedule for the outstanding principal amount of the 2022 Notes; and (iii) the change in the interest rate of the 2022 Notes to 6.0% per annum and the default rate was changed to 2.0% per annum over the new interest rate and the interest payment dates were changed to 30 April and 30 October each year.

Due to unfavorable factors in the macro economy, real estate market and financial environment, the Company did not pay the consent fee of USD3,450,000, the consent fee of USD3,450,000, the interest of USD5,734,470, the content fee of USD3,450,000, the interest of USD5,734,470, the interest of USD5,734,470 and the interest of USD5,734,470 to the 2022 Notes holders on 30 June 2022, 30 September 2022, 30 October 2022, 31 December 2022, 30 April 2023, 30 October 2023, and 30 April 2024 respectively pursuant to the terms of the Indenture.

On 21 May 2024, the Company announced that it has received an acceleration notice from the holders of the 2022 Notes by virtue of the non-payment and non-payment of related interest of the Company. On 13 June 2024, it came into the Company’s attention that a winding up petition (the “**2nd Petition**”) was filed against the Company at the High Court in relation to the 2022 Notes due 2025 with an outstanding principal amount of USD191,149,000 (plus accrued and unpaid interest). The High Court has set the first hearing date for the 2nd Petition on 14 August 2024. At the hearing on 20 January 2025, the High Court has approved the application of the withdrawal of the 2nd Petition filed on 15 January 2025.

For details, please refer to the announcements of the Company dated 7 February 2022, 17 February 2022, 21 March 2022, 30 June 2022, 3 October 2022, 14 November 2022, 3 January 2023, 14 May 2023, 21 May 2024, 14 June 2024, 27 June 2024, 14 August 2024, 23 September 2024, 14 November 2024 and 20 January 2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION (continued)

Disclosure Pursuant to Rule 13.21 of the Listing Rules

Breach of significant loan agreements

References are made to the announcements of the Company dated 10 April 2019, 22 April 2019, 10 June 2019, 23 February 2020, 23 April 2020, 5 March 2021, 4 May 2021, 30 June 2022, 3 January 2023, 14 May 2023, 2 June 2025, 6 June 2025 and 3 July 2025, the interim reports of the Company for the six months ended 30 June 2019, 30 June 2020, 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024, and the annual reports of the Company for the years ended 31 December 2019, 31 December 2020, 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024.

1. In April 2019, China Minsheng, the controlling shareholder of the Company, had faced liquidity difficulties, which technically resulted in the occurrence of certain triggering events under certain loan agreements entered into by the Group.
2. In February 2020, Mr. Chen Donghui, a previous executive Director, was detained by the authorities of the PRC. It has further resulted in the occurrence of certain triggering events under certain loan agreements.
3. On 17 April 2017, the Company issued the 2020 Notes. The remaining outstanding principal amount of USD52,854,000 was due on 20 April 2020, and the Company had repaid in full on 24 April 2020 and the delay in payment has constituted an event of default. The Company was required to repay the principal amount of USD22,500,000 (together with the accrued interest) of the 2022 Notes on 16 April 2021, and the Company had repaid in full on 4 May 2021 and the delay in payment has constituted an event of default. The Company was required to repay the principal amount of USD22,500,000 (together with the accrued interest), semi-annual interest and the principal amount of USD45,000,000 (together with the accrued interest) of the 2022 Notes on 27 August 2021, 27 September 2021 and 27 December 2021, respectively, and the Company's failure to make such payments constituted an event of default. Pursuant to the Consent Solicitation completed on 16 February 2022, among other things, the aforesaid events of defaults were waived. The Non-payment and Non-Payment of Related Interest constituted events of default.
4. According to the Final Award issued by the Hong Kong International Arbitration Centre dated 20 October 2020, the Respondents were required to pay the put option price and interest to Aetos Parties (as the Claimant). The failure to comply with the Final Award by the Respondents within 90 days resulted in a technical default on the 2022 Notes. In March 2021, the Settlement Agreement was entered into by the Respondents and the Claimant, and the investors of the 2022 Notes have agreed to exempt the breach of contract. According to the payment schedule and the entitled grace period of ten days in the Settlement Agreement, USD50,000,000 (together with the accrued interests) shall be paid before 10 May 2021, which was repaid in full on 24 May 2021 by the Respondents. On 26 May 2021, the Claimant provided a written confirmation that the delay in payment will not give rise to an event of default. According to the payment schedule and the entitled grace period of ten days in the Settlement Agreement, USD50,000,000 shall be paid before 10 June 2021 and USD40,000,000 (together with the accrued interests) shall be paid before 10 October 2021. As at 30 June 2025, the payable balance with interest accrued thereon to Aetos Parties amounted to RMB1,522,726,000.
5. Reference is made to the announcement of the Company dated 2 June 2025, 6 June 2025 and 3 July 2025, Dalian Shengbei Development Company Limited, a subsidiary of the Company, has failed to repay the Loan in accordance with the time limit agreed in the Loan Contract, resulting in the Loan becoming overdue, and China CITIC Bank Corporation Limited, Dalian Branch ("China CITIC Dalian"), a creditor, demanded repayment of the Loan. The subsidiary of the Company has received an enforcement notice from Shanghai Financial Court, stating that China CITIC Dalian, as the enforcement applicant, has submitted its application for compulsory enforcement (《強制執行申請書》) to Shanghai Financial Court. The applicant sought to enforce the outstanding principal of the Loan of approximately RMB194 million owed by Dalian Shengbei, the interest, penalty interest and other amounts as of 25 April 2025, totaling approximately RMB270 million; and the interest, penalty interest and other amounts from 25 April 2025 until the date of actual repayment; together with the relevant legal expenses. Meanwhile, an application is made for the enforcement of the secured property in order to be repaid in priority.

CORPORATE GOVERNANCE AND OTHER INFORMATION (continued)

6. Since 2020, the Group failed to repay certain borrowings according to their scheduled repayment dates (the “**Borrowings Overdue**”). Although the Group managed to settle some of the Borrowings Overdue during the year after the due dates, an aggregate principal amount of RMB6,444,986,000 still remained unsettled as at 30 June 2025.

The aforementioned events of default resulted in certain other borrowings of the Group (other than the Borrowings Overdue) amounting to RMB5,106,826,000 in total as at 30 June 2025 becoming immediately repayable if requested by the lenders. The operations of our Group, including property pre-sales and collections, remained normal. The Company is in ongoing negotiations with relevant banks and financial institutions for future financing arrangements with the Company, while at the same time seeking alternative sources of financing.

Specific performance of the controlling shareholder

References are made to the announcement of the Company dated 5 March 2021, the interim reports of the Company for the six months ended 30 June 2021, 30 June 2022 and 30 June 2023 and the annual reports of the Company for the years ended 31 December 2021 and 31 December 2022. Pursuant to the Settlement Agreement as disclosed under the section headed “Litigation and Arbitration” in this report, China Minsheng Investment Corp., Ltd. or its subsidiaries are required to be the beneficial owner of 35% or more of the total outstanding Shares (the “**Change of Control**”), failing which the outstanding balance of the Total Payment Obligation, together with accrued interest and all other amounts accrued or outstanding will be due and payable on the thirtieth day following the Change of Control. For details, please refer to the announcement of the Company dated 5 March 2021.

Pledging of shares by the controlling shareholder

On 11 March 2021, Jiayou executed the Company Share Charge in favour of the Aetos Parties, pursuant to which Jiayou agreed to charge 516,764,000 Shares held by it in favour of Aetos Parties as security for the obligation of the Respondents under the Settlement Agreement. For details, please refer to the announcements of the Company dated 5 March 2021 and 11 March 2021.

On 12 May 2022, the Company received a letter regarding the appointment of the joint and several receivers over 516,764,000 Charged Shares (representing approximately 19.99% of the total issued shares of the Company) under the terms of the Company Share Charge on 11 March 2021, which stated that Jiayou shall no longer have any power or authority to deal with the Charged Shares nor exercise any rights attached to or in relation to the Charged Shares unless prior consent or authorization is given by the receivers. For details, please refer to the announcement of the Company dated 13 May 2022.

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	7	700,408	667,065
Cost of sales	9	(600,707)	(477,718)
Gross profit		99,701	189,347
Other income	8	2,641	5,165
Fair value (losses)/gains on investment properties	16	(123,899)	233
Provision for impairment losses on financial and contract assets		(2,252)	(55)
Other losses – net	10	(101,800)	(58,461)
Selling and marketing expenses	9	(27,920)	(23,363)
Administrative expenses	9	(50,752)	(58,255)
Finance costs	11	(505,433)	(399,786)
Share of profits and losses of joint ventures and associates		1,382	(63)
Loss before income tax		(708,332)	(345,238)
Income tax expenses	12	(70,010)	(16,191)
Loss for the period		(778,342)	(361,429)
Attributable to:			
Owners of the Company		(775,538)	(360,118)
Non-controlling interests		(2,804)	(1,311)
		(778,342)	(361,429)
Loss per share attributable to ordinary equity holders of the Company			
Basic and diluted (RMB per share)	14	(30.01 cents)	(13.94 cents)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss for the period	(778,342)	(361,429)
Other comprehensive loss which may be reclassified to profit or loss in subsequent periods	–	–
Total comprehensive loss for the period	(778,342)	(361,429)
Attributable to:		
Owners of the Company	(775,538)	(360,118)
Non-controlling interests	(2,804)	(1,311)
	(778,342)	(361,429)

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	15	32,180	39,214
Investment properties	16	16,206,539	16,340,772
Investments in joint ventures		578,038	577,982
Investments in associates		1,000	1,000
Prepayments for acquisition of land		2,985,975	2,985,975
Prepayments and other receivables	18	347,624	366,837
Intangible assets		7,666	10,335
Deferred tax assets		323,964	327,228
Total non-current assets		20,482,986	20,649,343
Current assets			
Inventories		18,845	18,291
Land held for development for sale	17	790,449	789,963
Properties under development		1,744,751	2,807,616
Completed properties held for sale		8,643,961	7,498,371
Contract assets		198,497	172,227
Trade receivables	19	375,130	322,386
Prepayments, deposits and other receivables	18	855,630	948,173
Prepaid corporate income tax		106,715	77,547
Prepaid land appreciation tax		225,194	222,267
Restricted cash	20	254,919	217,548
Cash and cash equivalents	20	185,953	156,254
Total current assets		13,400,044	13,230,643
Total assets		33,883,030	33,879,986

Condensed Consolidated Statement of Financial Position (continued)

As at 30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Liabilities			
Non-current liabilities			
Interest-bearing bank and other borrowings	24	53,534	52,538
Deferred tax liabilities		2,218,307	2,251,733
Lease liabilities		3,634	3,817
Total non-current liabilities		2,275,475	2,308,088
Current liabilities			
Contract liabilities	21	1,367,420	1,253,652
Trade payables	22	3,488,702	3,344,918
Other payables and accruals	23	5,580,902	5,046,744
Interest-bearing bank and other borrowings	24	11,551,811	11,618,346
Corporate income tax payable		1,058,478	1,042,598
Provision for land appreciation tax		1,934,944	1,859,838
Lease liabilities		3,080	4,827
Total current liabilities		24,985,337	24,170,923
Total liabilities		27,260,812	26,479,011
Equity			
Equity attributable to owners of the Company			
Issued capital		159,418	159,418
Reserves		6,330,130	7,106,083
		6,489,548	7,265,501
Non-controlling interests		132,670	135,474
Total equity		6,622,218	7,400,975
NET CURRENT LIABILITIES		(11,585,293)	(10,940,280)
TOTAL ASSETS LESS CURRENT LIABILITIES		8,897,693	9,709,063

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company					Non-	Total equity
	Issued capital RMB'000	Share premium RMB'000	Other reserves RMB'000	Retained profits RMB'000	Total RMB'000	controlling interests RMB'000	
Balance at 1 January 2025 (Audited)	159,418	1,288,734	1,228,469	4,588,880	7,265,501	135,474	7,400,975
Loss for the period	-	-	-	(775,538)	(775,538)	(2,804)	(778,342)
Total comprehensive loss for the period	-	-	-	(775,538)	(775,538)	(2,804)	(778,342)
Transactions with owners:							
Effect of deregistration of a subsidiary	-	-	(415)	-	(415)	-	(415)
Balance at 30 June 2025 (Unaudited)	159,418	1,288,734	1,228,054	3,813,342	6,489,548	132,670	6,622,218

	Attributable to owners of the Company					Non-	Total equity
	Issued capital RMB'000	Share premium RMB'000	Other reserves RMB'000	Retained profits RMB'000	Total RMB'000	controlling interests RMB'000	
Balance at 1 January 2024 (Audited)	159,418	1,288,734	1,224,273	6,928,182	9,600,607	91,251	9,691,858
Loss for the period	-	-	-	(360,118)	(360,118)	(1,311)	(361,429)
Total comprehensive loss for the period	-	-	-	(360,118)	(360,118)	(1,311)	(361,429)
Balance at 30 June 2024 (Unaudited)	159,418	1,288,734	1,224,273	6,568,064	9,240,489	89,940	9,330,429

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Cash flows from operating activities		
Loss before income tax	(708,332)	(345,238)
Adjustments for:		
Depreciation	5,317	6,602
Amortisation of intangible assets	1,573	2,585
Net losses on disposal of items of property, plant and equipment	1,096	346
Fair value losses/(gains) on investment properties	123,899	(233)
Share of profit and losses of joint ventures and associates	(1,382)	63
Write-down of impairment of properties under development and completed properties held for sale	42,413	–
Net impairment losses on financial and contact assets	2,252	55
Finance costs	505,433	399,786
Interest income	(436)	(444)
Others	(10,795)	13,191
	(38,962)	76,713
(Increase)/decrease in inventories	(554)	26,953
Increase in properties under development	(298,066)	(126,511)
Decrease in completed properties held for sale	227,903	223,307
Increase in land held for development for sale	(486)	(186)
(Increase)/decrease in contract assets	(26,270)	21,558
(Increase)/decrease in trade receivables	(52,744)	91,998
Decrease/(increase) in prepayments, deposits and other receivables	74,425	(27,803)
Increase/(decrease) in trade payables	143,784	(239,990)
Increase/(decrease) in other payables and accruals	143,423	(67,456)
Increase in contract liabilities	120,045	227,134
Cash generated from operations	292,498	205,717
Interest received	436	444
Mainland China corporate income tax paid	(23,270)	(51,753)
Mainland China land appreciation tax paid	(18,011)	(30,069)
Net cash flows generated from operating activities	251,653	124,339

Condensed Consolidated Statement of Cash Flows (continued)

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cash flows from investing activities		
Decrease in amounts due from joint ventures and associates	–	3,947
Purchases of property, plant and equipment	(26)	(31)
Investment in joint ventures	–	(1,319)
Additions to investment properties	(152)	(875)
Proceeds from disposal of subsidiaries	849	14,346
Proceeds from disposal of items of property, plant and equipment	–	1,032
Proceeds from disposal of investment properties	4,209	19,500
(Increase)/decrease in restricted cash	(37,371)	66,919
Dividends received	1,326	2,040
Net cash flows (used in)/generated from investing activities	(31,165)	105,559
Cash flows from financing activities		
Interest paid	(50,987)	(70,795)
Principal elements of lease payments	(2,316)	(2,393)
Proceeds of bank and other borrowings	204	950
Repayment of bank and other borrowings	(137,690)	(153,243)
Net cash used in financing activities	(190,789)	(225,481)
Net increase in cash and cash equivalents	29,699	4,417
Cash and cash equivalents at beginning of period	156,254	175,047
Cash and cash equivalents at end of period	185,953	179,464
Analysis of balances of cash and cash equivalents		
Cash and bank balances	185,953	179,464
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows	185,953	179,464

Notes to the Condensed Consolidated Financial Statements (Unaudited)

For the six months ended 30 June 2025

1. Corporate and Group Information

Yida China Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 26 November 2007 as an exempted company with limited liability under the Companies Law, Cap 22 of the Cayman Islands. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. During the six months ended 30 June 2025, the Company and its subsidiaries (collectively referred to as the “**Group**”) were principally involved in property development, property investment, business park operation and management, property construction, decoration and landscaping in Dalian, Wuhan, Shenyang, Shanghai, Chongqing, Zhengzhou, Hefei, Changsha and Chengdu, the People’s Republic of China (the “**PRC**”, “**Mainland China**” or “**China**”).

In the opinion of the directors (“**Directors**”) of the Company, the holding company of the Company is Jiayou (International) Investment Limited (“**Jiayou**”), which is incorporated in the British Virgin Islands (the “**BVI**”), and the ultimate holding company of the Company is China Minsheng Investment Corp., Ltd. (“**China Minsheng**”).

The unaudited condensed consolidated financial statements are presented in thousands of Renminbi (“**RMB’000**”), unless otherwise stated and were approved and authorized for issue by the board of Directors on 29 August 2025.

2. Basis of Preparation

These unaudited condensed consolidated financial statements of the Company for the six months ended 30 June 2025 have been prepared under the historical cost convention, as modified by the investment properties which are measured at fair value, and in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

These unaudited condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA.

Going concern basis

As at 30 June 2025, the Group’s current liabilities exceeded its current assets by RMB11,585,293,000. At the same date, its current borrowings amounted to RMB11,551,811,000 while its cash and cash equivalents amounted to RMB185,953,000 only.

Since 2020, the Group failed to repay certain borrowings according to their scheduled repayment dates (the “**Borrowings Overdue**”). Although the Group managed to settle some of these borrowings during the year after the due dates, an aggregate principal amount of RMB6,444,986,000 remained unsettled as at 30 June 2025.

Up to the date of approval of these unaudited condensed consolidated financial statements, as Dalian Shengbei Development Company Limited (“**Dalian Shengbei**”), the indirectly wholly-owned subsidiary of the Company, still failed to repay the overdue loan of principal amount of approximately RMB194,328,000 in accordance with the time limit agreed in the loan contract, Dalian Shengbei has received an enforcement notice from Shanghai Financial Court, stating that China CITIC Bank Corporation Limited, Dalian Branch (“**China CITIC Dalian**”), as the enforcement applicant, submitted its application for compulsory enforcement, pursuant to which China CITIC Dalian sought to enforce the outstanding principal of the overdue loan of approximately RMB194,328,000, the overdue interest, penalty interest and other amounts until the date of actual repayment, together with the relevant legal expenses.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

2. Basis of Preparation (continued)

Going concern basis (continued)

On 4 March 2021, the Group and certain parties (“Aetos Parties”) entered into a settlement agreement which stipulates that the Group should settle the payables to Aetos Parties by instalments before 30 September 2021. However, the Group failed to fulfill the settlement agreement, and therefore Aetos Parties formally demanded the Group several times to settle the unpaid balance, among other actions, to Aetos Parties’ satisfaction, or otherwise a winding-up petition may be presented to the court (the “Aetos Parties Matter”). As at 30 June 2025, the payable balance with interest accrued thereon to Aetos Parties amounted to RMB1,522,726,000.

The Borrowings Overdue and the Aetos Parties Matter, constituted events of default and resulted in certain other borrowings of the Group (other than the Borrowings Overdue) amounted to RMB5,106,826,000 in total as at 30 June 2025 becoming immediately repayable if requested by the lenders, of which RMB2,563,067,000 represented borrowings with scheduled repayment dates within one year, while RMB2,543,759,000 represented non-current borrowings with original contractual repayment dates beyond 30 June 2026 that were reclassified as current liabilities.

The above conditions indicate that multiple material uncertainties exist that may cast significant doubt on the Group’s ability to continue as a going concern.

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial sources to continue as a going concern. The following plans and measures are formulated to mitigate the liquidity pressure, to improve the financial position of the Group, and to remediate the overdue repayments to the lenders:

- i) Up to the date of the approval of these unaudited condensed consolidated financial statements, the Aetos Parties have not presented a winding-up petition to the court. The Group will negotiate with Aetos Parties to reach the final Settlement Agreement in due course to prompt Aetos Parties not to exercise their rights to present a winding-up petition to the court.
- ii) In respect of Borrowings Overdue, the Group has been actively negotiating with all the lenders for renewal and extension for repayments of the overdue borrowings. While certain lenders have preliminary intention to renew or extend all overdue borrowings, no formal agreement has been reached yet. The Company will continue to endeavor to implement the relevant renewal or extension.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

2. Basis of Preparation (continued)

Going concern basis (continued)

- iii) The Group has maintained active communication with other relevant lenders in respect of the Borrowings Overdue, the Aetos Parties Matter and other matters which triggered default or cross-default terms of their respective borrowing agreements to convince the relevant lenders not to exercise their rights to demand the Group's immediate repayment of the borrowings prior to their scheduled contractual repayment dates.
- iv) The Group has also been conducting negotiations with relevant banks and financial institutions on renewal and extension for existing borrowings with scheduled repayment dates within one year. Given the Group's long-term relationship with the banks and financial institutions and the availability of the Group's properties as collateral for the borrowings, the Group will strive to renew or extend existing borrowings with scheduled repayment dates within one year as and when needed. The Group will also actively negotiate with banks and financial institutions to secure new sources of financing.
- v) The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of sales proceeds.
- vi) The Group will strive to maintain a continuing and normal business relationship with major constructors and suppliers to agree the payment arrangements with them and to complete the construction progress as scheduled. The Group will also continue to take active measures to control administrative costs and capital expenditures.
- vii) The Group will seek opportunities to dispose of certain assets and investments at reasonable prices to generate cash inflows and mitigate its liquidity pressure.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 30 June 2025. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 30 June 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

2. Basis of Preparation (continued)

Going concern basis (continued)

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

- i) the successful and timely negotiation with Aetos Parties to reach a final settlement agreement so that they will not present a winding-up petition to the court, and the successful compliance with the terms and obligations under the final settlement agreement by the Group;
- ii) the successful negotiations with the Group's existing lenders in respect of the borrowings that were either overdue or otherwise in default;
- iii) the successful obtaining of additional new sources of financing as and when needed;
- iv) the successful and timely implementation of the plans to accelerate the pre-sales and sales of properties under development and completed properties, speed up the collection of sales proceeds, maintenance of a continuing and normal business relationship with major constructors and suppliers to agree the payment arrangements with them and to complete the construction progress as scheduled, and control costs and contain capital expenditure so as to generate adequate net cash inflows; and
- v) the successful disposal of relevant assets and investments at reasonable prices, and timely collection of the proceeds.

Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these condensed consolidated financial statements.

3. Accounting Policies

The accounting policies applied in the preparation of the unaudited condensed consolidated financial statements are consistent with those of the annual consolidated financial statements of the Company for the 31 December 2024, as described in those annual financial statements, except for estimation of income tax for the interim periods using the tax rate that would be applicable to expected total annual earnings, and the adoption of the new and amended standards of HKFRSs effective for the year ending 31 December 2025, which did not have any significant impact on the Group's financial statements and did not require retrospective adjustments.

There are no standards, amendments and interpretations to existing standards that are not effective and would be expected to result in any significant impact on the Group's financial position and results of operations.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

4. Accounting Judgements and Estimates

The preparation of the Group's unaudited condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenue, expenses, assets and liabilities, and their accompany disclosure, and the disclosure of contingent liabilities. Actual results may differ from these estimations.

In preparing these unaudited condensed consolidated financial statements, the significant judgements and estimates made by management in applying to the Group's accounting policies and the key resources of estimation uncertainty were the same as those that applied to the Group's financial statements for the year ended 31 December 2024.

5. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise interest-bearing bank and other borrowings and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial assets and liabilities are market risk, interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees with policies for managing each of these risks and they are summarised below.

Market risk

The Group's assets are predominantly in the form of land held for development for sale, investment properties, properties under development and completed properties held for sale. In the event of a severe downturn in the property market, these assets may not be readily realised.

The sensitivity analyses of fair value measurement of investment properties are disclosed in note 16 to the unaudited condensed consolidated financial statements, respectively.

Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Other than deposits held at banks, the Group does not have significant interest-bearing assets. Restricted deposits were held at banks in Mainland China at the same savings rate of unrestricted deposits throughout the year. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations. Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

5. Financial Risk Management Objectives and Policies (continued)

Interest rate risk (continued)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in interest rates, with all other variables held constant, of the Group's loss before income tax and capitalised interest. There is no material impact on other components of the Group's equity.

	Increase/(decrease) in basic points	Effect on loss before income tax RMB'000
30 June 2025 (unaudited)		
RMB	50	(1,425)
RMB	(50)	1,425
31 December 2024 (audited)		
RMB	50	(1,465)
RMB	(50)	1,465

Foreign currency risk

All of the Group's revenue and substantially all of the Group's operating expenses are denominated in RMB, which is currently not a freely convertible currency. The PRC Government imposes controls on the convertibility of RMB into foreign currencies and, in certain cases, the remittance of currency out of Mainland China. Shortages in the availability of foreign currencies may restrict the ability of the Group's PRC subsidiaries to remit sufficient foreign currencies to pay dividends or other amounts to the Group.

Under the existing PRC foreign exchange regulations, payments of current account items, including dividends, trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from the State Administration of Foreign Exchange by complying with certain procedural requirements. However, approval from appropriate PRC governmental authorities is required where RMB is to be converted into a foreign currency and remitted out of Mainland China to pay capital account items, such as the repayment of bank and other borrowings denominated in foreign currencies.

Currently, the Group's PRC subsidiaries may purchase foreign currencies for settlement of current account transactions, including payment of dividends to the Company, without prior approval of the State Administration of Foreign Exchange. The Group's PRC subsidiaries may also retain foreign currencies in their current accounts to satisfy foreign currency liabilities or to pay dividends. Since foreign currency transactions on the capital account are still subject to limitations and require approval from the State Administration of Foreign Exchange, this could affect the Group's subsidiaries' ability to obtain required foreign exchange through debt or equity financing, including by means of loans or capital contributions from the Company.

The Group's financial assets and liabilities including certain short-term deposits and borrowing denominated in United States dollars ("USD") and Hong Kong dollars ("HKD") are subject to foreign currency risk. Therefore, the fluctuation in the exchange rates of RMB against foreign currencies could affect the Group's results of operations.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

5. Financial Risk Management Objectives and Policies (continued)

Foreign currency risk (continued)

To date, the Group has not entered into any hedging transactions in an effort to reduce the Group's exposure to foreign currency exchange risk. While the Group may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited and the Group may not be able to hedge the Group's exposure successfully, or at all.

As at 30 June 2025, if RMB had weakened/strengthened by 9% (31 December 2024: 9%) against the USD, which was considered reasonably possible by management, the Group's loss before income tax for the period would have been increased/decreased by RMB272,281,000 (31 December 2024: RMB320,233,000).

Credit risk

It is the Group's policy that all customers are required to pay deposits in advance of the purchase of property. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. There is no significant concentration of credit risk within the Group.

Trade receivables mainly arise from sales of properties, lease of investment properties and other service businesses. Other receivables mainly comprise amounts due from related parties and advances to local government authorities in connection with primary land development. The Group closely monitors these trade receivables and other receivables to ensure actions are taken to recover these balances in case of any risk of default.

On top of the credit risk arising from the financial guarantees provided by the Group as detailed in note 26 to the unaudited condensed consolidated financial statements, the credit risk of the Group's other financial assets, which mainly comprise cash and cash equivalents, restricted cash and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these assets.

The Group considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of individual property owner or the borrower
- significant increases in credit risk on other financial instruments of the individual property owner or the same borrower
- significant changes in the expected performance and behavior of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

5. Financial Risk Management Objectives and Policies (continued)

Credit risk (continued)

(i) Trade receivables and contract assets

The Group applies simplified approach to measure expected credit losses which uses a lifetime expected loss allowances for trade receivables and contract assets.

As at 30 June 2025, included in total trade receivables with gross amounts of RMB68,384,000 (31 December 2024: RMB22,144,000), which are individually subject to separate assessment for provision. The loss allowance of such trade receivables is RMB45,750,000 (31 December 2024: RMB22,144,000).

As at 30 June 2025, the loss allowance for trade receivables was determined as follows. The expected credit losses below also incorporated forward-looking information.

	30 June 2025 (unaudited)		
	Expected loss rate	Gross carrying amount RMB'000	Expected credit loss allowance RMB'000
Within 1 year	7.34%	276,059	20,267
1 to 2 years	15.54%	71,559	11,120
Over 2 years	74.39%	141,621	105,356
		489,239	136,743

As at 31 December 2024, the loss allowance for trade receivables was determined as follows. The expected credit losses below also incorporated forward-looking information.

	31 December 2024 (audited)		
	Expected loss rate	Gross carrying amount RMB'000	Expected credit loss allowance RMB'000
Within 1 year	7.39%	205,416	15,180
1 to 2 years	14.52%	54,475	7,912
Over 2 years	61.23%	220,779	135,192
		480,670	158,284

For contract assets, the expected credit losses, RMB209,000 as at 30 June 2025 and RMB179,000 as at 31 December 2024, were determined based on carrying amounts of RMB198,706,000 and RMB172,406,000 respectively at expected loss rate of 0.10% and 0.10% respectively.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

5. Financial Risk Management Objectives and Policies (continued)

Credit risk (continued)

(ii) Other receivables (excluding prepayments)

The Group uses three categories for other receivables which reflect their credit risk and how the loss provision is determined for each of those categories. A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Group definition of category	Basis for recognition of expected credit loss provision	Basis for calculation of interest revenue
Stage one	Customers have a low risk of default and a strong capacity to meet contractual cash flow	12-months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime	Gross carrying amount
Stage two	Receivables for which there is a significant increase in credit risk since initial recognition	Lifetime expected losses	Gross carrying amount
Stage three	Receivables for which there is credit loss since initial recognition	Lifetime expected losses	Amortised cost carrying amount (net of credit allowance)

The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward-looking macroeconomic data.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

5. Financial Risk Management Objectives and Policies (continued)

Credit risk (continued)

(ii) Other receivables (excluding prepayments) (continued)

As at 30 June 2025, the Group provides for loss allowance for other receivables as follows:

(Unaudited)	Category	Expected credit loss rate	Estimated gross carrying amount at default RMB'000	Loss allowance RMB'000	Carrying amount (net of impairment provision) RMB'000
Amounts due from related parties	Stage one	0.10%	32,222	(32)	32,190
Receivables for primary land development	Stage three	52.85%	737,321	(389,697)	347,624
Others	Stage one	0.94%	318,597	(2,996)	315,601
Others	Stage three	73.93%	139,858	(103,392)	36,466
			1,227,998	(496,117)	731,881

As at 31 December 2024, the Group provides for loss allowance for other receivables as follows:

(Audited)	Category	Expected credit loss rate	Estimated gross carrying amount at default RMB'000	Loss allowance RMB'000	Carrying amount (net of impairment provision) RMB'000
Amounts due from related parties	Stage one	0.10%	32,355	(32)	32,323
Receivables for primary land development	Stage three	49.54%	786,707	(389,697)	397,010
Others	Stage one	0.79%	384,692	(3,038)	381,654
Others	Stage three	73.78%	140,699	(103,813)	36,886
			1,344,453	(496,580)	847,873

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

5. Financial Risk Management Objectives and Policies (continued)

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other borrowings. In addition, banking facilities are available for contingency purposes.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	30 June 2025 (Unaudited)				
	On demand or within 1 year RMB'000	In the second year RMB'000	3 to 5 years RMB'000	Beyond 5 year RMB'000	Total RMB'000
Interest-bearing bank and other borrowings (note 24)	12,064,690	56,674	–	–	12,121,364
Trade payables (note 22)	3,488,702	–	–	–	3,488,702
Other payables and accruals (note 23)	5,004,493	–	–	–	5,004,493
Lease liabilities	2,416	1,501	3,961	1,190	9,068
	20,560,301	58,175	3,961	1,190	20,623,627
Financial guarantees issued:					
Maximum amount guaranteed (note 26)	181,163	–	–	–	181,163

	At 31 December 2024 (Audited)				
	On demand or within 1 year RMB'000	In the second year RMB'000	3 to 5 years RMB'000	Beyond 5 years RMB'000	Total RMB'000
Interest-bearing bank and other borrowings (note 24)	12,247,967	56,500	–	–	12,304,467
Trade payables (note 22)	3,344,918	–	–	–	3,344,918
Other payables and accruals (note 23)	4,481,339	–	–	–	4,481,339
Lease liabilities	3,069	2,212	4,384	1,515	11,180
	20,077,293	58,712	4,384	1,515	20,141,904
Financial guarantees issued:					
Maximum amount guaranteed (note 26)	212,429	–	–	–	212,429

Note:

The amounts of interest-bearing bank and other borrowings include future interest payments computed using contractual rates applicable at the end of reporting period.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

5. Financial Risk Management Objectives and Policies (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and provide returns for shareholders and benefits for other stakeholders.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is subject to financial covenants attached to the interest-bearing bank and other borrowings that define capital structure requirements. The financial institutions have the right to call the bank and other borrowings immediately for breach of the relevant financial covenants. No changes were made in the objectives, policies or processes for managing capital during the year.

The Group monitors capital using a net debt ratio, which is net debt divided by the capital. Net debt includes interest-bearing bank and other borrowings, less cash and cash equivalents and restricted cash. Capital represents total equity. The net debt ratios as at the end of the reporting periods were as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Interest-bearing bank and other borrowings (note 24)	11,605,345	11,670,884
Less: Cash and cash equivalents (note 20)	(185,953)	(156,254)
Less: Restricted cash (note 20)	(254,919)	(217,548)
Net debt	11,164,473	11,297,082
Total equity	6,622,218	7,400,975
Net debt ratio	168.6%	152.6%

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

6. Operating Segment Information

For management purposes, the Group is organised into business units based on their products and services and has five reportable operating segments as follows:

- (a) the property development segment engages in the development and sale of properties;
- (b) the property investment segment invests in properties for their rental income potential and/or capital appreciation;
- (c) the business park operation and management segment engages in the provision of operation and management services to the business park projects owned by the local governments or other independent third parties;
- (d) the construction, decoration and landscaping segment engages in property construction, the provision of interior decoration to property buyers and landscaping services to property projects; and
- (e) the others segment comprises corporate income and expense items.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measurement of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's loss before income tax except that interest income, dividend income and certain corporate gains and expenses and finance costs are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

6. Operating Segment Information (continued)

For the six months ended 30 June 2025 (unaudited)

	Property development RMB'000	Property investment RMB'000	Business park operation and management RMB'000	Construction, decoration and landscaping RMB'000	Others RMB'000	Total RMB'000
Segment revenue:						
Sales to external customers	212,200	216,387	86,889	184,932	–	700,408
Segment results	(218,963)	22,900	(587)	(5,296)	(1,389)	(203,335)
<i>Reconciliation:</i>						
Interest income						436
Finance costs						(505,433)
Loss before income tax						(708,332)
Income tax expenses						(70,010)
Loss for the period						(778,342)

For the six months ended 30 June 2024 (unaudited)

	Property development RMB'000	Property investment RMB'000	Business park operation and management RMB'000	Construction, decoration and landscaping RMB'000	Others RMB'000	Total RMB'000
Segment revenue:						
Sales to external customers	175,623	243,798	100,080	147,564	–	667,065
Segment results	(100,855)	160,099	(3,828)	7,358	(8,670)	54,104
<i>Reconciliation:</i>						
Interest income						444
Finance costs						(399,786)
Loss before income tax						(345,238)
Income tax expenses						(16,191)
Loss for the period						(361,429)

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

6. Operating Segment Information (continued)

Geographical information

Geographical information is not presented since all of the Group's revenue from external customers is generated in Mainland China and the majority of the segment assets of the Group are located in Mainland China. Accordingly, in the opinion of the Directors, the presentation of geographical information would provide no additional useful information to the users of these financial statements.

Revenue from each major customer which accounted for 10% or more of the Group's revenue for each reporting period is set out below:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Customer A ¹	80,324	90,340

¹ Revenue from business park operation and management segment

7. Revenue

Revenue represents the gross proceeds from the sale of properties, gross rental income received and receivable from investment properties, an appropriate proportion of contract revenue from construction, decoration and landscaping, and business park operation and management service income received and receivable from the provision of operation and management services to the business park projects, all net of value-added tax and surcharges, during the period.

An analysis of the Group's revenue is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from contracts with customers recognised at a point in time		
Sale of properties	212,200	175,623
Revenue from contracts with customers recognised over time		
Business park operation and management service income	86,889	100,080
Construction, decoration and landscaping income	184,932	147,564
	271,821	247,644
Revenue from contracts with customers	484,021	423,267
Revenue from other sources		
Rental income	216,387	243,798
	700,408	667,065

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

8. Other Income

	For the six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest income	436	444
Government subsidies	2,205	4,721
	2,641	5,165

9. Expenses by Nature

Expenses included in cost of sales, selling and marketing expenses and administrative expenses are analysed as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Cost of properties sold	257,497	171,599
Cost of other services provided	250,659	239,260
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	92,551	66,859
Employee benefit expenses	30,955	34,505
Short-term office lease expenses	876	1,432
Depreciation	5,317	6,602
Amortisation of intangible assets	1,573	2,585
Advertising	2,605	2,106
Other costs and expenses	37,346	34,388
Total cost of sales, selling and marketing expenses and administrative expenses	679,379	559,336

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

10. Other Losses-Net

	For the six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Net foreign exchange gains/(losses)	14,307	(19,590)
Penalties arising from late payment	(119,748)	–
Others	3,641	(38,871)
	(101,800)	(58,461)

11. Finance Costs

	For the six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest on bank loans and other loans	556,028	529,166
Interest on lease liabilities	386	537
Less: Interest capitalised	(50,981)	(129,917)
	505,433	399,786

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

12. Income Tax Expenses

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2025 and 2024. The income tax for the subsidiaries operating in Mainland China is calculated at the applicable tax rates on the taxable profits for the period.

An analysis of the income tax expense for the period is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Current:		
PRC corporate income tax	9,982	7,418
PRC land appreciation tax ("LAT")	90,190	(494)
	100,172	6,924
Deferred:		
Current period	(30,162)	9,267
Total tax charge for the period	70,010	16,191

13. Interim Dividend

The Company resolved not to declare any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

14. Loss per Share Attributable to Ordinary Equity Holders of the Company

The calculation of the basic loss per share is based on the loss for the period attributable to ordinary equity holders of the Company of RMB775,538,000 (six months ended 30 June 2024: RMB360,118,000), and the weighted average number of ordinary shares of 2,583,970,000 (six months ended 30 June 2024: 2,583,970,000) in issue during these periods.

Diluted loss per share is same as basic loss per share for the six months ended 30 June 2025 and 2024 as the Group had no potentially dilutive ordinary shares in issue during those periods.

15. Property, Plant and Equipment

As at 30 June 2025, a building of RMB9,883,000 (31 December 2024: RMB13,543,000) was pledged to a financial institution to secure the loans granted to the Group (note 24).

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

16. Investment Properties

	Completed RMB'000	Under construction RMB'000	Total RMB'000
At 1 January 2025 (Audited)	11,399,000	4,941,772	16,340,772
Additions	–	152	152
Disposals	(10,486)	–	(10,486)
Net losses from fair value adjustments	(112,038)	(11,861)	(123,899)
At 30 June 2025 (Unaudited)	11,276,476	4,930,063	16,206,539
	Completed RMB'000	Under construction RMB'000	Total RMB'000
At 1 January 2024 (Audited)	12,535,100	5,093,749	17,628,849
Additions	832	43	875
Disposals	(44,185)	–	(44,185)
Net gains/(losses) from fair value adjustments	253	(20)	233
At 30 June 2024 (Unaudited)	12,492,000	5,093,772	17,585,772

As at 30 June 2025, certain of the Group's investment properties of RMB14,130,464,000 (31 December 2024: RMB14,237,067,000) were pledged to banks to secure the loans granted to the Group (note 24).

The Group's completed investment properties are leased to third parties under operating leases, further summary details of which are included in note 28 of these condensed consolidated financial statements.

As at 30 June 2025, the Group performed internal valuations on completed investment properties and investment properties under construction, which were stated at fair value and included within level 3 of fair value hierarchy. In the opinion of the Directors, for all investment properties that are measured at fair value, the current use of the properties is their highest and best use.

The amount of the completed investment properties and investment properties under construction of the Group measured at fair value were RMB1,383,030,000 as at 30 June 2025 (31 December 2024: RMB1,397,000,000), which are subject to restrictions on sale and transfer, but may be leased to tenants that are engaged in software research and outsourcing services. As at 30 June 2025, the investment property amounting to RMB136,620,000 (31 December 2024: RMB138,000,000) is restricted for sale and transfer and shall be held for at least 15 years (31 December 2024: 15 years).

A significant increase/(decrease) in the estimated yearly rental value per square metre or per lot in isolation would result in a significantly higher/(lower) fair value of the investment properties. A significant increase/(decrease) in the capitalisation rate in isolation would result in a significantly lower/(higher) fair value of the investment properties.

Generally, a change in the assumption made for the estimated yearly rental value per square metre or per lot is accompanied by a directionally similar change in the development profit and an opposite change in the capitalisation rate.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

17. Land Held for Development for Sale

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Carrying amount at beginning of period/year	789,963	784,538
Additions	486	5,425
Carrying amount at end of period/year	790,449	789,963

As at 30 June 2025, certain of the Group's land held for development for sale of RMB727,613,000 (31 December 2024: RMB727,613,000) were pledged to banks to secure the bank and other loans granted to the Group (note 24).

18. Prepayments, Deposits and Other Receivables

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Prepayments	471,373	467,137
Deposits and other receivables – gross amount	1,227,998	1,344,453
Less: Allowances for impairment of deposits and other receivables	(496,117)	(496,580)
Carrying amount at end of period/year	1,203,254	1,315,010
Current portion	(855,630)	(948,173)
Non-current portion	347,624	366,837

The Group applies the general approach to provide for expected credit losses prescribed by HKFRS 9.

As at 30 June 2025, included in the Group's prepayments, deposits and other receivables are amounts due from associates of RMB32,149,000 (31 December 2024: RMB32,283,000), which are unsecured, interest-free and repayable on demand.

As at 30 June 2025, included in the Group's prepayments, deposits and other receivables due from joint ventures of RMB5,980,000 (31 December 2024: RMB2,560,000), which are unsecured, interest-free and repayable on demand.

As at 30 June 2025, included in the Group's other receivables are advances of RMB347,624,000 (31 December 2024: RMB397,010,000) to certain local government authorities in Dalian, the PRC, in connection with the primary land development of certain land parcels in Dalian, the PRC.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

19. Trade Receivables

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables – gross amount	557,623	502,814
Less: Allowances for impairment of trade receivables	(182,493)	(180,428)
	375,130	322,386

Trade receivables are mainly arisen from sales of properties, leases of investment properties and other services business. The payment terms of contract works receivables are stipulated in the relevant contracts. Trade receivables are non-interest-bearing.

An aging analysis of the gross trade receivables as at the end of the reporting period, based on the invoice date and before net of provision, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	276,059	205,416
1 to 2 years	71,559	54,475
Over 2 years	210,005	242,923
	557,623	502,814

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. As at 30 June 2025, a provision of RMB182,493,000 (31 December 2024: RMB180,428,000) was made against the gross amount of trade receivables.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

20. Cash and Cash Equivalents and Restricted Cash

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Cash and bank balances (Notes)	440,872	373,802
Less: Restricted cash	(254,919)	(217,548)
Cash and cash equivalents	185,953	156,254

Cash at banks earns interest at floating rates based on daily bank deposit rates.

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to RMB440,089,000 (31 December 2024: RMB373,482,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Notes:

- (a) According to the relevant loan facility agreements signed by certain subsidiaries of the Group with the banks, the subsidiaries are required to place the pre-sale proceeds from their properties at designated bank accounts. The deposits can only be used for the payment of property development costs incurred by the subsidiaries and the repayment of the relevant loans. As at 30 June 2025, such guarantee deposits amounted to RMB24,820,000 (31 December 2024: RMB8,643,000).
- (b) As at 30 June 2025, the deposits of the Group amounted to RMB230,099,000 (31 December 2024: RMB208,905,000), were placed at designated bank accounts by certain subsidiaries of the Group for the payment of promissory notes, compensation of potential industrial accidents that would occur during construction work and the training of talents, in accordance with the relevant regulation implemented by contracts and local governments.

21. Contract Liabilities

Contract liabilities of the Group represented amounts received from buyers in connection with the pre-sale of properties and gross amounts due to contract customers as at the reporting period end.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

22. Trade Payables

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	1,721,783	2,231,487
Above 1 year	1,766,919	1,113,431
	3,488,702	3,344,918

The trade payables are non-interest-bearing and unsecured.

23. Other Payables and Accruals

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Employee benefits payable	107,995	108,514
Accruals	2,027,155	1,716,610
Other payables	3,445,752	3,221,620
Carrying amount at end of the period/year	5,580,902	5,046,744
Current portion	(5,580,902)	(5,046,744)
Non-current portion	–	–

As at 30 June 2025, included in the Group's other payables were amounts due to Aetos Parties of RMB1,522,726,000, bearing interest rate of 21.9% per annum (31 December 2024: RMB1,444,162,000), which were in connection with the acquisition of the remaining equity interests in Dalian Yihong and Dalian Yize. Pursuant to the settlement agreement with Aetos Parties dated on 4 March 2021, the Group should settle the payables to Aetos Parties by instalments before 30 September 2021 in accordance with an agreed payment schedule. However, the Group failed to fulfill the settlement agreement till 30 June 2025. Subsequent thereto, Aetos Parties formally demanded the Group to settle the unpaid balance, among other actions, to Aetos Parties' satisfaction, or otherwise a winding-up petition may be presented to the court. The Group has been actively negotiating with Aetos Parties.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

24. Interest-Bearing Bank and Other Borrowings

	30 June 2025 (Unaudited)		31 December 2024 (Audited)	
	Effective interest rate (%)	RMB'000	Effective interest rate (%)	RMB'000
Current				
Bank loans – secured	3.50-6.50	5,072,665	3.95-6.50	5,340,153
Other loans – secured	2.00-12.00	4,263,965	2.00-12.00	4,119,741
Other loans – unsecured	1.20-6.00	2,215,181	1.20-6.00	2,158,452
		11,551,811		11,618,346
Non-current				
Other loans – unsecured	4.00	53,534	2.00	52,538
		11,605,345		11,670,884

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year or on demand	5,072,665	5,340,153
Other loans repayable:		
Within one year or on demand	6,479,146	6,278,193
In the second year	53,534	52,538
	11,605,345	11,670,884

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

24. Interest-Bearing Bank and Other Borrowings (continued)

As at 30 June 2025, included in bank loans of the Group is an amount of RMB1,570,506,000 (31 December 2024: RMB1,574,553,000) containing an on-demand clause, which has been classified as current liabilities. For the purpose of the table above, the loan is included within current interest-bearing bank and other borrowings and analysed into bank loans repayable within one year or on demand.

The current bank and other borrowings included borrowings with principal amounts of RMB2,543,759,000 (31 December 2024: RMB4,118,035,000) with original maturity dates beyond 30 June 2026, which have been reclassified as current liabilities as at 30 June 2025 as a result of the matters described in note 2 to the unaudited condensed consolidated financial statements.

- (a) As at 30 June 2025, included in other loans of the Group were the first tranche and the second tranche of corporate bonds with the principal amounts of RMB800,000,000 and RMB249,523,000 respectively (31 December 2024: RMB800,000,000 and RMB249,523,000 respectively). The first tranche and the second tranche were issued by Yida Development Company Limited (“**Yida Development**”), an indirectly wholly-owned subsidiary of the Company, on 24 September 2015 and 8 March 2016, respectively.

As at 30 June 2025, the remaining first tranche of corporate bond with the principal amount of RMB800,000,000 were extended to 31 December 2026, bearing interest at a rate of 4% per annum. As at 30 June 2025, certain second tranche of corporate bond with the principal amount of RMB200,000,000 were extended to 31 December 2026, bearing interest at a rate of 4% per annum, certain second tranche of corporate bond with the principal amount of RMB49,523,000 were extended to 31 December 2026, bearing interest at a rate of 2% per annum till 31 December 2024 and 4% per annum from 1 January 2025 to 31 December 2026, respectively. Although the maturity of the remaining first tranche of corporate bond with the principal amount of RMB800,000,000 and certain second tranche of corporate bond with the principal amount of RMB200,000,000 were beyond 30 June 2026, they have been reclassified as current liabilities as at 30 June 2025 as a result of the matters described in note 2 to these unaudited condensed consolidated financial statements.

- (b) On 17 February 2022, a solicitation of consents for the senior notes (the “**Senior Notes**”) was completed. Previous events of default of the Senior Notes and other cross-default terms were waived. The maturity date of the Senior Notes was extended to 30 April 2025 while the interest rate of the Senior Notes changed to 6% per annum and the Company should pay consent fee and the lieu of accrued interest of USD11,500,000 in total. Pursuant to the solicitation of consents for the Senior Notes, the non-payment of lieu of accrued interest due and non-payment of accrued interest due may lead to holders of the Senior Notes (the “**Holders**”) demanding for acceleration of repayment under the Senior Notes.

On 8 March 2024, the trustee was instructed by the Holders, holding at least 25% of the aggregate principal amount of the Senior Notes and sent a notice (the “**Notes Acceleration Notice**”) to the Company by virtue of the non-payment of certain consent fee due, all lieu of accrued interest due and accrued interest due. Upon receiving the Notes Acceleration Notice, the principal, the premium (if any), and accrued and unpaid interest on the Senior Notes (collectively, the “**Overdue Amount**”) became immediately due and payable on demand and the Company shall pay default interest in cash to the Holders on the Overdue Amount at the rate of 2% per annum over the interest rate of the Senior Notes and following the date on which the Overdue Amount triggered an event of default up to but excluding the date on which the Overdue Amount are paid or, if applicable, are waived by the Holders. As at 31 December 2024, the carrying amount of the Senior Notes was RMB1,724,806,000.

As at 30 June 2025, included in other loans of the Group were Senior Notes with carrying amount of RMB1,781,804,000 which constituted an event of default and were unsecured and guaranteed by certain subsidiaries of the Group.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

24. Interest-Bearing Bank and Other Borrowings (continued)

- (c) Certain of the Group's bank and other loans are secured or guaranteed by:
 - (i) pledges of the Group's properties under development with an aggregate carrying amount as at 30 June 2025 of approximately RMB483,281,000 (31 December 2024: RMB1,544,768,000);
 - (ii) pledges of the Group's investment properties with an aggregate carrying amount as at 30 June 2025 of approximately RMB14,130,464,000 (31 December 2024: RMB14,237,067,000);
 - (iii) pledges of the Group's land held for development for sale with an aggregate carrying amount as at 30 June 2025 of approximately RMB727,613,000 (31 December 2024: RMB727,613,000);
 - (iv) pledges of the Group's completed properties held for sale with an aggregate carrying amount as at 30 June 2025 of approximately RMB6,678,439,000 (31 December 2024: RMB5,523,494,000);
 - (v) pledge of a building of the Group with a carrying amount as at 30 June 2025 of approximately RMB9,883,000 (31 December 2024: RMB13,543,000);
 - (vi) corporate guarantees executed by certain subsidiaries of the Group to the extent of RMB7,331,469,000 as at 30 June 2025 (31 December 2024: RMB7,467,789,000); and
 - (vii) pledges of certain equity interests of the subsidiaries of the Company as at the end of the reporting period.
- (d) Other than certain other loans with a carrying amount of RMB1,842,154,000 (31 December 2024: RMB1,785,407,000) denominated in USD as at 30 June 2025 and RMB378,703,000 (31 December 2024: RMB384,350,000) denominated in HKD as at 30 June 2025, the remaining bank borrowings and other borrowings of the Group are denominated in RMB as at 30 June 2025 and 31 December 2024.
- (e) As at 30 June 2025, included in other loans of the Group were loans from related parties (Shanghai Jiayu Medical Investment Management Co., Ltd. and Jiahuang (Holdings) Investment Limited) controlled by the same ultimate holding company of the Company with principal amounts of RMB663,267,000 (31 December 2024: RMB663,485,000), among which RMB411,708,000 (31 December 2024: RMB411,926,000), were unsecured, bearing interest at 6% per annum (31 December 2024: 6%), with the mortgage agreement signed in respect of the remaining RMB251,559,000 (31 December 2024: RMB251,559,000), bearing interest at 6% per annum (31 December 2024: 6%).

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

25. Share Capital

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Authorised:		
50,000,000,000 shares of USD0.01 each	3,124,300	3,124,300
Issued and fully paid:		
2,583,970,000 ordinary shares of USD0.01 each	159,418	159,418

26. Financial Guarantees

The Group had the following financial guarantees as at the end of the reporting period:

- (a) As at 30 June 2025, the maximum obligation in respect of the mortgage facilities provided to certain purchasers of the Group's properties amounted to RMB132,382,000 (31 December 2024: RMB156,316,000).

At the end of the reporting period, the Group provided guarantees in respect of the mortgage facilities granted by certain banks to certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default on mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owed by the defaulted purchasers to the banks.

Under the above arrangement, the related properties were pledged to the banks as security on the mortgage loans. Upon default on mortgage payments by these purchasers, the banks are entitled to take over the legal titles and can realise the pledged properties through open auction. The Group is obliged to repay the banks for the shortfall if the proceeds from the auction of the properties cannot cover the outstanding mortgage principals together with the accrued interest and penalties.

The Group's guarantee period starts from the dates of grant of the relevant mortgage loans, and ends upon the earlier of (i) the issuance of real estate ownership certificates to the purchasers, which will generally be available within one to two years after the purchasers take possession of the relevant properties; and (ii) the settlement of mortgage loans between the mortgage banks and the purchasers.

- (b) The Group provided guarantees to the extent of RMB48,781,000 (31 December 2024: RMB56,113,000) as at 30 June 2025 in respect of bank loans granted to its joint ventures.

In determining whether financial liabilities should be recognised in respect of the Group's financial guarantee contracts, the Directors exercise judgement in the evaluation of the probability of resources outflow that will be required and the assessment of whether a reliable estimate can be made of the amount of the obligation.

In the opinion of the Directors, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition and the Directors consider that the possibility of the default of the parties involved is remote, and accordingly, no value has been recognised in the unaudited condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

27. Pledge of Assets

Details of the Group's assets pledged for the Group's bank and other loans are included in note 24 to the unaudited condensed consolidated financial statements.

28. Operating Lease Arrangements as a Lessor

The Group leases its investment properties (note 16) under operating lease arrangements, with leases negotiated for terms ranging from one to twenty years. The terms of the leases generally also require the tenants to pay security deposits and to provide for periodic rent adjustments according to the then prevailing market conditions. Certain contingent rent receivables are determined based on the turnover of the lessees.

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within one year	213,293	165,593
In the second to fifth years, inclusive	319,289	284,155
After five years	207,187	184,333
	739,769	634,081

29. Commitments

In addition to the operating lease commitments detailed in note 28 to the unaudited condensed consolidated financial statements, the Group had the following capital commitments at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Contracted, but not provided for:		
Capital expenditure for investment properties under construction and properties under development in Mainland China	3,120,765	3,285,535
Capital contribution to a joint venture	5,040	5,040
	3,125,805	3,290,575

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

30. Related Party Transactions

In addition to the transactions and balances detailed elsewhere in these unaudited condensed consolidated financial statements, no material transactions with related parties during the six months ended 30 June 2025 and 2024.

31. Financial Instruments by Category

The carrying amounts of each of the categories of financial instruments of the Group as at the end of the reporting period are as follows:

At 30 June 2025 (Unaudited)

Financial assets

	Financial assets at amortised cost RMB'000
Trade receivables (note 19)	375,130
Deposits and other receivables (note 18)	731,881
Restricted cash (note 20)	254,919
Cash and cash equivalents (note 20)	185,953
	1,547,883

Financial liabilities

	Financial liabilities at amortised cost RMB'000
Trade payables (note 22)	3,488,702
Other payables and accruals (note 23)	5,004,493
Interest-bearing bank and other borrowings (note 24)	11,605,345
Lease liabilities	6,714
	20,105,254

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

31. Financial Instruments by Category (continued)

At 31 December 2024 (Audited)

Financial assets

	Financial assets at amortised cost RMB'000
Trade receivables (note 19)	322,386
Deposits and other receivables (note 18)	847,873
Restricted cash (note 20)	217,548
Cash and cash equivalents (note 20)	156,254
	1,544,061

Financial liabilities

	Financial liabilities at amortised cost RMB'000
Trade payables (note 22)	3,344,918
Other payables and accruals (note 23)	4,481,339
Interest-bearing bank and other borrowings (note 24)	11,670,884
Lease liabilities	8,644
	19,505,785

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

32. Fair Value and Fair Value Hierarchy of Financial Instruments

The following table presents the Group's assets that are measured at fair value at 30 June 2025 and 31 December 2024 respectively.

Fair value hierarchy as at 30 June 2025 (Unaudited)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets measured at fair value:				
Investment properties (note 16)	–	–	15,694,768	15,694,768
	–	–	15,694,768	15,694,768

Fair value hierarchy as at 31 December 2024 (Audited)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets measured at fair value:				
Investment properties (note 16)	–	–	15,829,000	15,829,000
	–	–	15,829,000	15,829,000

The fair values of the non-current portion of other receivables and interest-bearing bank and other borrowings are approximate to their carrying amounts as at 30 June 2025 and 31 December 2024.

The details of the valuation technique and inputs used in the fair value measurement of investment properties have been disclosed in note 16 to the unaudited condensed consolidated financial statements, respectively. During the six months ended 30 June 2025 and 2024, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

Notes to the Condensed Consolidated Financial Statements (Unaudited) (continued)

For the six months ended 30 June 2025

32. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

The Group's finance department determines the policies and procedures for recurring fair value measurement, such as investment properties and derivative financial assets. The finance department comprises the head of the investment properties segment, head of the Group's investment team, chief financial officer and the managers of each property.

External valuers are involved in the valuation of significant assets, such as investment properties. Involvement of external valuers is decided upon annually by the finance department. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The finance department decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the finance department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the finance department verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The finance department, in conjunction with the Group's external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

DEFINITIONS

“2020 Notes”	the USD300,000,000, 6.95% senior notes due 19 April 2020 issued by the Company on 17 April 2017
“2022 Notes”	the USD224,899,000 senior notes issued by the Company on 27 March 2020 due 27 March 2022 (ISIN: XS2130508000; Common Code: 213050800)
“Aetoes Parties”	Lorraine Investment, Ltd., Normandy Investment, Ltd., Capital Chain Holdings Limited and Better Chance Investments Limited
“Audit Committee”	the audit committee of the Company
“Borrowings Overdue”	has the meaning ascribed to it under the section headed “Breach of significant loan agreements” in this interim report
“CG Code”	the “Corporate Governance Code” as contained in Appendix C1 to the Listing Rules
“Change of Control”	has the meaning ascribed to it under the section headed “Specific performance of the controlling shareholder” in this interim report
“Charged Shares”	has the meaning ascribed to it under the section headed “Pledging of shares by the controlling shareholder” in this interim report
“China Minsheng”	China Minsheng Investment Corp., Ltd.
“Company”	Yida China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the main board of the Stock Exchange (stock code: 3639)
“Company Share Charge”	a share charge entered into by Jiayou in favour of Aetos Parties, pursuant to which Jiayou agreed to charge 516,764,000 Shares held by it in favour of Aetos Parties as security for the obligation of Yida Parties under the Settlement Agreement
“CMIG Jiaye”	China Minsheng Jiaye Investment Co., Ltd.
“Final Award”	the final award issued by the Hong Kong International Arbitration Centre on 20 October 2020 comprising the full put option price of USD108 million, accrued interest of USD84 million, legal costs and expenses, and arbitration cost
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“Jiahuang”	Jiahuang (Holdings) Investment Limited
“Jiayou”	Jiayou (International) Investment Limited
“Listing”	the listing of the Shares on the Stock Exchange on 27 June 2014

DEFINITIONS (continued)

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Model Code”	the “Model Code for Securities Transactions by Directors of Listed Issuers” set out in Appendix C3 to the Listing Rules
“Obligors”	Dalian Yida Property Co., Ltd., Gang Xin Limited and King Equity Holdings Limited, all being wholly-owned subsidiaries of the Company
“Period”	the six months ended 30 June 2025
“Pinzui”	Shanghai Pinzui Enterprise Management Ltd.
“PRC” or “China”	the People’s Republic of China
“Settlement Agreement”	the settlement agreement entered into among Aetos Parties, the Obligors and the Yida Parties in relation to the settlement arrangement for the outstanding payments under the Final Award
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Shares”	ordinary share(s) of USD0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Total Payment Obligation”	has the meaning ascribed to it under the section headed “Litigation and Arbitration” in this interim report
“Yida Parties”	the Company, its five wholly-owned subsidiaries and its two joint ventures
“sq.m.”	square meters



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