



GLORY 国瑞

GLORY HEALTH INDUSTRY LIMITED

國瑞健康產業有限公司



中期報告
Interim Report
2025

(前稱「Glory Land Company Limited (國瑞置業有限公司)」，
並以「Guorui Properties Limited」的名稱在香港經營業務)
(於開曼群島註冊成立的有限公司)

(formerly known as "Glory Land Company Limited (國瑞置業有限公司)"
and carrying on business in Hong Kong as "Guorui Properties Limited")
(Incorporated in the Cayman Islands with limited liability)

香港聯合交易所股份代號 Stock Code: 2329

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Corporate Information

DIRECTORS

Executive Directors

Mr. Zhang Zhangsun (*Chairman*)
Ms. Ruan Wenjuan
Mr. Yang Huabin
Mr. Feng Yang
Mr. Zhao Yuhong

Independent Non-Executive Directors

Ms. Chen Jinrong
Mr. Deng Zhidong
Mr. Yuan Hao (resigned on June 10, 2025)

JOINT COMPANY SECRETARIES

Ms. Chan Lok Tung

AUTHORIZED REPRESENTATIVES

Mr. Zhang Zhangsun
Ms. Zhao Yuhong

AUDIT COMMITTEE

Ms. Chen Jinrong (*Committee Chairman*)
Mr. Deng Zhidong
Mr. Yuan Hao (resigned on June 10, 2025)

REMUNERATION COMMITTEE

Mr. Deng Zhidong (*Committee Chairman*)
Ms. Ruan Wenjuan
Ms. Chen Jinrong

NOMINATION COMMITTEE

Mr. Zhang Zhangsun (*Committee Chairman*)
Ms. Chen Jinrong
Mr. Deng Zhidong

INTERNAL CONTROL COMMITTEE

Mr. Yuan Hao (*Resigned on June 10, 2025*)
Ms. Chen Jinrong
Ms. Ruan Wenjuan

AUDITOR

WM CPA Limited (*Appointed on Jan 9, 2025*)
18/F., Jing Xing Centre
25 King's Road, Hong Kong

PRINCIPAL BANKERS

Industrial and Commercial Bank of China Limited
Agricultural Bank of China Limited
Bank of China Limited
China Construction Bank Corporation

LEGAL ADVISORS

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REGISTERED OFFICE

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Cayman Islands

CORPORATE HEAD OFFICE IN HONG KONG

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Hong Kong

CORPORATE HEADQUARTERS IN PEOPLE'S REPUBLIC OF CHINA

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Dongcheng District, Beijing PRC

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND 15 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
Wan Chai Hong Kong

LISTING INFORMATION

Share Listing

The Company's ordinary shares
The Stock Exchange of Hong Kong
Limited (the "Stock Exchange")
Stock Code: 02329

WEBSITE

<http://www.glorypty.com>

Financial Highlights

The board (the “**Board**”) of directors (the “**Directors**”) of Glory Health Industry Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announce to the shareholders of the Company (the “**Shareholders**”) the interim results of the Group for the six months ended June 30, 2025, together with comparative figures for the corresponding period in 2024. The Group’s interim results have not been audited, but have been reviewed by the audit committee of the Company (the “**Audit Committee**”).

- Achieved contracted sales for the six months ended June 30, 2025 (the “**Reporting Period**”) was RMB651.1 million;
- Affected by market conditions, the rental market is under pressure, revenue for the Reporting Period from property development was RMB182.7 million;
- Land reserves reached a total GFA of 6,387,065 square meters (“**sq.m.**”) as at June 30, 2025;
- 54% of the Company’s saleable land reserve was distributed in Beijing as at June 30, 2025.

Chairman's Statement

On behalf of the Board, I hereby present the interim results of the Group for the six months ended June 30, 2025.

INTERIM RESULTS AND REVIEW FOR THE FIRST HALF OF 2025

Interim Results

During the Reporting Period, the revenue of the Group was RMB324.2 million. Revenue from property development was RMB182.7 million.

Market Review

Industry Policies: The government has been actively promoting a new development model for the property market to ensure stable, healthy, and high-quality growth. Central and local authorities have introduced multiple stimulus measures, gradually relaxing stringent policies such as purchase restrictions, sales restrictions, and mortgage controls.

Financial Policies: The People's Bank of China (PBOC) and other regulatory bodies have implemented various financial measures, including reductions in the Loan Prime Rate (LPR), lowering of minimum down payment ratios, removal of commercial loan rate floors, reductions in provident fund loan interest rates, and increases in provident fund loan quotas. These measures aim to lower home purchase barriers, reduce mortgage burdens for residents, stimulate housing demand, and support market recovery.

Real Estate Development

In the first half of 2025, the Group adjusted its strategy in response to market conditions, pausing new investments and focusing on sales to capture market share. The Group further scaled down its property development operations, prioritizing debt reduction and asset disposals to improve liquidity. Efforts were intensified to ensure project completion and delivery while accelerating the transition to new business areas.

Investment Properties

During the Reporting Period, the Group's total rental income was RMB139.4 million. Impacted by e-commerce competition and economic slowdown, rental income declined slightly. The Group owns nine investment properties in prime locations in Tier 1 and Tier 2 cities, including Beijing and Shenzhen, with a total GFA of approximately 745,289 square meters. Despite the overall downward trend in the leasing market, the Group's prime locations position it well for future rental income growth as the economy stabilizes.

Land Reserves

As of June 30, 2025, the Group's land reserve total GFA was 6.38 million square meters. The Group holds undeveloped first-tier land projects, including urban renewal initiatives in Beijing and Shenzhen. During the Reporting Period, the Group's unsecured first-tier development and urban renewal projects covered 5.81 million square meters, with Shenzhen accounting for 51.6%. Urban renewal and existing housing upgrades represent a strategic shift in the secondary market, offering high-margin opportunities with relatively low capital investment.

These projects are expected to generate cash flow and new profit growth from second half of 2025 to 2026.

Capital Structure

The Group has engaged with banks and financial institutions to optimize its debt structure, alleviate short-term repayment pressures, reduce financing costs, and mitigate currency risks. Additionally, risk management has been strengthened through enhanced financial monitoring systems and early warning mechanisms.

Business Transformation

The Group is gradually shrinking its real estate business and steadily advancing its transformation towards the health industry. The Group is optimistic about the future development prospects and potential of the health industry and will align with the evolving needs of the era, strive to explore innovations in residential formats and develop industries such as wellness communities, online healthy living services, and regenerative medicine incubation. On one hand, the Group will continuously enhance product quality and introduce healthy lifestyle products, achieving a comprehensive restructuring of its product offerings and service models. On the other hand, the Group will dedicate efforts to providing online services for healthy living. By developing innovative ventures such as Guorui Hospital, medical online services, online wellness care, and regenerative medicine, the Group will comprehensively elevate its overall operational and service capabilities, realizing a full transition into the health industry.

OUTLOOK FOR THE SECOND HALF OF 2025

Looking ahead to the second half of 2025, support at the real estate policy level will continue to intensify, with policies such as purchase restrictions, sales restrictions, and mortgage limitations being fully relaxed. From the central government to local authorities, various levels of government will actively introduce policies to “halt the decline and achieve stability in the real estate market”, sending a strong signal of “rescuing and stabilizing the market”. Although policies are being increasingly strengthened, the prolonged downturn in the market, combined with the impact of the macroeconomic environment, has led to a loss of confidence among homebuyers. Rebuilding the market and restoring public confidence will take time. It is expected that the real estate market will remain in a phase of bottom adjustment, with investment confidence hitting rock bottom, market scale shrinking, housing prices continuing to decline amid intense competition, and developers still under urgent pressure to alleviate funding constraints, calling for strong financial support policies.

Improving the financing environment for real estate companies is crucial for the recovery of the industry and the market. Although the current “whitelist” policy provides funding support for certain projects, its coverage is limited and insufficient to effectively improve the cash flow situation of real estate enterprises. The industry urgently needs financial policies to restore normal capital circulation.

The Group believes that the real estate industry remains at the bottom of the cycle, and the impact of policies on stimulating market demand has become extremely limited. Since 2024, policies have been frequently introduced, primarily targeting the stimulation of market demand. However, due to economic downturn and lack of homebuyer confidence, these policy measures have yielded minimal effects. At present, demand-side stimulus policies have been nearly exhausted. The introduction of the “good-quality housing” policy aims to attract buyers by improving housing quality, which is positive for enhancing the quality of the real estate sector but has limited effect on quickly halting the market’s decline and stabilizing it. As trial policies receive market feedback, further adjustments are expected. Future policies are likely to shift focus from stimulating the market to prioritizing the stabilization of real estate enterprises. Collaboration between companies and policies will help mitigate vicious competition, thereby stabilizing the market.

In the long run, as China’s urbanization progresses and per capita housing area improves, the real estate industry still holds some development potential. However, this potential is no longer universal but is evolving through continuous differentiation, including urban divergence, corporate stratification, and product segmentation, among other aspects. Urban differentiation has already been evident in recent years: high-quality urban properties have demonstrated significantly stronger resilience, while housing prices in cities with weaker economic tiers have declined substantially, accompanied by immense inventory pressures. Product differentiation has become pronounced with the introduction of the “quality housing” policy, leading to a notable gap between the quality of commercial residential properties and that of affordable housing.

The future real estate industry will enter a highly competitive landscape characterized by survival of the fittest. Companies that endure the current industry downturn will face further tests, including business model restructuring and product quality upgrades. Enterprises must continuously improve in various aspects, such as corporate image, product quality, comprehensive services, and management capabilities, to navigate the fierce competitive environment. The Group will persist through the current industry trough while adapting to changes, strengthening both internal and external competencies, and enhancing corporate and product competitiveness from multiple angles to stand out in the intense competition. Moving forward, the Group will continue to elevate its service standards and management capabilities. By

Chairman's Statement

seizing market opportunities, optimizing product structures, delivering high-quality products, and providing thoughtful project services, we aim to attract more customers and facilitate project sales and repayments. Additionally, we will focus on adjusting debt structures, mitigating debt risks, and striving to reduce financing costs to enhance the Group's core competitiveness and ensure sustainable and steady development in the future.

Amid the complex market environment, the Group will transit into the health industry, tapping into its broad market potential.

ACKNOWLEDGEMENT

I take this opportunity to express my sincere gratitude on behalf of the board of directors to all shareholders, investors, partners, customers, and various sectors of society for their trust and support. The performance achieved by our group in the past six months is attributable to the leadership of the Company's management and the contributions of all employees. The Company will continue to work hard in the future to achieve maximum value for all shareholders.

Zhang Zhangsun

Chairman

Beijing, the PRC
August 29, 2025

Management Discussion and Analysis

BUSINESS REVIEW

As of June 30, 2025, the Group's revenue was RMB324.2 million. Revenue from property development was RMB182.7 million. As of June 30, 2025, the Group's gross profit was RMB4.4 million, and the net loss was RMB170.0 million.

Contracted Sales

The contracted sales of the Group for the first half of 2025 amounted to approximately RMB651.1 million. Contracted sales of the Group in the first half of 2025, by geographical location, were mainly from Beijing, Shenyang and Foshan and the contracted sales amounting to approximately RMB571.3 million, RMB18.5 million and RMB17.8 million, respectively, representing 87.7%, 2.8% and 2.7% of the Group's total contracted sales, respectively.

The following table sets out the Group's contracted sales by region for the six months ended June 30, 2025 and 2024:

City	For the Six Months Ended June 30,			
	2025		2024	
	Contracted Sales (RMB million)	Percentage of Total Contracted Sales (%)	Contracted Sales (RMB million)	Percentage of Total Contracted Sales (%)
Beijing	571.3	87.7	836.8	70.7
Haikou	3.1	0.5	-	-
Langfang	14.5	2.2	11.7	1.0
Zhengzhou	0.2	0.0	0.2	0.0
Shenyang	18.5	2.8	162.1	13.7
Foshan	17.8	2.7	7.0	0.6
Shantou	1.5	0.2	0.8	0.1
Suzhou	-	-	18.0	1.5
Xi'an	6.5	1.0	26.0	2.2
Guizhou	17.7	2.7	1.3	0.1
Cooperation projects	-	-	120.1	10.1
Total	651.1	100.0	1,184.1	100.0

Notes:

- The sales in the first half of 2024 were RMB1,184.1 million. The sales in the first half of 2025 were RMB651.1 million, representing a year-on-year decrease of 45.0%.
- Contracted sales shown in the table include sales of car parking spaces.

Property Projects

According to the stage of development, the Group classifies its property projects into three categories: completed properties, properties under development and properties held for future development. As some of its projects comprise multiple-phase development on a rolling basis, a single project may include different phases at various stages of completion, under development or held for future development.

As at June 30, 2025, the Group had completed a total unsold GFA of 996,869 sq.m. and had land reserves with a total GFA of 6,387,065 sq.m..

The Group selectively retained the ownership of a substantial amount of self-developed commercial properties with strategic value to generate stable and sustainable income. As at June 30, 2025, the Group had investment properties in Beijing Fugui Garden, Beijing Glory City, Beijing Bei Wu Lou, Shenyang Glory City, Eudemonia Palace, Beijing Hademen Center, Shenzhen Nanshan, Haikou Glory City and Foshan Glory Shengping Commercial Center.

Land Reserves

The following table sets out a summary of the Group's land reserves by geographic location as at June 30, 2025:

	Completed	Under Development	Future Development	Total Land Reserves	Of Total Land Reserves
	Saleable/ Rentable GFA Remaining Unsold (sq.m.)	GFA Under Development (sq.m.)	Planned GFA (sq.m.)	Total GFA (sq.m.)	Total GFA (%)
Beijing	466,793	98,666	–	565,459	8.9
Haikou	148,833	140,639	862,405	1,151,876	18.0
Langfang	–	251,542	969,688	1,221,230	19.1
Zhengzhou	–	9,562	–	9,562	0.1
Shenyang	205,051	9,288	276,470	490,809	7.7
Foshan	152,159	149,973	–	302,132	4.7
Xi'an	–	146,869	–	146,869	2.3
Shantou	–	352,973	–	352,973	5.5
Shenzhen	–	42,763	274,213	316,976	5.0
Suzhou	–	694	–	694	0.0
Chongming Island	–	9,307	761,358	770,665	12.1
Wuxi	52	–	–	52	-
Tongren	23,980	66,957	966,830	1,057,768	16.6
Total	996,869	1,279,233	4,110,963	6,387,065	100.0
Total Attributable GFA	831,376	1,208,506	3,676,333	5,716,215	

Primary Land Development and Projects Developed under the “Urban Redevelopment” Policy

Apart from engaging in property development projects, the Group also actively undertakes primary land development projects as a strategic business in order to access potentially available land reserves. During the Reporting Period, the Group undertook primary land development, urban renewal and projects under the “Urban Redevelopment” policy in places including Beijing and Shenzhen.

Urban Redevelopment Project in Beijing

Since September 2007, the Group has undertaken a primary land development project in Beijing, namely the West Qinian Street Project, which is located in the west side of Qinian Street and less than one kilometer from Tian'anmen Square with a planned GFA of approximately 474,304 sq.m., comprising five land parcels. As at June 30, 2025, the demolition and relocation of the Land No. 4 and the Land No. 5 have been completed and preparation for launch to the market is in the process.

Urban Redevelopment Project in Shenzhen

In the first half of 2014, Shenzhen Dachao Shan Construction Co., Ltd.* (深圳市大潮汕建設有限公司), a subsidiary of the Group, entered into an urban renewal cooperation agreement with Shenzhen Longgang Xikeng Co., Ltd.* (深圳市龍崗區西坑股份合作公司) to carry out the urban renewal project of the Xikeng community. The planned GFA of the project was about 3 million sq.m.. The Group has completed the survey for the land ownership, residential population and building information in the Xikeng community, industry research, the urban renewal planning research program and consultation. The Phase I Project with a site area of 530,000 sq.m. and a planned GFA of approximately 1.2 million sq.m. had been approved by the meeting of Longgan District Government Leadership Group (龍崗區政府領導小組會) on December 14, 2018 and had completed the planning announcement in respect of the inclusion into the “2018 Longgan District Urban Renewal Plan – the Ninth Plan” (《二零一八龍崗區城市更新計劃第九批計劃》) on December 30, 2018. A further approval has been obtained from relevant governmental authorities on the project at the end of February 2019. The special planning report documents for the first renewal were filed on May 30, 2019. In March 2020, the National Development and Reform Commission approved the construction plan for Metro Line 16 (Dayun-Xikeng Section) (Phase II). Xikeng Station of Metro Line 16 (Phase II) is located within the scope of the first renewal unit. The special plan has been adjusted by the Group in consideration of Xikeng Station and is being submitted to the review authority for review. Meanwhile, in consideration of the demolition and resettlement work arrangement of the government for the metro, the Group has fully started the demolition and resettlement negotiation for the first renewal unit. Subsequent thereto, the establishment of other projects will be commenced.

FINANCIAL REVIEW

Revenue

For the six months ended June 30, 2025, the Group's revenue was RMB324.2 million, representing a decrease of 67.2% from RMB987.5 million for the six months ended June 30, 2024.

Revenue from property development for the six months ended June 30, 2025 was RMB182.7 million, representing a decrease of 76.9% as compared to the corresponding period of last year. The decrease in revenue during the Reporting Period was primarily due to the decrease in completion and delivery areas in the property development segment and reduced sales.

Cost of Sales and Services

For the six months ended June 30, 2025, the Group's cost of sales and services was RMB319.8 million, representing a decrease of 42.4% as compared to the corresponding period of last year. The decrease in cost of sales and services during the Reporting Period was primarily due to the decrease in completion and delivery areas in the property development segment.

Gross Profit

For the six months ended June 30, 2025, the Group's gross profit was RMB4.4 million, as compared to the gross profit of RMB432.3 million in corresponding period of last year, which was primarily due to the significant decrease in property development income.

Loss Attributable to Owners of the Company

For the six months ended June 30, 2025, the loss attributable to owners of the Company was RMB225.2 million, representing an increase of RMB166.5 million from the loss attributable to owners of the Company of RMB58.7 million for the six months ended June 30, 2024.

Other Gains and Losses

Other gains were RMB20.1 million for the six months ended June 30, 2025, while other losses were RMB30.0 million for the six months ended June 30, 2024, mainly due to the changes in foreign exchange rate of USD bonds.

Other Income

Other income decreased from RMB1.6 million for the six months ended June 30, 2024 to RMB1.3 million for the six months ended June 30, 2025.

Distribution and Selling Expenses

Distribution and selling expenses decreased by RMB19.1 million from RMB62.4 million for the six months ended June 30, 2024 to RMB43.3 million for the six months ended June 30, 2025. The decrease is mainly attributable to a reduction in sales revenue during the current period.

Administrative Expenses

Administrative expenses decreased by RMB53.7 million from RMB140.2 million for the six months ended June 30, 2024 to RMB86.5 million for the six months ended June 30, 2025. The reduction is primarily due to the Group's optimization of organizational structure and operational efficiency during the Reporting Period.

Finance Costs

Finance costs increased by RMB0.5 million from RMB38.5 million for the six months ended June 30, 2024 to RMB39.0 million for the six months ended June 30, 2025.

Income Tax Credit

Income tax credit decreased from RMB60.7 million for the six months ended June 30, 2024 to RMB18.3 million for the six months ended June 30, 2025. The PRC corporate income tax and land appreciation tax of the Group for the six months ended June 30, 2025 were RMB0.1 million and RMB6.7 million, respectively.

Comprehensive Loss

As a result of the foregoing reasons, the Group's total comprehensive loss increased from RMB64.4 million for the six months ended June 30, 2024 to the total comprehensive loss of RMB170.0 million for the six months ended June 30, 2025.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash Position

As at June 30, 2025, the Group's cash, restricted bank deposits and bank balances were approximately RMB333.9 million as compared to RMB201.9 million as at December 31, 2024.

Net Operating Cash Flow

The Group recorded net operating cash flow in the amount of RMB420.5 million for the six months ended June 30, 2025, while we had recorded net operating cash flow of RMB49.2 million for the six months ended June 30, 2024.

Borrowings

As of June 30, 2025, the Group's outstanding loans amounted to RMB22,594.6 million, consisting of bank loans and other borrowings of RMB18,732.1 million, and senior notes of RMB3,862.5 million.

Charge over Assets

Some of the Group's borrowings are secured by properties under development for sale, properties held for sale, investment properties and prepaid lease payments as well as property, plant and equipment and restricted bank deposits, or combinations of the above. As at June 30, 2025, the assets pledged to secure certain borrowings granted to the Group amounted to RMB25,603.3 million.

Financial Guarantees and Contingent Liabilities

In line with market practice, the Group has entered into arrangements with various banks for the provision of mortgage financing to its customers. The Group does not conduct independent credit checks on its customers, but relies on credit checks conducted by relevant banks. As with other property developers in the PRC, the banks usually require the Group to guarantee its customers' obligation to repay the mortgage loans on the properties. The guarantee period normally lasts until the banks receive the strata-title building ownership certificate (分戶產權證) from the customer as security of the mortgage loan granted. As at June 30, 2025, the Group's outstanding guarantees in respect of the mortgages of its customers amounted to RMB1,953.7 million.

Save as disclosed in this report, the Group had no other material contingent liabilities as at June 30, 2025.

Capital and Other Commitments

As at June 30, 2025, the Group had certain contracted but not-provided-for commitments in connection with expenditure in respect of properties under development for sale. For details, please refer to note 20 to the condensed consolidated financial statements.

FOREIGN EXCHANGE RISK

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in RMB. As at June 30, 2025, the balance of the Company's senior notes amounted to RMB3,862.5 million. As a result of the issuance of such senior notes, the Group would be subject to foreign currency risk arising from the exchange of RMB against US\$.

In addition, RMB is not freely convertible into foreign currencies and the conversion of RMB into foreign currencies is subject to rules and regulations of the foreign exchange control promulgated by the PRC government. The Group does not have a foreign currency hedging policy. However, the Directors monitor the Group's foreign exchange exposure closely and may, depending on the circumstances and trend of foreign currency, consider adopting suitable foreign currency hedging policy in the future.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group will continue to invest in its property development projects and acquire suitable land parcels in selected cities as it thinks fit. It is expected that internal resources and bank borrowings will be sufficient to meet the necessary funding requirements. Save as disclosed in this report, the Group did not have any future plans for material investments or capital assets as at the date of this report.

EMPLOYEES AND REMUNERATION POLICIES

For the six months ended June 30, 2025, the Group had approximately 389 employees, and incurred employee costs of approximately RMB47.6 million. Remuneration for the employees generally includes salaries and performance bonuses. As required by applicable PRC laws and regulations, the Group participates in various employee benefit plans of the municipal and provincial governments, including housing provident funds, pension, medication, maternity, occupational injury and unemployment benefit plans.

INTERIM DIVIDEND

The Board has decided not to pay any interim dividend to the Shareholders.

Disclosure of Interests

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at June 30, 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or of any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which were required, as recorded in the register maintained 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 for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") were as follows:

(a) Interest in Shares of the Company

Name of Director	Nature of interest	Number of Shares	Approximate percentage of interest in the Company
Zhang Zhangsun ("Chairman Zhang") ¹	Interest of a controlled corporation	3,409,431,570	76.71%
Ruan Wenjuan	Interest of spouse	3,409,431,570	76.71%

Note 1: Alltogether Land Company Limited ("**Alltogether**") is wholly-owned by Chairman Zhang. As such, Chairman Zhang, through Alltogether, is indirectly interested in the Shares held by Alltogether. Further, as Ms. Ruan Wenjuan, an executive Director of the Company, is the spouse of Chairman Zhang, Ms. Ruan Wenjuan is also deemed to be interested in the Shares held by Alltogether under the SFO.

(b) Interest in shares of associated corporation

Name of Director	Nature of interest	Name of associated corporation	Approximate percentage of shareholding
Chairman Zhang	Beneficial owner	Alltogether	100%

(c) Interest in debentures of the Company**2022 Senior Notes:**

(see note 18 to the condensed consolidated financial statements for details)

Director	Nature of interest	Amount of debentures of the Company held	Approximate percentage of interest of 2022 Senior Notes as at June 30, 2025
Chairman Zhang ⁽¹⁾	Interest of a controlled corporation	US\$125,110,000	37.4% ⁽²⁾
Ruan Wenjuan	Interest of spouse	US\$125,110,000	37.4% ⁽²⁾

Notes:

⁽¹⁾ Alltogether is wholly-owned by Chairman Zhang. As such, Chairman Zhang, through Alltogether, is indirectly interested in the debentures held by Alltogether.

⁽²⁾ Proportionate interests is calculated based on the principal amount in aggregate of 2022 Senior Notes.

All interests in the Shares of the Company and its associated corporations are long positions.

Save as disclosed above, as at June 30, 2025, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be immediately notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange, pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS SHARES

As at June 30, 2025, the following persons had an interest or short position in shares or underlying shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 5% or more of the issued share capital of the Company, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Interest in Shares of the Company

Name of substantial Shareholder	Nature of interest	Number of shares	Approximate percentage of interest in the Company
Chairman Zhang ⁽¹⁾	Interest of a controlled corporation	3,409,431,570	76.71%
Alltogether	Beneficial owner	3,409,431,570	76.71%
Ruan Wenjuan	Interest of spouse	3,409,431,570	76.71%

Note:

- (1) Alltogether is wholly-owned by Chairman Zhang. As such, Chairman Zhang, through Alltogether, is indirectly interested in the shares held by Alltogether. Further, as Ms. Ruan Wenjuan, an executive Director of the Company, is the spouse of Chairman Zhang, Ms. Ruan Wenjuan is also deemed to be interested in the shares held by Alltogether under the SFO.

Corporate Governance Practices and Other Information

CORPORATE GOVERNANCE PRACTICES AND OTHER INFORMATION

The Company is committed to maintaining high standards of corporate governance with a view to assuring the conduct of management of the Company as well as protecting the interests of the Shareholders. The Company has always recognized the importance of the Shareholders' transparency and accountability.

The Company has been in compliance with the code provisions as set out in Part 2 of the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules during the six months ended June 30, 2025 except for the following deviations:

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Under the current organization structure of the Company, Chairman Zhang is the chairman of the Board and the president of the Company. Chairman Zhang has been overseeing the Group's strategic planning, operation and management since the Group was founded. The Company believes that the vesting the roles of both chairman and president in Chairman Zhang is beneficial to the business operation of the Group and will not have negative influence on the management of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprise experienced and high caliber individuals with sufficient number thereof being independent non-executive Directors.

Under code provision C.1.8 of the CG Code, the Company should arrange appropriate insurance cover in respect of legal action against its directors. As the Board considers that insurance cover for Directors and officers with reasonable premiums and sufficient compensation has not been identified in the market, the Company has not procured such arrangement.

Save as disclosed herein, the Company has complied with the code provisions as set out in the CG Code for the six months ended June 30, 2025. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

Non-compliance with Rules 3.10(1), 3.10A and 3.21 of the Listing Rules

Following the resignation of Mr. Yuan Hao as an independent non-executive director on June 10, 2025, the Company only had two independent non-executive Directors, thus the number of the independent non-executive Directors and the number of representation of independent nonexecutive Directors on the Board fell below the minimum requirement under Rules 3.10(1) and 3.10A of the Listing Rules. As a result of the insufficient number of independent non-executive Directors, the Company had also failed to comply with the requirements set out in Rule 3.21 of the Listing Rules with regard to the minimum number of members and the composition of the Audit Committee.

The Company will use its best endeavor to identify a suitable candidate to act as an independent non-executive Director to meet the requirements set out in Rules 3.10(1), 3.10A and 3.21 of the Listing Rules as soon as practicable and will make further announcement as and when appropriate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries with all the Directors, each of the Directors has confirmed that he/she has complied with the Model Code for the six months ended June 30, 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

For the six months ended June 30, 2025, save as disclosed in this report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities

SHARE AWARD SCHEME

The Company adopted a share award scheme on June 5, 2014 to recognize the contribution of certain of the Company's employees and officers, especially those whom the Company considered to have contributed to the early development and growth of the Group and to provide financial incentives to them to remain with the Group and strive for the future development and expansion of the Company. The Share Award Scheme has been cancelled before 2022.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, the Company satisfied the minimum percentage as prescribed in the waiver granted by the Stock Exchange from strict compliance with Rule 8.08 of the Listing Rules.

SUBSEQUENT EVENT

Save as disclosed in this report, there is no material post balance sheet event undertaken by the Group after June 30, 2025 up to the date of this report.

AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the CG Code, which is currently made available on the Stock Exchange's website and the Company's website. Following the resignation of Mr. Yuan Hao as an independent non-executive director on June 10, 2025, the Audit Committee currently comprises two independent non-executive Directors, namely Ms. Chen Jinrong (as committee chairman) and Mr. Deng Zhidong. The unaudited interim financial statements of the Group for the six months ended June 30, 2025 have been reviewed by the Audit Committee.

Condensed Consolidated Statement of Loss and Other Comprehensive Loss

For the six months ended June 30, 2025

	Notes	Six months ended June 30,	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue			
Contract with customers		184,737	829,339
Leases		139,441	158,120
Total revenue	3	324,178	987,459
Cost of sales and services		(319,809)	(555,182)
Gross profit		4,369	432,277
Other gains and losses	5	20,136	(30,013)
Other income	5	1,342	1,582
Change in fair value of investment properties		-	(269,961)
Distribution and selling expenses		(43,322)	(62,425)
Administrative expenses		(86,490)	(140,170)
Other expenses		(37,040)	(12,748)
Share of loss of associates		-	(4,103)
Share of loss of joint ventures		-	(1,085)
Loss on disposal of subsidiaries		(8,373)	-
Finance costs	6	(38,958)	(38,517)
Loss before tax		(188,336)	(125,163)
Income tax credit	7	18,317	60,719
Loss and total comprehensive loss for the period	8	(170,019)	(64,445)
Loss and total comprehensive loss for the period attributable to:			
Owners of the Company		(225,179)	(58,659)
Non-controlling interests		55,160	(5,786)
		(170,019)	(64,445)
Loss per share			
– Basic and diluted (RMB cents)	9	(5.07)	(1.32)

Condensed Consolidated Statement of Financial Position

As at June 30, 2025

	Notes	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Non-current assets			
Investment properties	11	19,307,486	19,383,270
Property, plant and equipment	12	2,357,717	2,380,376
Right-of-use assets		241,098	244,763
Other non-current assets		1,434,388	1,434,388
Interests in joint ventures		-	60,944
Equity instruments at FVTOCI	13	13,481	13,481
Deferred tax assets		609,086	581,670
Restricted bank deposits		134,916	14,899
Value added tax and tax recoverable		725,260	725,260
		24,823,432	24,839,051
Current assets			
Inventories		786	786
Deposits paid for land acquisition		107,534	107,534
Properties under development for sale		18,213,018	18,306,878
Properties held for sale		2,610,620	2,603,046
Trade and other receivables, deposits and prepayments	14	5,003,630	5,885,422
Contract assets	15	2,294,833	2,292,769
Contract cost		33,700	33,700
Value added tax and tax recoverable		203,327	203,327
Amounts due from related parties	23(b)	3,339,399	2,745,190
Restricted bank deposits		93,508	116,524
Bank balances and cash		105,505	70,451
		32,005,860	32,365,627

Condensed Consolidated Statement of Financial Position

As at June 30, 2025

	Notes	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Current liabilities			
Trade and other payables	16	7,320,157	8,501,284
Contract liabilities		5,182,773	4,530,157
Amounts due to related parties	23(c)	4,100,872	3,557,084
Tax payable		3,129,543	3,159,718
Lease liabilities		100	681
Bank and trust borrowings-due within one year	17	7,611,691	7,620,237
Senior notes	18	3,862,470	3,942,744
		31,207,606	31,311,905
Net current assets		798,254	1,053,722
Total assets less current liabilities		25,621,686	25,892,773
Non-current liabilities			
Rental deposits received	16	116,542	114,919
Bank and other borrowings-due after one year	17	11,120,439	11,225,550
Deferred tax liabilities		2,184,822	2,182,402
		13,421,803	13,522,871
Net assets		12,199,883	12,369,902
Capital and reserves			
Share capital		3,520	3,520
Reserves		9,699,992	9,925,171
Equity attributable to owners of the Company		9,703,512	9,928,691
Non-controlling interests		2,496,371	2,441,211
Total equity		12,199,883	12,369,902

Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company										
	Share capital	Share premium	Capital reserve	Revaluation reserve	FVTOCI reserve	Other reserve	Statutory surplus reserve	Retained earnings	Sub-total	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000 (note (i))	RMB'000 (note (ii))	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2025 (Audited)	3,520	8,027	133,379	168,181	(10,143)	194,725	1,347,626	8,083,376	9,928,691	2,441,211	12,369,902
Loss and total comprehensive expense for the period	-	-	-	-	-	-	-	(225,179)	(225,179)	55,160	(170,019)
At June 30, 2025 (Unaudited)	3,520	8,027	133,379	168,181	(10,143)	194,725	1,347,626	7,858,197	9,703,512	2,496,371	12,199,883
At January 1, 2024 (Audited)	3,520	8,027	133,379	168,181	(10,143)	194,725	1,347,626	9,323,805	11,169,120	2,616,285	13,785,405
Loss and total comprehensive expense for the period	-	-	-	-	-	-	-	(58,659)	(58,659)	(5,786)	(64,445)
At June 30, 2024 (Unaudited)	3,520	8,027	133,379	168,181	(10,143)	194,725	1,347,626	9,265,147	11,110,462	2,610,499	13,720,961

Notes:

- (i) Other reserve mainly represents (a) the differences between the amount by which non-controlling interests are adjusted and the fair value of consideration paid or received when the Group (as defined in note 1) in acquiring or disposal of partial interests in existing subsidiaries or capital contribution from non-controlling equity holders of subsidiaries; and (b) deemed contribution from a related party of approximately RMB187,460,000 arising from acquisition of businesses during the year ended December 31, 2018.
- (ii) In accordance with the Articles of Association of all subsidiaries established in the People's Republic of China, those subsidiaries are required to transfer 10% of the profit after taxation to the statutory surplus reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve must be made before distributing dividends to equity holders. The statutory surplus reserve can be used to make up for previous years' losses, expand the existing operations or convert into additional capital of the subsidiaries.

Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2025

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net cash from operating activities	420,510	49,220
Cash flows from investing activities		
Placement of restricted bank deposits	(120,017)	(89,438)
Withdrawal of restricted bank deposits	23,016	162,989
Purchase of property, plant and equipment and other non-current assets	(73)	(3,036)
Proceeds from disposal of property, plant and equipment	–	74
Interest received	161	410
Advances to related parties	(591,024)	(30,093)
Net cash used in investing activities	(687,937)	40,906

Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2025

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cash flows from financing activities		
New borrowings from financial institutions	36,397	9,000
Repayments of bank loans	(117,062)	(27,842)
Repayments of borrowings from financial institutions	(32,370)	(1,964)
Repayment of senior notes	(84,065)	–
Repayments of leases liabilities	(600)	(568)
Interest paid	(43,607)	(38,543)
Advances from/(repayments to) related parties	543,788	(366)
Net cash used in financing activities	302,481	(60,283)
Net (decrease) in cash and cash equivalents	35,054	29,843
Cash and cash equivalents at January 1	70,451	74,697
Cash and cash equivalents at June 30, represented by bank balances and cash	105,505	104,540

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

1. GENERAL INFORMATION

Glory Health Industry Limited (formerly known as Glory Land Company Limited (國瑞置業有限公司) and carrying on business in Hong Kong as “Guorui Properties Limited”) (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Company Laws (2012 Revision) of the Cayman Islands on July 16, 2012. The name of the Company was changed to Glory Health Industry Limited (國瑞健康產業有限公司) in June 2022. Its parent and ultimate holding company is Alltogether Land Company Limited (通和置業有限公司) (“**Alltogether Land**”), a company incorporated in the British Virgin Islands (the “BVI”). Mr. Zhang Zhangsun, who holds 100% equity interests of Alltogether Land, is the ultimate beneficial owner of the Company.

The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is located at East Block, Hademen Plaza, 8-1#Chongwenmenwai Street, Dongcheng District, Beijing, the People’s Republic of China (the “**PRC**”).

The Company’s shares were listed on the main board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the business of property development, provision of primary land construction and development services, property investment, and provision of property management and related services.

The condensed consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company, and all values are rounded to the nearest thousand except where otherwise indicated.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (the “**IASB**”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The condensed consolidated financial statements have been prepared on a historical cost basis, with the exception of investment properties and certain financial instruments measured at fair values, where applicable.

Except for the application of amendments to International Financial Reporting Standards (“**IFRSs**”), the interim condensed consolidated financial statements for the six months ended June 30, 2025 use the same accounting policies and calculation methods as those presented in the Group’s annual financial statements for the year ended December 31, 2024.

Application of amendments to IFRSs

During the interim period, the Group applied for the first time the revised IFRS issued by the IASB and mandatory for annual periods beginning on or after 1 January 2024 to prepare the Group’s interim condensed consolidated financial statements.

The application of the revised IFRS standards in the current period did not have a material impact on the financial positions and performance of the Group for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

Going concern

At present, many projects of the Group are close to the sale of existing houses, and the expected sales of each project can cover the final construction of the project.

The interim condensed consolidated financial statements assume that the Group will continue to operate on a going-concern basis. In order to improve the Group's financial position, real-time available liquidity and cash flows, and to enable the Group to continue to operate on a going-concern basis, the Directors have adopted certain measures and other measures that have been implemented as of the date on which these interim condensed consolidated financial statements are authorized, including (but not limited to) the following:

- (i) For borrowings maturing before 30 June 2026, the Group is in the process of rearranging its borrowing plans with its banks. The Directors have assessed the relevant facts available to them and are of the opinion that the Group will be able to renew the borrowings when they become due;
- (ii) The Group will sell some of its investment properties to improve the financial position, liquidity and cash flow of the Group; and
- (iii) The Group uses cost control measures in cost of sales and administrative expenses.

Having regard to the above considerations and measures, the Directors are satisfied that the Group will be able to meet its financial obligations when they become due. Accordingly, the Directors consider it appropriate to prepare these condensed consolidated financial statements on a going concern basis.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

3. REVENUE

Disaggregation of revenue from contracts with customers and the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

	For the six months ended June 30, 2025				
	Property development RMB'000 (Unaudited)	Primary land construction and development services RMB'000 (Unaudited)	Property investment RMB'000 (Unaudited)	Property management and related services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Timing of revenue recognition					
A point in time	182,672	-	-	-	182,672
Over time	-	2,064	-	2	2,066
Revenue from contracts with customers	182,672	2,064	-	2	184,738
Rental income	-	-	139,440	-	139,440
Total revenue	182,672	2,064	139,440	2	324,178

	For the six months ended June 30, 2024				
	Property development RMB'000 (Unaudited)	Primary land construction and development services RMB'000 (Unaudited)	Property investment RMB'000 (Unaudited)	Property management and related services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Timing of revenue recognition					
A point in time	792,314	-	-	-	792,314
Over time	-	24,612	-	12,413	37,025
Revenue from contracts with customers	792,314	24,612	-	12,413	829,339
Rental income	-	-	158,120	-	158,120
Total revenue	792,314	24,612	158,120	12,413	987,459

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

4. SEGMENT INFORMATION

The Group is organized into business units based on their types of activities. These business units are the basis of information that is prepared and reported to the Group's chief operating decision makers (i.e. the executive Directors) for the purposes of resource allocation and assessment of performance. The Group's operating segments under IFRS 8 Operating Segments are identified as the following four business units:

Property development: This segment develops and sells commercial and residential properties.

Primary land construction and development services: This segment derives revenue from primary land development, including services for resettlement, construction of land infrastructure and ancillary public facilities on land owned by the local governments.

Property investment: This segment derives rental income from investment properties developed by the Group.

Property management and related services: This segment derives income from property management and related services.

Segment revenue and results

The following is the analysis of the Group's revenue and results by reportable and operating segment.

	Property Development RMB'000 (Unaudited)	Primary land construction and development services RMB'000 (Unaudited)	Property Investment RMB'000 (Unaudited)	Property management and related services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Six months ended June 30, 2025					
Revenue from external customers and segment revenue	182,672	2,064	139,440	2	324,178
Segment (loss)/profit	(173,367)	(2,063)	79,737	(29,750)	(125,443)
Six months ended June 30, 2024					
Revenue from external customers and segment revenue	792,314	24,612	158,120	12,413	987,459
Segment (loss)/profit	201,190	1,172	91,561	(18,381)	275,541

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

4. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

The segment (loss)/profit can be reconciled to the loss before tax as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Segment (loss)/profit	(125,443)	275,541
Other gains and losses, net	20,136	(30,013)
Other income	1,342	1,582
Change in fair value of investment properties	-	(269,961)
Unallocated administrative expenses	-	(45,859)
Other expenses	(37,040)	(12,748)
Share of losses of associates	-	(4,103)
Share of losses of joint ventures	-	(1,085)
Loss on disposal of subsidiaries	(8,373)	-
Finance costs	(38,958)	(38,517)
Loss before income tax	(188,336)	(125,163)

The accounting policies applied in determining segment revenue and segment (loss)/profit of the operating segments are the same as the Group's accounting policies. Segment (loss)/profit represents the (loss)/profit earned by each segment without allocation of other gains and losses, net, other income, change in fair value of investment properties, other expenses, share of loss of joint ventures, share of loss of associates, finance costs, loss on disposal of subsidiaries and unallocated administrative expenses, including auditor's remuneration and Directors' emoluments. This is the measure reported to the Group's chief operating decision makers for the purpose of resources allocation and performance assessment.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

4. SEGMENT INFORMATION (Continued)

Other segment information

Amounts included in the measurement of segment (loss):

	Property Development RMB'000 (Unaudited)	Primary land construction and development services RMB'000 (Unaudited)	Property Investment RMB'000 (Unaudited)	Property management and related services RMB'000 (Unaudited)	Unallocated Amount RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Six months ended June 30, 2025						
Depreciation and amortization of non-current assets	(416)	-	(20,060)	(28)	(2,998)	(23,502)
Impairment losses under expected credit loss model, net of reversal	-	-	-	-	-	-
Six months ended June 30, 2024						
Depreciation and amortization of non-current assets	(585)	-	(30,987)	(5,009)	(3,167)	(39,748)
Impairment losses under expected credit loss model, net of reversal	-	-	-	-	-	-

No segment assets and liabilities are presented as they were not regularly provided to the chief operating decision makers for the purpose of resources allocation and performance assessment.

Geographical information

All the revenue and operating results of the Group is derived from the PRC based on location of the operations. All the Group's non-current assets (excluding financial instruments and deferred tax assets) are located in the PRC based on geographical location of the assets or the associates' and joint ventures' operation, as appropriate.

Revenue from major customers

No revenue from a single external customer amounted to 10% or more of the Group's revenue during the six months ended June 30, 2025 and 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

5. OTHER INCOME AND OTHER (LOSS)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Other income		
Interest income	161	410
Others	1,181	1,172
	1,342	1,582
Other (loss)		
Net foreign exchange (losses) on operating activities	20,136	(26,390)
Losses on disposal of property, plant and equipment	-	(30)
Other (loss)	-	(3,593)
	20,136	(30,013)

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

6. FINANCE COSTS

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Interest on bank borrowings	13,708	23,421
Interest on loans from financial institutions	12,932	18,007
Interest on contract liabilities	65,699	75,067
Interest on senior notes	20,136	22,012
Interest on lease liabilities	25	86
Total borrowing costs	112,500	138,593
Less: Amounts capitalized in the cost of qualifying assets	(73,542)	(100,076)
	38,958	38,517

Capitalized interest is derived from borrowings obtained specifically for the construction of qualifying assets at an interest rate of 4.8% to 18% per annum (six months ended 30 June 2024 :4.75% to 15%) and general borrowings, Is calculated at the capitalized annual interest rate of 8.7%(six months ended 30 June 2024 :8.7%) of eligible asset expenses.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

7. INCOME TAX (CREDIT)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current tax		
PRC Enterprise Income Tax	78	(41)
Land appreciation tax	6,682	15,347
Deferred tax	6,760 (25,077)	15,306 (76,025)
Income tax (credit)	(18,317)	(60,719)

Pursuant to the PRC Enterprise Income Tax Law promulgated on March 16, 2007, the PRC enterprise income tax for both domestic and foreign-invested enterprises has been unified at the income tax rate of 25% effective from January 1, 2008 onwards. The PRC enterprise income tax has been calculated on the estimated assessable profit derived from the PRC at the rate of 25% for both periods.

The provision of land appreciation tax is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. Land appreciation tax has been provided at ranges of progressive rates of the appreciation value, with certain allowable exemptions and deductions.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

8. (LOSS) FOR THE PERIOD

(Loss) for the period has been arrived at after charging/(crediting):

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Directors' remunerations:		
– Salaries and other benefits	3,403	5,800
– Retirement benefit contributions	86	68
Other staff costs:		
– Salaries and other benefits	40,622	64,717
– Retirement benefit contributions	3,453	6,227
Total staff costs	47,564	76,812
Less: Amounts capitalized to properties under development and investment properties under construction (<i>note</i>)	(11,576)	(22,198)
	35,987	54,614
Cost of properties sold recognized as expense	303,203	517,505
Depreciation of property, plant and equipment	20,446	36,463
Depreciation of right-of-use assets	3,470	3,542
Amortization of intangible assets (included in administrative expenses)	115	321
Amortization of contract costs	24,399	36,600
Expense relating to short-term leases	984	7,374
Gross rental income from investment properties	(139,440)	(158,120)
Less: direct operating expenses incurred for investment properties that generated rental income during the period	59,703	66,559
	(79,737)	(91,561)

Note: The amount capitalized mainly represents costs of certain staff of the project management department and the design department, who were assigned to construction sites and engaged in specific construction projects directly.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

9. (LOSS) PER SHARE

The calculation of the basic and diluted (loss) per share attributable to the owners of the Company is based on the following data:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
(Loss)		
(Loss) for the purposes of basic and diluted (loss)		
per share ((loss) for the period attributable to owners of the Company)	(225,179)	(58,659)
	Six months ended June 30,	
	2025 '000 (Unaudited)	2024 '000 (Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss) per share	4,444,418	4,444,418
Weighted average number of ordinary shares for the purpose of diluted (loss) per share	4,444,418	4,444,418

As there were no dilutive potential ordinary shares in existence during the six months ended June 30, 2025 and 2024. Therefore, the amount of diluted (loss) per share is the same as the amount of basic (loss) per share for the six months ended June 30, 2025 and 2024.

10. DIVIDENDS

No dividend was proposed by the board of directors in respect of the six months ended June 30, 2025 and 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

11. INVESTMENT PROPERTIES

The Group leased out various offices, shopping mall and retail stores under operating leases with rentals payable monthly. The leases typically run for an initial period of 1 to 20 years, with unilateral rights to extend the lease beyond initial period held by lessees only. Majority of the lease contracts contain market review clauses in the event the lessee exercises the option to extend.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the functional currency of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

	Investment Properties RMB'000	Investment properties under construction RMB'000	Total RMB'000
At January 1, 2024 (Audited)	16,784,166	3,793,000	20,577,166
Net (decrease) in fair value recognized in profit or loss	(481,940)	(17,000)	(498,940)
Disposal	(902,790)	–	(902,790)
Transfer from PPE	207,834	–	207,834
At December 31, 2024 and January 1, 2025 (Audited)	15,607,270	3,776,000	19,383,270
Disposal	(75,784)	–	(75,784)
At June 30, 2025 (Unaudited)	15,531,486	3,776,000	19,307,486

The investment properties are all situated in the PRC. The fair value of the Group's investment properties as at June 30, 2025 has been arrived at on the basis of valuations carried out on December 31, 2024 by Colliers Appraisal & Advisory Services Co., Ltd., a firm of independent qualified external valuer not connected with the Group, who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

The valuations of investment properties are arrived at with adoption of direct comparison approach assuming sale of each of these properties in its existing state by making reference to comparable sales transactions as available in the relevant market and also consider income approach by undertaking an estimation of future cash flows and taking into account the time value of money. The income is projected over the investment cycle and the net income is calculated after the deduction of capital, operating, and other necessary expenses.

Fair values of the investment properties under construction are generally derived using the residual method. This valuation method is essentially a means of valuing the land and building by reference to its development potential by deducting development costs together with developer's profit and risk from the estimated capital value of the proposed development assuming completed in accordance with the existing development plans as at the date of valuation, which duly reflected the risks associated with the development.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The fair value of the Group's investment properties at June 30, 2025 and December 31, 2024 are grouped into Level 3 of fair value measurement. There were no transfers into or out of Level 3 in both years.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

For the six months ended 30 June 2025, additions to property, plant and equipment (mainly comprising works in progress and electrical equipment and furniture) were RMB898,000 (six months ended 30 June 2024: RMB3,036,000)

13. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVTOCI”)

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Unlisted investments:		
– Equity securities (<i>note</i>)	13,481	13,481

Note:

The above unlisted equity securities represent the Group's equity interest in private entities: (1) 0.15% (December 31, 2024: 0.15%) equity interest in Bohai Life Insurance Co., Ltd.* (渤海人壽保險股份有限公司) (“Bohai Life”), a private entity established in the PRC, which is principally engaged in insurance business, with a carrying amount of approximately RMB8,481,000 (December 31, 2024: RMB8,481,000); and (2) 10% (December 31, 2024: 10%) equity interest in Yongqing Jiying Rural Bank Co., Ltd.* (永清吉銀村鎮銀行股份有限公司) (“Yongqing Jiying Rural Bank”), a private entity established in the PRC, which is principally engaged in banking operation, with a carrying amount of approximately RMB5,000,000 (December 31, 2024: RMB5,000,000). The equity investments were irrevocably designated at FVTOCI as the Group considers these investments to be strategic in nature.

* The English name of the companies which were established in the PRC are for reference only and have not been registered.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Trade receivables mainly comprise of rental receivables and receivables for sales of properties.

Pursuant to the lease agreements, rental payment is generally required to be settled in advance with no credit period being granted to the tenants. In respect of sale of properties, a credit period of six to twelve months may be granted to specific customers on a case-by-case basis.

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Trade receivables, gross		
– contracts with customers (<i>note (i)</i>)	277,907	318,609
– lease receivables	199,792	161,040
	477,699	479,649
Less: Allowance for credit losses	(184,429)	(184,429)
Trade receivables, net	293,270	295,220
Other receivables, deposits and prepayments, gross		
Advances to contractors and suppliers (<i>note (ii)</i>)	911,877	935,205
Performance guarantee deposit paid	14,940	14,940
Other receivables and prepayment (<i>note (iii)</i>)	3,867,542	4,701,985
Deposits	65,576	87,647
	4,859,934	5,739,777
Less: Allowance for credit losses	(149,575)	(149,575)
Other receivables, deposits and prepayments, net	4,710,360	5,590,202
Total trade and other receivables, deposits and prepayments, net	5,003,630	5,885,422

Notes:

- (i) As at June 30, 2025 and December 31, 2024, trade receivables from contract with customers mainly comprise trade receivables from property development.
- (ii) Advances to contractors and suppliers mainly included prepayment to contractors and suppliers for the construction of properties under development for sale. All of the advances to contractors and suppliers are expected to be utilized within the normal operating cycle of the Group.
- (iii) Other receivables mainly included payment on behalf of and receivables from independent third-parties which are mainly the project partners. All other receivables from independent third-parties are of non-trade nature, unsecured, interest-free and repayable on demand as at June 30, 2025 and December 31, 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

The following is an aging analysis of trade receivables presented, net of allowance for credit losses, based on the date of recognition of revenue at the end of the reporting period:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
0 to 60 days	107,294	114,811
61 to 180 days	26,466	20,095
181 to 365 days	12,150	12,109
1 to 2 years	62,047	31,840
Over 2 years	269,742	300,794
	477,699	479,649

All other receivables from independent third-parties are of non-trade nature, unsecured, interest-free and repayable on demand as at June 30, 2025.

As at June 30, 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately RMB213,523,000 (December 31, 2024: RMB213,180,000) which are past due as at the reporting date. The balances which has been past due over 90 days is not considered as default since the Directors considered such balances could be recovered based on repayment history, the financial conditions and the current credit worthiness of each customer.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

15. CONTRACT ASSETS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Construction and development services	2,322,147	2,320,083
Less: Allowance for credit losses	(27,314)	(27,314)
	2,294,833	2,292,769

The contract assets primarily related to the Group's right to consideration for work completed and not billed because the rights are conditional upon the Group's future performance. The contract assets are transferred to trade receivables when the rights become unconditional.

All contract assets are expected to be settled within the Group's normal operating cycle, and are classified as current.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

16. TRADE AND OTHER PAYABLES

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Trade payables	1,890,003	1,892,360
Deposits received	201,126	211,893
Rental received in advance	457,566	147,847
Refund liabilities	720,619	366,095
Accrued payroll	53,360	56,132
Value added tax and other tax payables	561,946	592,381
Other payables and accruals	3,416,580	5,213,995
Dividends payables	135,500	135,500
	7,436,699	8,616,203
Analysed for reporting purposes as:		
Non-current (<i>note</i>)	116,542	114,919
Current	7,320,157	8,501,284
	7,436,699	8,616,203

Note:

Pursuant to the relevant agreements, rental deposits received as at June 30, 2025 and December 31, 2024 are to be settled after twelve months from the end of the reporting period and are therefore classified as non-current liabilities.

Trade payables comprise of construction costs payable and other project-related expenses payable. The average credit period of trade payable is approximately 180 days.

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

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
0 to 60 days	7,641	15,380
61 to 365 days	114,503	301,920
1 to 2 years	286,450	383,803
Over 2 years	1,481,409	1,191,257
	1,890,003	1,892,360

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

17. BANK AND OTHER BORROWINGS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Bank borrowings, secured	15,570,451	15,798,425
Loans from financial institutions, secured	3,038,398	2,924,081
Other borrowing, secured	123,281	123,281
	18,732,130	18,845,787
The borrowings are due to be repayable (note):		
On demand and within one year	7,611,691	7,620,237
More than one year, but not exceeding two years	1,721,349	1,769,829
More than two years, but not exceeding five years	532,168	2,494,064
More than five years	8,866,922	6,961,657
	18,732,130	18,845,787
Less: Amount due within one year shown under current liabilities	(7,611,691)	(7,620,237)
Amount due after one year shown under non-current liabilities	11,120,439	11,225,550

Note: The amounts due are based on scheduled repayment dates set out in the loan agreements.

The Group's bank and other borrowings and loans from financial institutions are all denominated in RMB. Details of assets that have been pledged to secure bank and other borrowings are set out in note 19.

Borrowings of approximately RMB 6,370,731,000 (December 31, 2024: RMB 6,523,837,000), bearing interest at variable rate ranging from 4.75% to 18.00% (December 31, 2024: 4.75% to 18.00%) per annum as at June 30, 2025 exposed the Group to cash flow interest rate risk. The remaining borrowings, bearing interest at fixed rate, ranging from 2.80% to 14.00% (December 31, 2024: 2.80% to 14.00%) per annum as at June 30, 2025, exposed the Group to fair value interest rate risk.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

18. SENIOR NOTES

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
2019 Senior Notes (<i>note (a)</i>)	50,869	50,850
2021 Senior Notes (<i>note (b)</i>)	87,826	87,762
2021 Private Placement Notes (<i>note (c)</i>)	332,845	415,837
2022 Senior Notes (<i>note (d)</i>)	3,390,930	3,388,295
Amount due after one year shown under non-current liabilities	3,862,470	3,942,744

Notes:

(a) 2019 Senior Notes

On February 27, 2019, the Company issued senior notes with an aggregate nominal value of United States dollars ("US\$") 160,000,000 ("**2019 Original Notes**") at 97.0% of the principal amount of the 2019 Original Notes. The 2019 Original Notes bearing interest at 13.50% per annum, payable semi-annually in arrears from August 28, 2019, will mature on February 28, 2023. The effective interest rate is approximately 15.74% per annum after the adjustment for transaction costs. The 2019 Original Notes are listed on the Stock Exchange.

On March 15, 2019, the Company issued senior notes with an aggregate nominal value of US\$295,000,000 ("**2019 Additional Notes**") at 97.0% of the principal amount of the 2019 Additional Notes plus accrued interest from February 27, 2019 to March 14, 2019. The 2019 Additional Notes is to be consolidated and form a single series with the 2019 Original Notes (collectively referred to as the "**2019 Senior Notes**"). The principal terms of the 2019 Additional Notes are identical to the terms of the 2019 Original Notes, other than the aggregated principal amount and offer price. The effective interest rate is approximately 15.53% per annum after the adjustment for transaction costs.

On January 12, 2021, the Company commenced the exchange offer for the minimum acceptance amount of the outstanding 2019 Senior Notes and the consent solicitation from eligible holders to the amendments to the indenture governing the 2019 Senior Notes ("**Exchange Offer**"). The Exchange Offer and consent solicitation are being made upon the terms and subject to the conditions set forth in the Exchange Offer and Consent Solicitation Memorandum. On January 20, 2021, holders of US\$300,600,000 of the 2019 Senior Notes, representing approximately 66.80% of the total aggregate principal amount of the outstanding 2019 Senior Notes, have been validly tendered for exchange (and deemed to have given Consents to the proposed amendments) and accepted pursuant to the Exchange Offer and consent solicitation.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

18. SENIOR NOTES (Continued)

Notes: (Continued)

(a) 2019 Senior Notes (Continued)

On January 25, 2021, the Company completed the exchange offering of US\$300,600,000 of the 2019 Senior Notes ("**Exchange Notes**") with US\$323,745,000 of new issue of senior notes due January 25, 2024 (the "**2021 Senior Notes**") which bearing interest at 14.25% per annum (detailed in note (b)). After the completion of the exchange offering, the remaining aggregate principal amount of US\$154,400,000 of the 2019 Senior Notes and an aggregate principal amount of US\$323,745,000 of the 2021 Senior Notes remain outstanding.

The Directors consider that the terms of the 2021 Senior Notes are not substantially different as the discounted present value of the cash flows under the new terms discounted using the original effective interest rate is different from the discounted present value of the remaining cash flows of the original financial liability by less than 10 per cent. Accordingly, such modification of terms is not accounted for as an extinguishment of the original financial liability. Therefore, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. An adjustment to the carrying amount of the financial liability of RMB41,661,000 is recognised in finance costs at the date of modification during the year ended December 31, 2021.

As at March 1, 2021, certain holders, whom have not accepted the Exchange Offer, of the 2019 Senior Notes exercised their redemption options. Therefore, the Company redeemed part of the 2019 Senior Notes, at a price of US\$159,591,000 equal to the aggregate principal amount of US\$149,500,000 plus accrued interest to the date of redemption.

Upon the completion of the redemption and as at December 31, 2021, the remaining outstanding principal amount of the 2019 Senior Notes were US\$4,900,000 ("**2019 Outstanding Notes**") with the maturity date on February 28, 2023. On June 30, 2025 and up to the date of authorization of these condensed consolidated financial statements, the 2019 Outstanding Notes are not yet settled and might be demanded for immediate repayment.

The fair value of 2019 Senior Notes as at December 31, 2021 is approximately RMB41,069,000 based on quoted market price and classified as level 1 of fair value hierarchy. As at June 30, 2025, the Directors consider that the carrying amounts of 2019 Senior Notes approximate their fair values.

(b) 2021 Senior Notes

Pursuant to note (a) above, the Company issued 2021 Senior Notes to settle part of the 2019 Senior Notes of US\$300,600,000 on January 25, 2021. The 2021 Senior Notes bearing interest at 14.25% per annum, payable semi-annually in arrears from July 25, 2021, will mature on January 25, 2024. The effective interest rate is approximately 15.74% per annum after the adjustment for transaction costs. The 2021 Senior Notes are listed on the Stock Exchange and Singapore Exchange Securities Trading Limited.

On February 23, 2023, the Company completed the exchange offering of US\$315,159,000 of the 2021 Senior Notes with US\$334,790,000 of new issue of senior notes due August 23, 2024 (the "**2023 Senior Notes**") which bearing interest at 14.25% per annum (detailed in note (d)). After the completion of the exchange offering, the remaining aggregate principal amount of US\$8,586,000 of the 2021 Senior Notes and an aggregate principal amount of US\$334,790,000 of the 2023 Senior Notes remain outstanding.

During the year ended June 30, 2025, interest for the outstanding 2021 Senior Notes are not repaid in accordance with their scheduled repayment dates and the outstanding 2021 Senior Notes might be demanded for immediate repayment. On June 30, 2025 and up to the date of authorization of these consolidated financial statements, the outstanding 2021 Senior Notes are not yet settled and the Group is actively negotiating with the note holders so as to extend the repayment date of the principal and interest. The Directors do not consider that it is probable that the holders of the 2021 Senior Notes will exercise their discretion to demand immediate repayment.

18. SENIOR NOTES (Continued)

Notes: (Continued)

(c) 2021 Private Placement Notes

On March 26, 2021, the Company issued the notes with an aggregate nominal value of US\$50,000,000 ("**2021 Private Placement Notes**"). 2021 Private Placement Notes bearing interest at 16.0% per annum, is payable quarterly in advance on March 26, June 26, September 26 and December 26 in each year, commencing on June 26, 2021.

During the year ended June 30, 2025, interest for the outstanding 2021 Private Placement Notes are not repaid in accordance with their scheduled repayment dates and the outstanding 2021 Private Placement Notes might be demanded for immediate repayment. On June 30, 2025 and up to the date of authorization of these consolidated financial statements, the remaining outstanding principal amount of the 2021 Private Placement Notes are US\$38,257,000 and the Group is actively negotiating with the note holders so as to extend the repayment date of the principal and interest. The Directors do not consider that it is probable that the holders of the 2021 Private Placement Notes will exercise their discretion to demand immediate repayment.

(d) 2022 Senior Notes

Pursuant to note (b) above, the Company issued 2022 Senior Notes to settle part of the 2021 Senior Notes of US\$315,159,000 on February 23, 2022. The 2022 Senior Notes bearing interest at 14.25% per annum, payable semi-annually in arrears from August 23, 2022, will mature on August 23, 2024. The effective interest rate is approximately 15.74% per annum after the adjustment for transaction costs. The 2022 Senior Notes are listed on Singapore Exchange Securities Trading Limited.

The 2022 Senior Notes may be redeemed in the following circumstances:

- (1) At any time prior to May 25, 2024, the Company may at its option redeem the 2022 Senior Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the redeemed 2022 Senior Notes plus accrued and unpaid interest, if any, to (but not including) the redemption date.
- (2) At any time on or after May 25, 2024, the Company may at its option redeem the 2022 Senior Notes, in whole but not in part, at a redemption price equal to 106.63% of the principal amount of the redeemed 2022 Senior Notes plus accrued and unpaid interest, if any, to (but not including) the redemption date.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

18. SENIOR NOTES (Continued)

Notes: (Continued)

(d) 2022 Senior Notes (Continued)

- (3) Under the mandatory redemption clause, the Company shall redeem the 2022 Senior Notes in aggregate principal amount equal to at least (i) US\$9,600,000 by April 25, 2022; (ii) an additional 7.5% of the principal amount of the 2022 Senior Notes by November 30, 2022; (iii) an additional 10% of the principal amount of the 2022 Senior Notes by August 31, 2023; (iv) an additional 15% of the principal amount of the principal amount of the 2023 Senior Notes by November 30, 2023 and (v) an additional 15% of the principal amount of the 2023 Senior Notes by May 31, 2024, in each case, at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, to (but not including) the redemption date.

The Company will give not less than 15 days' nor more than 30 days' notice of any redemption to the 2022 Senior Notes holders and the trustee.

The Directors consider that the fair value of the above early redemption options was insignificant on initial recognition and as at June 30, 2022.

On April 25, 2022, the Company and the holders of the 2022 Senior Notes entered into the Supplemental Indenture to extend the deadline for the first instalment of US\$9,600,000 for three months to July 25, 2022.

The Directors consider that the terms of the 2022 Senior Notes are not substantially different as the discounted present value of the cash flows under the new terms discounted using the original effective interest rate is different from the discounted present value of the remaining cash flows of the original financial liability by less than 10 per cent. Accordingly, such modification of terms is not accounted for as an extinguishment of the original financial liability. Therefore, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate.

During the period ended June 30, 2025, principal amount and interest for 2022 Senior Notes are not repaid according to their scheduled repayment dates and might be demanded for immediate repayment. Up to the date of authorization of these condensed consolidated financial statements, the Company and the holders of the 2022 Senior Notes are still negotiating the extension of the repayment schedules of the 2022 Senior Notes. The Directors do not consider that it is probable that the holders of the 2022 Senior Notes will exercise their discretion to demand immediate repayment.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

19. PLEDGE OF ASSETS

The following assets were pledged to secure certain bank and other borrowings facilities granted to the Group at the end of each reporting period:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Investment properties	14,752,104	14,752,104
Property, plant and equipment	897,659	897,659
Other non-current assets	50,000	50,000
Properties under development for sale	9,496,592	9,496,592
Properties held for sale	406,741	406,741
Restricted bank deposits	200	200
	25,603,296	25,603,296

As at June 30, 2025, bank deposits of approximately RMB 31,393,000 (December 31, 2024: RMB33,442,000) were pledged as security for mortgage loans of the Group's customers.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

19. PLEDGE OF ASSETS (Continued)

The equity interest of the following subsidiaries were pledged to secure certain bank and other loans facilities granted to the Group and the senior notes of the Group:

	As at June 30, 2025 % (Unaudited)	As at December 31, 2024 % (Audited)
Foshan Glory Southern Real Estate Development Co., Ltd.* (佛山市國瑞南方地產開發有限公司)	99.8	99.8
Glory Xingye (Beijing) Investment Co., Ltd.* (國瑞興業 (北京) 投資有限公司)	100	100
Beijing Wenhua Shengda Real Estate Development Co., Ltd.* (北京文華盛達房地產開發有限公司)	80	80
Shantou Guorui Hospital Co., Ltd.* (汕頭市國瑞醫院有限公司)	100	100
Suzhou Glory Real Estate Co., Ltd.* (蘇州國瑞地產有限公司)	80	80
Beijing Guorui Deheng Real Estate Development Co., Ltd.* (北京國瑞德恒房地產開發有限公司)	80	80
Hainan Junhe	99.8	99.8
Glory Xingye (Beijing) Industrial Co., Ltd.* (國瑞興業 (北京) 實業股份有限公司)	91	91
Original Beijing Glory	80	80
Langfang Guoxing Real Estate Development Co., Ltd.* (廊坊國興房地產開發有限公司)	100	100
Qidong Glory Properties Limited* (啟東市國瑞置業有限公司)	100	100
Shaanxi Huawei Shida Industrial Co., Ltd.* (陝西華威世達實業有限公司)	80	80
Shenzhen Guorui Technology Investment Co., Ltd.* (深圳國瑞科技投資有限公司)	80	80
Shenyang Great Eastern Real Estate Co., Ltd.* (瀋陽大東方置業有限公司)	80	80

In addition to the information disclosed above, the Group pledged 100% equity interest in Hainan Glory Investment & Development Co., Ltd.* (海南國瑞投資開發有限公司) ("Hainan Glory Investment") to Hainan Haidao Linkong Industry Group Co., Ltd.* (海南海島臨空產業集團有限公司) in order to secure the performance obligation as at June 30, 2025 and December 31, 2024. The pledge shall be released within 10 days after the completion of the construction contract.

* The English name of the companies which were established in the PRC are for reference only and have not been registered.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

20. COMMITMENTS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Contracted but not provided for in the condensed consolidated financial statements:		
– Expenditure in respect of investment properties under construction	116,707	110,379
– Construction of properties for own use	490,186	510,157
	606,893	620,536

In addition to the above capital commitments, the Group had contracted expenditure in respect of properties under development for sale of approximately RMB 4,068,235,000 (December 31, 2024: RMB 4,409,709,000) as at June 30, 2025, which have not provided for in the consolidated financial statements.

21. CONTINGENT LIABILITIES

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Guarantees provided by the Group in respect of loan facilities utilized by		
– individual property buyers (<i>note</i>)	1,946,460	2,024,560
– corporate property buyers (<i>note</i>)	7,288	7,887
	1,953,748	2,032,447

Note:

The Group has pledged certain bank deposits and provided guarantees to banks in favor of its customers in respect of the mortgage loans provided by the banks to those customers for the purchase of the Group's properties. These guarantees provided by the Group to the banks will be released upon receiving the building ownership certificate of the respective properties by the banks from the customers as security of the mortgage loans granted.

In the opinion of the Directors, the fair value of the financial guarantee contracts at initial recognition is not significant and the Directors consider the default rate is low and a large portion of consideration from property pre-sales contract has been received and recognized as contract liabilities. Accordingly, no loss allowance has been recognized as at June 30, 2025 and December 31, 2024.

As at June 30, 2025, Garden Group has provided guarantee to a bank for a banking facility granted to related parties, Jiangmen Yinghui Bay real estate Co., Ltd.* (江門映暉灣房地產有限公司) and Shantou Huirui Hotel Management Co., Ltd.* (汕頭市薈瑞酒店管理有限公司), of which the bank borrowings guaranteed by the Group was amounting to approximately RMB215,440,000 (December 31, 2024: RMB230,000,000) with the maturity date in July 2026 and March 2026, respectively.

21. CONTINGENT LIABILITIES (Continued)

As at June 30, 2025 and December 31, 2024, the Group was the defendant of certain non-material litigations, and also a party to certain litigations arising from the ordinary course of business. The likely outcome of these contingent liabilities, litigations or other legal proceedings cannot be ascertained at present, but the Directors believe that any possible legal liability which may be incurred from these cases will not have any material impact on the financial performance and financial position of the Group.

* The English name of the companies which were established in the PRC are for reference only and have not been registered.

22. LIQUIDITY RISK MANAGEMENT

The Group's objective is to maintain a balance between continuity of funding and the flexibility through the use of borrowings and its available credit facilities. The Directors closely monitor the liquidity position and ensure it has adequate sources of funding to finance the Group's projects and operations.

As at June 30, 2025, the Group's bank and other borrowings with aggregate carrying amount of approximately RMB 7,611,691,000 was due within one year, while its cash and cash equivalents amounted to only approximately RMB 105,505,000 and restricted bank deposits for construction of pre-sale properties and for mortgage loans granted to customers amounted to approximately RMB 31,393,413.36, which can be used for payments for project costs when approval from related government authority is obtained. The Group monitored its compliance with covenants and repayment schedules of bank and other borrowings and senior notes, and took measures to improve the Group's financial position.

Based on the business model, the Group relied to a great extent on proceeds received from properties pre-sale to finance its development and construction of real estate projects. As there is no assurance that proceeds received from future pre-sales of the Group's current real estate projects will be sufficient to meet the Group's needs, the Group's operating plan requires it to raise additional funds to finance the development and construction of its current real estate projects. If the Group is unable to raise additional equity or debt financing, the Group's operations might need to be curtailed.

The management of the Group performed cash flow forecasts for the Group's operations and monitors the forecasts of the Group's liquidity requirements from time to time to ensure the Group has sufficient cash to meet its operational needs and settle liabilities when they fall due. The management of the Group takes into account the following considerations in projecting their cash flow forecasts: (a) successful negotiation with the senior notes holders and the banks for the extension of the repayment schedules; (b) successful disposal of certain investment properties and timely collection of the relevant sales proceeds; (c) successful implementation of the plans and measures to the pre-sales and sales of properties under development for sale and properties held for sales and timely collection of the relevant sales proceeds; and (d) control the administrative costs and capital expenditures. The Directors consider that the Group will be able to maintain sufficient financial resources to meet its operational needs. However, the current economic conditions continue to create uncertainty particularly over the level of demand for the Group's properties for sale and the availability of banking facility for the foreseeable future. Any delay or unavailability of any of the above measure or sources of finance would impact the Group's liquidity position. The management of the Group will closely monitor the liquidity position and set out alternative measures which include adjusting the construction progress as appropriate, reducing the Group's spending on land investments, accelerating sales with more flexible pricing and obtaining other external financing through security market.

23. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the condensed consolidated financial statements, the Group has the following related party balances and transactions.

a) The following parties are identified as related parties to the Group and the respective relationships are set out below:

Name of related parties	Relationship
Mr. Zhang Zhangsun	Executive Director and controlling shareholder of the Group
Ms. Ruan Wenjuan	Executive Director and spouse of Mr. Zhang Zhangsun
Ms. Zhang Jin	Daughter of Mr. Zhang Zhangsun
Ms. Lin Yaoquan	Brother-in-law of Mr. Zhang Zhangsun
Mr. Zhang Zhangqiao	Younger brother of Mr. Zhang Zhangsun
Beijing Glory Commercial Management Co., Ltd.* (北京國瑞興業商業管理有限公司) ("Glory Commercial Management")	Controlled by Ms. Zhang Jin
Jinming Wujin Material Co., Ltd.* (汕頭市金明五金材料有限公司) ("Jinming Wujin")	Controlled by Mr. Zhang Zhangsun
Foshan Yinhe Ruixing Commercial Management Co., Ltd.* (佛山市銀和瑞興商業管理有限公司) ("Foshan Yinhe")	Controlled by Ms. Zhang Jin
Shenyang Glory Xingda Management Co., Ltd.* (瀋陽國瑞興達企業管理有限公司) ("Shenyang Xingda")	Controlled by Ms. Zhang Jin
Longhu Huamu Market Co., Ltd.* (汕頭市龍湖花木市場有限公司) ("Longhu Huamu")	Controlled by Ms. Zhang Youxi, sister of Mr. Zhang Zhangsun

23. RELATED PARTY TRANSACTIONS (Continued)

- a) The following parties are identified as related parties to the Group and the respective relationships are set out below: (Continued)**

Name of related parties	Relationship
Alltogether Land	Parent and ultimate holding company controlled by Mr. Zhang Zhangsun
Shenzhen Glory Industrial Development Co., Ltd.* (深圳國瑞興業發展有限公司) ("Shenzhen Glory Industrial")	Controlled by Mr. Zhang Zhangsun
Beijing Maorui Properties Co., Ltd.* (北京茂瑞置業有限公司) ("Maorui Zhiye")	Joint venture
Zhongyu Properties (HK) Limited (中裕置業(香港)有限公司) ("Zhongyu")	Controlled by daughter and spouse of Mr. Zhang Zhangqiao
Well Ample Holding Ltd. (note (ii)) (國益控股有限公司)	Controlled by daughter and spouse of Mr. Zhang Zhangqiao
Well Ample Holding (HK) Ltd. (note (ii)) (國益控股(香港)有限公司)	Controlled by daughter and spouse of Mr. Zhang Zhangqiao
Shantou Guorui Zhiye Co., Ltd.* (note (ii)) (汕頭國瑞置業有限公司)	Controlled by daughter and spouse of Mr. Zhang Zhangqiao
Shantou Huirui Hotel Management Co., Ltd.* (note (ii)) (汕頭市薈瑞酒店管理有限公司)	Controlled by daughter and spouse of Mr. Zhang Zhangqiao
Ruida Zhiye	Associate

23. RELATED PARTY TRANSACTIONS (Continued)

a) The following parties are identified as related parties to the Group and the respective relationships are set out below: (Continued)

Name of related parties	Relationship
Beijing Ruimao Zhiye Co., Ltd.* (北京瑞茂房地產開發有限公司) ("Ruimao Real Estate")	Joint venture
Guangdong Guosha Investment Holding Group Co., Ltd.* (廣東國廈投資控股集團有限公司) ("Guangdong Guosha Investment")	Controlled by Mr. Zhang Zhangqiao
Hainan Glory Commercial Management Co., Ltd.* (海南國瑞興業商業管理有限公司) ("Hainan Glory Commercial Management")	Controlled by Ms. Zhang Jin
Xi'an Ruihe Xingda Commercial Management Co., Ltd.* (西安瑞和興達商業管理有限公司) ("Xi'an Ruihe")	Controlled by Ms. Zhang Jin
Wuxi Glory Real Estate Co., Ltd.* (西安瑞和興達商業管理有限公司)	Associate
Shantou Garden Property Services Co., Ltd.* (汕頭市花園物業管理有限公司) ("Shantou Garden Services")	Controlled by Ms. Zhang Jin
Beijing Guoyin Investment Fund Management Co., Ltd.* (北京國銀投資基金管理有限公司) ("Guoyin Fund Investment Management")	Controlled by Ms. Zhang Jin
Beijing Yinhe Guorui Commercial Investment Co., Ltd.* (北京銀和國瑞商業投資有限公司) ("Beijing Yinhe")	Controlled by Ms. Zhang Jin
Beijing Dayuan Tongrui Investment Center (limited partnership)* (北京達源通瑞投資中心 (有限合夥)) ("Beijing Dayuan Tongrui")	Controlled by Ms. Zhang Jin

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

23. RELATED PARTY TRANSACTIONS (Continued)

- a) The following parties are identified as related parties to the Group and the respective relationships are set out below: (Continued)

Name of related parties	Relationship
Beijing Huirui Capital Investment Co., Ltd.* (北京匯瑞資本投資有限公司) ("Beijing Huirui")	Controlled by Ms. Zhang Youxi
Shijiazhuang Guolong Properties Development Co., Ltd.* (石家莊國龍房地產開發有限公司) ("Shijiazhuang Guolong")	Controlled by Ms. Zhang Youxi
Shantou Chenghai Garden Hotel Co., Ltd.* (汕頭市澄海花園酒店有限公司) ("Shantou Chenghai")	Controlled by Mr. Zhang Zhangsun
Guangdong Guosha Real Estate Co., Ltd.* (廣東市國廈地產有限公司) ("Guandong Guosha Real Estate")	Controlled by Mr. Zhang Zhangqiao
Shantou Chenghai Glory Howard JohnsonGuorui Hotel Co., Ltd.* (汕頭市澄海國瑞豪生大酒店有限公司) ("Shantou Chenghai Glory")	Controlled by Ms. Zhang Youxi
Shenzhen Glory Medical Industry Development Co., Ltd.* (深圳國瑞醫療產業發展有限公司) ("Shenzhen Glory Medical")	Controlled by Ms. Zhang Jin
Shenzhen Aiguoyi Children's Paradise Management Co., Ltd.* (深圳愛國懿兒童樂園管理有限公司) ("Shenzhen Aiguoyi")	Controlled by Mr. Zhang Zhangsun
Shenzhen Guoyu Network Technology Co., Ltd.* (深圳國裕網絡科技有限公司) ("Shenzhen Guoyu")	Controlled by Ms. Zhang Jin

23. RELATED PARTY TRANSACTIONS (Continued)

a) The following parties are identified as related parties to the Group and the respective relationships are set out below: (Continued)

Name of related parties	Relationship
Shenzhen Diyun Real Estate Consulting Co., Ltd. (深圳地雲地產諮詢有限公司) ("Shenzhen Diyun")	Controlled by Mr. Zhang Zhangsun
Shenzhen Diyun Network Technology Co., Ltd. (深圳地雲網科技有限公司) ("Shenzhen Diyun Network")	Controlled by Ms. Zhang Jin
Shenzhen Kesong Investment Co., Ltd.* (深圳科松投資有限公司) ("Shenzhen Kesong")	Controlled by Ms. Zhang Jin
Shenzhen Ruibutler Electronic Commerce Co., Ltd.* (深圳瑞管家電子商務有限公司) ("Shenzhen Ruibutler")	Controlled by Mr. Zhang Zhangsun
Guangzhou Yipiantian Tourism Development Co., Ltd.* (廣州一片天旅遊開發有限公司) ("Guangzhou Yipiantian")	Controlled by Ms. Zhang Jin
Beijing Fangyun Online Network Technology Co., Ltd.* (北京房雲在線網絡科技有限公司) ("Beijing Fangyun")	Controlled by Ms. Zhang Jin
Beijing Guorui Commercial Operation Management Co., Ltd.* (北京國瑞商業運營管理有限公司) ("Beijing Guorui Commercial Operation")	Controlled by Ms. Zhang Jin
Shenzhen Xiangrui Investment Co., Ltd.* (深圳祥瑞投資有限公司) ("Shenzhen Xiangrui")	Non-controlling shareholders of a subsidiary
Guorui Better Life Health Technology (Shenzhen) Co., Ltd. (國瑞美好生活健康科技(深圳)有限公司) ("Guorui Better Life")	Controlled by Ms. Zhang Jin

23. RELATED PARTY TRANSACTIONS (Continued)

a) The following parties are identified as related parties to the Group and the respective relationships are set out below: (Continued)

Name of related parties	Relationship
Shenzhen Yinheshengshi Development Co., Ltd. (深圳銀和盛世產業發展有限公司) ("shenzhen Yinheshengshi")	Controlled by Ms. Zhang Jin
Langfang Guorui Agricultural Development Co., Ltd. (廊坊國瑞農業開發有限公司) ("Langfang Agricultural")	Controlled by Ms. Zhang Jin
Shenzhen Guole Cultural Industry Investment Co., Ltd. (深圳國樂文化產業投資有限公司) ("Shenzhen Guole Cultural")	Controlled Mr. Zhang Zhangqiao
Shantou Liyi Real Estate Investment Co., LTD" (汕头市利溢房地產投資有限公司) ("Shantou Liyi Real Estate")	Controlled by Mr. Yu Yuangen

* The English name of the companies which were established in the PRC are for reference only and have not been registered.

23. RELATED PARTY TRANSACTIONS (Continued)

- b) At the end of the reporting period, the Group has amounts receivable from the following related parties and the details are set out below:

Name of related parties	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Trade nature (<i>note (i)</i>):		
Foshan Yinhe	58,471	43,893
Non-trade nature (<i>note (ii)</i>):		
Ruida Zhiye	1,434,834	1,499,662
Beijing Dayuan Tongrui	719,438	4,003
Shantou Guorui	376,709	-
Well Ample	302,901	-
Maorui Zhiye	287,173	1,053,090
Wuxi Glory	46,908	46,786
Shenzhen Xiangrui	28,000	25,279
Shenzhen Diyun	23,879	23,879
Shenzhen Diyun Network	16,659	16,659
Shantou Chenghai	15,354	-
Shenzhen Glory Industrial	8,327	8,327
Shenzhen Guoyu	7,081	7,081
Shenzhen Guorui Medical	5,526	5,526
Alltogether Land	5,121	-
Jinming Wujin	2,697	2,631
Shenyang Xingda	2,535	2,800
Shenzhen Aiguoyi	1,843	1,843
Beijing Huirui	1,475	7,475
Beijing Guorui Commercial Operation	1,472	1,464
Shantou Garden Services	1,333	1,337
Guorui Better Life	851	851
Shantou Chenghai Glory	587	627
Guangzhou Yitian	453	453
Shenzhen Kesong	435	2,000
Guoyin Fund Investment Management	223	220
Shenzhen Guole Cultural	122	122
Shenzhen Ruibutler	17	17
Ms. Zhang Jin	-	190
Amounts due from related parties, gross	3,350,424	2,756,215
Allowance for credit losses	(11,025)	(11,025)
Amounts due from related parties, net	3,339,399	2,745,190

Notes:

- Balances of trade nature are unsecured, interest-free and aged within one year.
- Balances of non-trade nature are unsecured and repayable on demand. Included in the balances were approximately RMB1,722,007,000 (December 31, 2024: RMB2,628,296,000) bearing interest ranging from 4.75% to 9.30% (December 31, 2024: 4.75% to 9.30%).

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

23. RELATED PARTY TRANSACTIONS (Continued)

c) At the end of the reporting period, the Group has amounts due to the following related parties and the details are set out below:

Name of related parties	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Trade nature: <i>(note (i))</i>		
Glory Commercial Management	32,919	33,219
	32,919	33,219
Non-trade nature: <i>(note (ii))</i>		
Alltogether Land <i>(note (iii))</i>	1,085,616	730,787
Longhu Huamu	1,397,724	1,453,067
Guangdong Guosha Investment	738,181	459,180
Ruimao Real Estate	240,755	240,755
Shijiazhuang Guolong	193,925	543,925
Shantou Huirui Hotel	160,000	-
Well Ample Holding (HK) Ltd.	146,812	-
Guangdong Guosha Real Estate	76,000	76,000
Langfang Agricultural	13,315	13,366
Shantou Liyi Real Estate	10,000	-
Shenzhen Xiangrui	2,722	-
Ms. Zhang Jin	1,810	-
Mr. Zhang Zhangsun	500	500
Shenzhen Yinheshengshi	445	-
Beijing Yinhe	148	148
Mr. Lin Yaoquan	-	5,779
Shantou Chenghai	-	358
	4,067,953	3,523,865
Amounts due to related parties	4,100,872	3,557,084

Notes:

- Balances of trade nature are unsecured, interest-free and aged within one year.
- Balances of non-trade nature are unsecured, interest-free and repayable on demand.
- The amount represented dividend payable and advance from shareholder of the Company recorded under amounts due to related parties.

23. RELATED PARTY TRANSACTIONS (Continued)

d) Financial guarantees

Mr. Zhang Zhangsun and Ms. Ruan Wenjuan have provided guarantees for certain bank and other borrowings granted to certain subsidiaries of the Group and senior notes of the Company for nil consideration. As at June 30, 2025, the Group has bank and other borrowings amounting to approximately RMB16,217,500,000 (December 31, 2024: RMB16,217,500,000) and senior notes amounting to approximately RMB3,529,625,000 (December 31, 2024: RMB3,526,907,000) guaranteed by Mr. Zhang Zhangsun and Ms. Ruan Wenjuan.

As at June 30, 2025, Garden Group has provided guarantee to a bank for a banking facility granted to related parties, Jiangmen Yinghui Bay real estate Co., Ltd. and Huirui Hotel Management Co., Ltd., of which

the bank borrowing guaranteed by the Group was amounting to approximately RMB215,440,000 (December 31, 2024: RMB230,000,000) with the maturity date in July 2026 and March 2026, respectively.

e) Key management personnel emoluments

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including Directors and other key management of the Group. The key management personnel compensation is as follows:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short-term employee benefits	3,403	6,815
Retirement benefit contributions	86	68
	3,489	6,883

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

For financial reporting purposes, fair value measurements are categorized into Levels 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- i. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- ii. Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- iii. Level 3 inputs are unobservable inputs for the asset or liability.

The Group's investment in unlisted investments were measured at fair value, and grouped into Level 3.

	Fair value as at		Fair value hierarchy
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)	
Financial assets			
Equity instruments at FVTOCI (see note 13)			
– 0.15% equity investment in Bohai Life	8,481	8,481	Level 3
– 10% equity investment in Yongqing Jiying Rural Bank	5,000	5,000	Level 3
	13,481	13,481	

The fair value of the unlisted equity instruments at FVTOCI, was determined by the Directors, based on market approach using the net book value of the investee multiply to the market price-to-book ratio, and adjusted for the lack of marketability. The change in unobservable inputs would not have significant impact to the fair value measurement.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

The movements during the periods in the balance of Level 3 fair value measurement is as follows:

	0.15% equity investment in Bohai Life RMB'000	10% equity investment in Yongqing Jiying Rural Bank RMB'000	Total RMB'000
At December 31, 2024 and January 1, 2025 (Audited)	8,481	5,000	13,481
At December 31, 2024 ,January 1, 2025 (Audited) and June 30, 2025 (Unaudited)	8,481	5,000	13,481

During the six months ended June 30, 2025, there was no transfer between Level 1 and Level 2, or transfer into or out of Level 3 (December 31, 2024: Nil). The Group's policy is to recognize transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Except as disclosed in note 18, the Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the condensed consolidated statement of financial position approximate their fair values.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025



GLORY 国瑞

GLORY HEALTH INDUSTRY LIMITED

國瑞健康產業有限公司