



當代置業（中國）有限公司
MODERN LAND (CHINA) CO., LIMITED

(incorporated in the Cayman Islands with limited liability) Stock Code: 1107

2025 INTERIM REPORT

科技建築 綠色家園 城市向美

MOMA Fine Living



CONTENTS

CORPORATE INFORMATION	2
COMPANY PROFILE	4
CHAIRMAN'S STATEMENT	6
MANAGEMENT DISCUSSION AND ANALYSIS	8
OTHER INFORMATION	14
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	19
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	21
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	23
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	26
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	28

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Zhang Peng (*Chairman and President*)
Mr. Zhang Lei
Mr. Chen Yin

Non-executive Directors

Mr. Han Shuchang (appointed on 4 March 2025)
Mr. Tang Lunfei (resigned on 4 March 2025)
Mr. Zeng Qiang

Independent Non-executive Directors

Mr. Hui Chun Ho, Eric
Mr. Cui Jian (resigned on 4 March 2025)
Mr. Gao Zhikai
Ms. Zhu Caiqing (appointed on 4 March 2025)

Audit Committee

Mr. Hui Chun Ho, Eric (*Chairman*)
Mr. Cui Jian (resigned on 4 March 2025)
Mr. Gao Zhikai
Ms. Zhu Caiqing (appointed on 4 March 2025)

Environmental, Social and Governance Committee

Mr. Zhang Peng (*Chairman*)
Mr. Cui Jian (resigned on 4 March 2025)
Mr. Hui Chun Ho, Eric
Mr. Gao Zhikai

Remuneration Committee

Mr. Gao Zhikai (*Chairman*)
Mr. Zhang Lei
Mr. Cui Jian (resigned on 4 March 2025)
Ms. Zhu Caiqing (appointed on 4 March 2025)

Nomination Committee

Ms. Zhu Caiqing (*Chairman*) (appointed on 4 March 2025)
Mr. Cui Jian (*Chairman*) (resigned on 4 March 2025)
Mr. Zhang Lei
Mr. Hui Chun Ho, Eric
Mr. Gao Zhikai

AUTHORISED REPRESENTATIVES

Mr. Zhang Peng
Mr. Leung Pak Keung (resigned on 4 March 2025)
Mr. Wong Kwan Long, Kelvin (appointed on 4 March 2025)

COMPANY SECRETARY

Mr. Leung Pak Keung (resigned on 4 March 2025)
Mr. Wong Kwan Long, Kelvin (appointed on 4 March 2025)

AUDITOR

BDO Limited
Certified Public Accountants
Public Interest Entity Auditor registered in accordance
with the Financial Reporting Council Ordinance

LEGAL ADVISER

Loong & Yeung

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

18/F, Shanghai Commercial Bank Tower,
12 Queen's Road Central,
Central, Hong Kong

Corporate Information

REGISTERED OFFICE

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

HEADQUARTERS IN THE PRC

No. 1 Xiangheyuan Road
Dongcheng District
Beijing
PRC
Postal code 100028

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3
Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKERS

Bank of China
Industrial and Commercial Bank of China
China Merchants Bank
Hang Seng Bank
Bank of East Asia
Shanghai Pudong Development Bank Co., Ltd.
Bank of Shanghai

LISTING INFORMATION

Equity securities listed on
The Stock Exchange of Hong Kong Limited

Ordinary shares

Stock Code: 1107

COMPANY WEBSITE

www.modernland.hk

COMPANY PROFILE

OVERVIEW

Modern Land (China) Co., Limited (hereinafter referred to as the "Company" or "Modern Land", together with its subsidiaries as the "Group") was established in 2000 in Beijing. It is a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 12 July 2013 with qualification in real estate development in the People's Republic of China (the "PRC" or "China"). The Company has been rated as one of "Top 100 China Real Estate Enterprises" (中國房地產百強企業) for seven consecutive years. The Company has always been adhering to the development concept of "High-Tech Buildings, Green Homeland Community and Beautifying Cities", sticking to the development philosophy of "Natural Simplicity, Harmonious Health, Simple Focus, and Endless Vitality" and focusing on the theme of "Action of Loving My Homeland" to bring customers the sincere and real life experience and bring positive economic and social benefits to the shareholders of the Company (the "Shareholders") and the entire society. The Company is dedicated to create a homeland of "Green Technology + Comfort & Energy-saving + Digital Interconnecting Whole-life Cycle Communities", successfully establishing "MOMA" (i.e. The Museum of Modern Architecture, meaning new architecture of science and art) as the iconic brand of green technology real estate operators in China. MOMA consists of four text graphics "M" "O" "M" "Λ". Two "M" symbolise our home, "O" represents the origin of the universe and "Λ" stands for human. The left and right half of the pattern symbolise architecture and life respectively.

INSISTING ON THE CORE COMPETITIVENESS OF GREEN TECHNOLOGY

The Company has established its core competitiveness by focusing on "Leading Green Technology Solution, Full Life Cycle Operation Solution, Gravitation Acceleration Solution, Digital Process and Operation Solution, Green Elderly Healthcare Industry Operation Solution" and continuously developed green technology. The Company has its own research, development and design department and has developed a number of technical architecture systems such as geothermal pump system, ceiling radiation cooling and heating system,

exterior temperature preservation system, high performance exterior window system, overall fresh air displacement ventilation and noise reduction system, which outfit MOMA products with excellent characteristics. While creating a high comfort level, with the indoor temperature ranging 20°C to 26°C and humidity between 30% and 70%, which meets the definition of "the most comfortable environment" within ISO7730, its energy consumption of MOMA products is estimated to be only 1/3 of the energy consumption level of normal residential buildings in China. In persistent use of such technology, a significant amount of energy and cost will be saved for creating a pleasant ecosystem for the society.

STRENGTHENING STANDARD PRODUCT CAPABILITY

Through extensive project experience over the past twenty years, Modern Land has gradually developed products that cater the needs of various customer groups, and has created replicable product modes which are classified into four standard product lines for different customer groups, i.e. Modern MOMA product line with top green technology, Modern Eminence MOMA product line with high-end green technology, Modern Horizon MOMA product line with quality green technology and Modern City MOMA product line developed by green technology operators with whole-life cycle and multiple functions. The Company has established a robust standard development mode for its product lines, and classified its residential property products by development pace and economic indicator based on product positioning, forming three types of standard product lines including (i) Class I: projects generating both cash flow and profits; (ii) Class II: projects generating cash flow; and (iii) Class III: projects generating profits. At present, the Company has successfully developed over a hundred green technology quality projects. On the domestic front, the Company has proactively explored markets in the five major megalopolises, namely Jing-Jin-Ji region, Yangtze River Delta region, Pearl River Delta region, Middle Yangtze River Valley region and Cheng-Yu region. As to the overseas markets, the Company has focused on the North America region.

Company Profile

BUILDING STRONG BRAND-NAME INFLUENCE

The Company has updated its green technology products. The Company's official integrated housing "Air Dino 3 (恐龍3號)", being the first prefabricated and net zero energy consumption and healthy integrated housing. It has been granted the "ACTIVE HOUSE Technology Innovation Award (ACTIVE HOUSE 科技創新獎)" by the international Active House Alliance (國際主動房聯盟). Modern Xishan Shang Pin Wan MOMA has been rated as hundred-year residence that satisfies the assessment of residence performance and standards of green residence; Modern Wan Guo Cheng MOMA (Tongzhou) has been awarded the Platinum-level precertification under the WELL Building Standard™; Modern Wan Guo Fu MOMA (Foshan) has been awarded the Gold-level certificate under the WELL Building Standard™ and evaluated as first batch of demonstration base. Additionally, healthy construction; Beijing Modern MOMA is the only project in China that received the "Ten Year Award"/"50 Most Influential Tall Buildings of the Last 50 Years across the Globe (50年世界最具影響力的50棟高層建築)" from the Council on Tall Buildings and Urban Habitat (CTBUH); the Company ranked second in China Model Green Property Developers in Operation (中國綠色地產運行典範第2名).

The Company has continued to expand its brand influence in the industry. In terms of industry recognition, the Company has been awarded as "2021 Top 100 Enterprises with Comprehensive Strength (2021中國房地產上市公司綜合實力百強)" and "2021 Top 5 China Listed Real Estate Companies in Innovation (2021中國房地產上市公司創新能力5強)" by China Real Estate Association, and was "2021 Top 10 China Real Estate Enterprises in Stability (2021中國房地產企業穩健性TOP10)" and accredited as "2021 Top 100 China Real Estate Enterprises with TOP 10 Financing Capability (2021中國房地產百強企業 — 融資能力TOP10)" and "2021 China Specialised Real Estate Company with Excellence in Operation — Green Technology Real Estate (2021中國特色地產運營優秀企業 — 綠色科技地產)" by China Index Academy.

The Company has placed more efforts in social responsibility. The Company has been elected as "Grade AAA Joint Construction Unit for Credit Construction in China (中國誠信建設AAA共建單位)". In addition to focusing on its own

green technology-based MOMA construction projects, Modern Land is actively committed to collaborating with industry partners and institutions to promote green businesses. In 2015, Modern Land became an enterprise with the largest number of green residences by cooperating with China Habitat and Environment Committee (中國人居環境委員會) of China Real Estate Association to promote the national project layout and industry standards for green residences. In 2019, Fuzhou Modern City MOMA, Shaanxi Modern Jiabao Park YUE MOMA, Beijing Modern Xishan Shang Pin Wan MOMA, Modern Shishou Xian Yang Fu MOMA, Modern Huzhou Shang Pin Wan MOMA, Zhangjiakou Yuanzhu MOMA, Xiaogan Modern Shi Guang Li MOMA and Heze Modern City MOMA were awarded the title of "Green Residences". The Company is the pioneer in China's exploration of green and healthy buildings. Over the past 20 years, the Company has specialised in green technology real estate, established differentiated core competitiveness. The Company has continuously improved and upgraded its practices, progressing from original greening, and dark greening to full life cycle greening. The Company is engaged in the research and development as well as implementation of green building, healthy building, active architecture, hundred-year residence, passive house, green residence, net zero energy consumption building and positive energy building.

Projects developed by the Company in China must comply with domestic green building standards. The Company has been honored with various green technology awards: Modern MOMA was the first residential project in the country to receive the largest international green building award, the LEED-ND Certification granted by the United States Green Building Council; the Company has been repeatedly awarded Three-star Green Building Certification — Operation (i.e. the highest domestic green building certification), being the first enterprise in China to receive consecutive certifications of such caliber.

Modern Land adheres to the principle of "High-Tech Buildings, Green Homeland Community and Beautifying Cities" and has always been dedicated to achieve zero emissions, zero carbon footprint, zero pollution, and reducing the heat island effect. The Company endeavors to enhance the comfort level of buildings, make coordination that meets the criteria of energy, comfort and the environment, and contribute to improved urban development and pleasant living environment.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board, I hereby present the business review and prospects of the Group for the period ended 30 June 2025.

SALES RESULTS

For the period ended 30 June 2025, the Company achieved sales results in line with both the internal resources and external markets.

REVIEW OF FIRST HALF OF 2025

During the first half of 2025, China's real estate market underwent further differentiation and restructuring under the "stabilisation" tone, and the industry had entered a high-quality development stage with quality and sustainability at the core. The market as a whole presented the characteristics of "weak recovery and strong differentiation", with precise policy implementation and internal capabilities of enterprises becoming key variables.

Mild recovery on transaction end with structural differentiation continuing to deepen

During the first half of the year, the overall market showed signs of mild recovery, with core cities and upgrade-oriented products delivering solid results and becoming the main drivers for sales. Activity in the market of existing housing was further increased and prices gradually stabilised. The new housing market continued to be characterized by "high-end segment holding steady while basic demand facing pressure", with buyers placing significantly greater emphasis on product quality, green and healthy living, and community services. Market competition has shifted from scale to a contest on product strength and service capabilities.

Investment side remained cautious, with land market continuing to show differentiation

Corporate investment willingness was still constrained by financial limitations and the pressure to reduce inventory level. Land market activity was concentrated in a few core regions with high-quality plots, primarily led by those relatively well capitalised real estate companies and state-owned enterprises. The industry as a whole remained in a period of acute adjustment of "deleveraging, restructuring, and stabilising equilibrium", but certain companies had started to explore new growth paths through models such as asset-light operation and project management model.

Policy efforts continued to refine, focusing on the essence of housing demand and green development

During the first half of the year, coordinated policy efforts at both central and local levels introduced concrete measures centred on "ensuring delivery, stabilising expectations, and promoting transformation", driving the industry towards green, low-carbon and digital development. The implementation of standards for "quality housing", "quality residential complexes", "quality communities" and "quality urban districts", coupled with accelerated green building promotion, had been further accelerated, had provided clear direction for enterprises' product upgrades.

During the first half of 2025, the Company has focused on the three key priorities of "stabilising operations, ensuring delivery, and promoting transformation", actively responding to market changes, and continuously strengthening the Company's resilience and innovation momentum.

Firmly fulfilling the commitment to "ensuring delivery":

In the complex environment in the first half of the year, the Company collaborated with upstream and downstream partners to ensure the high-quality and on-time delivery of multiple projects, fulfilling its responsibilities to homeowners and authorities.

Chairman's Statement

Deepening core competitiveness of green technology:

The Company continuously strengthened the application and iteration of green building technologies, promoted energy-saving and carbon-reduction achievements, and solidified its leading position in the industry's green development.

Promoting integration of digitalisation and industrial ecosystems:

Accelerating the empowerment of the entire business chain through technology, exploring the "real estate + industry" ecological synergy, and steadily advancing new business models such as asset-light project management and urban operations.

OUTLOOK OF THE SECOND HALF OF THE YEAR

Looking ahead to the second half of the year, we believe the real estate market will remain in a phase of "slow recovery and differentiated development". The industry will increasingly focus on genuine housing demand, product quality, and sustainable operational capabilities of enterprises. Policy support and market-driven recovery will work together, but the recovery process will still face uncertainties. Enterprises will need to continue defending their bottom line and proactively adapt to changes.

In the second half of 2025, the Company will adhere to the overall approach of "seeking progress while maintaining stability, and promoting stability through progress", continuously deepening transformation and focusing on advancing in the following areas:

Upholding the delivery bottom line and strengthening the foundation of trust

The Company will always prioritise "ensuring delivery and quality" as the top priority of operation and strengthen its financial coordination, project operations, and collaboration with partners. We will make every effort to ensure all projects are delivered as promised, continuously enhancing customer confidence and market reputation.

Deepening green technology and leading product upgrades

The Company will continue to increase investment in research and application of green building and energy-saving low-carbon technologies, integrating green principles throughout the entire product lifecycle. Meanwhile, we will actively expand services such as green consulting, project management, and operations, achieving a chain extension of the value of green technology.

Innovating business models and nurturing new growth curves

While optimising and upgrading its core business, the Company will further accelerate its light asset transformation, deeply advancing new business developments such as project management, asset operations, and industry collaboration. We aim to build an ecosystem of integrated development combining "real estate + services + technology" to strengthen the Company's resilience to market cycles.

Although the future remains full of challenges, the Company firmly believes that through proactive transformation, focusing on core strengths, and seeking internal growth, we can seize the opportunity in the new phase of the industry. We will steadily advance our strategic transformation with a foundation of green development, powered by technology, and centred on quality, creating sustainable value for shareholders, customers and society.

Modern Land (China) Co., Limited

Zhang Peng

Chairman of the Board

30 September 2025

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's revenue is mainly attributable to the sale of properties, property investment, hotel operation, real estate agency services and other businesses.

Sale of Properties

The Group's revenue from sale of properties for the six months ended 30 June 2025 amounted to approximately RMB389.9 million, representing a decrease of approximately 59.4% as compared to the corresponding period in 2024. The decrease in revenue from sales of properties was attributable to the decrease in gross floor area ("GFA") delivered.

Property Investment, Hotel Operation, Real Estate Agency Services and Other Services

During the six months ended 30 June 2025, the Group recorded property investment income of approximately RMB10.3 million, representing a decrease of approximately 28.8% from approximately RMB14.4 million for the corresponding period of 2024.

For real estate agency services, leveraging on the unique products, brand recognition, management and credibility advantages supported by our MOM & green-technology products, the Group offers customised and whole-process entrusted development and operation management solutions to our customers. For the six months ended 30 June 2025, the Group's revenue from real estate agency services decreased by approximately 75.4% to approximately RMB0.2 million from approximately RMB0.7 million for the corresponding period of 2024.

Hotel MoMc, a boutique hotel owned and operated by the Group, has established its presence in Beijing and Taiyuan. The revenue from hotel operation for the six months ended 30 June 2025 decreased by approximately 43.9% to approximately RMB13.8 million from approximately RMB24.5 million for the corresponding period of 2024. During the six months ended 30 June 2025, the revenue from other services was approximately RMB3.4 million, representing a decrease of approximately 18.5% as compared to that of approximately RMB4.2 million for the corresponding period of 2024.

Management Discussion and Analysis

Contracted Sales

During the six months ended 30 June 2025, the Group, its joint ventures and associates achieved contracted sales of approximately RMB1,040.8 million, representing a decrease of approximately 45.2% as compared to the corresponding period in 2024. The Group, its joint ventures and associates sold 108,801 square metres ("sq.m.") in total GFA and 486 units of car parking spaces, representing a decrease of approximately 41.4% and 8.5%, respectively, as compared to the corresponding period in 2024.

Table 1: Breakdown of contracted sales of the Group, its joint ventures and associates

Province/Municipality/ Autonomous Region	Six months ended 30 June					
	2025			2024		
	Contracted Sales RMB'000	GFA (in sq.m.) or units	Average Selling Price RMB/sq.m. or unit	Contracted Sales RMB'000	GFA (in sq.m.) or units	Average Selling Price RMB/sq.m. or unit
Anhui	24,000	4,987	4,813	42,503	6,287	6,760
Chongqing	–	–	–	6,316	864	7,310
Guangdong	291,702	8,643	33,750	497,511	13,427	37,053
Hebei	22,283	2,323	9,592	28,819	2,799	10,296
Hubei	344,872	61,905	5,571	484,482	89,087	5,438
Hunan	3,817	470	8,121	57,216	9,153	6,251
Jiangsu	51,125	3,395	15,059	139,932	6,115	22,883
Jiangxi	4,581	1,316	3,481	–	–	–
Shaanxi	133,078	9,956	13,367	332,504	18,835	17,654
Shandong	4,323	650	6,651	84,671	14,536	5,825
Shanxi	132,197	15,156	8,722	197,633	24,640	8,021
Properties Sub-total	1,011,978	108,801	9,301	1,871,587	185,743	10,076
Car Parking Spaces	28,818	486 units	59,296/unit	27,605	531 units	51,987/unit
Total	1,040,796			1,899,182		

Management Discussion and Analysis

Land Bank

As at 30 June 2025, total GFA of land bank in the PRC (excluding investment properties and properties held for own use) held by the Group, its joint ventures and associates was 5,915,657 sq.m..

The spread of the land bank held by the Group, its joint ventures and associates was as follows:

Table 2: Land bank held by the Group, its joint ventures and associates

Province/Municipality/Autonomous Region	As at 30 June 2025 Total GFA unsold* (sq.m.)
Anhui	159,289
Beijing	72,196
Chongqing	477,429
Fujian	97,684
Guangdong	427,909
Guizhou	479,676
Hebei	562,374
Hubei	1,506,987
Hunan	121,762
Jiangsu	60,509
Jiangxi	165,357
Liaoning	3,895
Shaanxi	669,175
Shandong	374,734
Shanghai	17,704
Shanxi	540,021
Tianjin	170,918
Zhejiang	5,038
Total	5,915,657

* Aggregated GFA sold but undelivered with sales contracts was included.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by approximately 58.4% to approximately RMB417.6 million for the six months ended 30 June 2025 from approximately RMB1,004.3 million for the corresponding period of 2024, which was mainly attributable to the decrease in area delivered, with a period-on-period decrease of approximately RMB570.5 million in revenue from sale of properties.

Cost of sales

The Group's cost of sales amounted to approximately RMB367.4 million for the six months ended 30 June 2025, representing a decrease of approximately 67.6% as compared to the corresponding period of 2024.

Gross profit and gross profit margin

For the six months ended 30 June 2025, the Group's gross profit was approximately RMB50.2 million, and the gross profit margin was 12.0%, representing an increase of approximately 25 percentage points as compared to gross loss margin of 13.0% for the corresponding period of 2024.

Other income, gains and losses

The Group's other income, gains and losses recorded a net loss of approximately RMB0.2 million during the six months ended 30 June 2025 as compared to a net loss of approximately RMB2,459.5 million for the six months ended 30 June 2024. The significant decrease in net loss was mainly attributable to the loss arising from the disposal of subsidiaries and substantial provision for doubtful debts in the prior period.

Selling and distribution expenses

The selling and distribution expenses decreased by approximately 13.9% to approximately RMB33.8 million for the six months ended 30 June 2025 from approximately RMB39.3 million for the corresponding period of 2024, primarily due to the reducing scale of sales.

Administrative expenses

The administrative expenses of the Group amounted to approximately RMB60.5 million for the six months ended 30 June 2025, representing a decrease of approximately 27.0% as compared to the corresponding period of 2024, primarily due to the decrease in the business and management scale of the Group.

Finance costs

The finance costs of the Group amounted to approximately RMB1,142.1 million for the six months ended 30 June 2025, representing an increase of approximately 1.4% from approximately RMB1,126.6 million for the six months ended 30 June 2024.

Loss before taxation and loss for the period

The loss before taxation of the Group for the six months ended 30 June 2025 amounted to approximately RMB1,158.3 million, as compared to approximately RMB3,869.6 million for the six months ended 30 June 2024, and loss for the period amounted to approximately RMB1,159.0 million as compared to approximately RMB4,051.7 million for the six months end 30 June 2024.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash position

As at 30 June 2025, the Group had cash, restricted cash and bank balances of approximately RMB317.7 million, representing a decrease of approximately 5.9% as compared to that of approximately RMB337.6 million as at 31 December 2024.

Borrowings

As at 30 June 2025, the Group had aggregate remaining balance of approximately RMB24,313.3 million, including bank and other borrowings of approximately RMB9,247.1 million, senior notes of approximately RMB14,168.2 million and corporate bond of approximately RMB898.0 million, representing an increase of approximately 2.7% as compared to that of approximately RMB23,684.2 million as at 31 December 2024. A majority of the carrying value of the Group's bank loans was denominated in RMB.

The Group breached certain covenants relating to bank and other borrowings of RMB6,185,625,000, and these borrowings became repayable on demand as at 30 June 2025. For details, please refer to Note 2(b) of the unaudited financial statement in this report.

Management Discussion and Analysis

Breakdown of indebtedness

By type of borrowings and maturity

	30 June 2025 RMB'000	31 December 2024 RMB'000
Bank and other borrowings		
within one year or on demand	7,370,251	7,431,654
more than one year, but not exceeding two years	1,412,964	1,412,964
more than two years, but not exceeding five years	—	3,962
more than five years	463,892	464,391
Sub-total	9,247,107	9,312,971
Senior Notes		
within one year	14,168,150	13,499,634
Sub-total	14,168,150	13,499,634
Corporate bond		
within one year	898,030	871,552
Sub-total	898,030	871,552
TOTAL	24,313,287	23,684,157
Less:		
Bank balances and cash (including restricted cash)	317,743	337,628
Net Debt	(23,995,544)	(23,346,529)
Total Equity	(23,850,050)	(22,649,773)
By currency denomination		
— Denominated in RMB	10,041,259	10,019,190
— Denominated in USD	14,272,028	13,664,967
	24,313,287	23,684,157

Management Discussion and Analysis

Foreign currency risk

The functional currency of the Company's major subsidiaries is RMB. Most of the transactions are denominated in RMB. Transactions of the Group's foreign operations, such as purchasing land held for future development, and certain expenses incurred are denominated in foreign currencies. As at 30 June 2025, the Group had monetary assets denominated in US dollars and Hong Kong dollars of approximately RMB776.2 million and approximately RMB1.7 million, respectively, as well as liabilities denominated in US dollars of approximately RMB14,272.0 million. Those amounts were exposed to foreign currency risk. Considering the actual impacts caused to the Group arising from the market condition and fluctuations of foreign exchange rates during the six months ended 30 June 2025, the Group currently has no foreign currency hedging policy in place yet, but the management will constantly monitor foreign exchange exposure and identify a policy that will be appropriate to the Group. The Group will consider hedging against any significant foreign currency exposure when necessary.

Contingent liabilities

As at 30 June 2025, the Group had provided guarantees amounting to approximately RMB15,059,103,000 (31 December 2024: approximately RMB15,113,507,000) in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal title of the respective properties. The guarantee period commences from the date of grant of the relevant mortgage loans and ends when these purchasers obtain the individual property ownership certificate.

Additionally, a subsidiary of the Company has issued joint guarantee in respect of banking facility made by a bank to a joint venture. In December 2021, due to the delay of a construction project, the facility became overdue and the bank filed a claim against the joint venture and the joint guarantors which include the subsidiary of the Company. The Directors do not consider that the Group needs to bear the responsibility to repay the debt owed to the bank as the joint venture has sufficient assets to settle the amount. The maximum liability of the Group as at 30 June 2025 under the guarantees issued amounted to RMB974,891,000 (31 December 2024: RMB996,082,000), being the outstanding amount of the facility utilised by the joint venture.

As at 30 June 2025, the Group was the defendant in various on-going litigations and arbitration cases primarily initiated by its creditors. In most of the cases, the creditors demanded immediate repayment of the debts owed to them, together with an interest and/or a penalty as a compensation. Our management has assessed the likelihood of the outcome of these cases and estimated the probable compensation that the Group may be liable for each of these cases after taking into account of all available facts and circumstances and relevant legal advice. Based on the result of those assessments and estimation, RMB764,252,000 was accounted for as provision for these claims and litigations in the unaudited consolidated financial statements of the Group for the six months ended 30 June 2025 (31 December 2024: RMB795,384,000).

Employees and compensation policy

As at 30 June 2025, the Group had 377 employees (31 December 2024: 448 employees). Employee's remuneration is determined based on his or her performance, skills, knowledge, experience and market trends. The Group regularly reviews compensation policies and programs, and will make any necessary adjustment in order to be in line with the remuneration levels in the industry. In addition to basic salaries, employees may be granted with share options, discretionary bonus and cash awards based on individual performance.

PROSPECT

Looking ahead to the second half of the year, we believe the real estate market will remain in a phase of "slow recovery and differentiated development". The industry will increasingly focus on genuine housing demand, product quality, and sustainable operational capabilities of enterprises. Policy support and market-driven recovery will work together, but the recovery process will still face uncertainties. Enterprises will need to continue defending their bottom line and proactively adapt to changes.

In the second half of 2025, the Company will adhere to the overall approach of "seeking progress while maintaining stability, and promoting stability through progress", continuously deepening transformation and focusing on advancing in the following areas:

Upholding the delivery bottom line and strengthening the foundation of trust

Deepening green technology and leading product upgrades

Innovating business models and nurturing new growth curves

OTHER INFORMATION

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

As at 30 June 2025, the interests and short positions of the Directors and chief executives in the shares (the "Share(s)"), underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or pursuant to the Model Code (as defined below), were as follows or as disclosed under the section headed "Share Option Scheme" below:

INTERESTS IN THE COMPANY (LONG POSITION)

Name of Director	Capacity/Nature of interest	Number of Shares	Approximate % of interest in the Company
Mr. Zhang Lei	Beneficiary of a trust (Note 1)	1,827,293,270	65.38%
	Beneficial owner (Notes 2 & 5)	16,227,890	0.58%
Mr. Zhang Peng	Interest in a controlled corporation (Note 3)	5,982,240	0.21%
	Beneficial owner (Note 5)	13,007,000	0.47%
Mr. Chen Yin	Interest in a controlled corporation (Note 4)	6,911,520	0.25%
Mr. Hui Chun Ho, Eric	Beneficial owner (Note 5)	800,000	0.03%

Note 1: Such 1,827,293,270 Shares are held by Super Land Holdings Limited as a registered holder. The entire issued share capital of Super Land Holdings Limited is wholly-owned by Fantastic Energy Holdings Limited, which in turn is wholly-owned by TMF (Cayman) Limited as the trustee of a family trust. The family trust is a discretionary trust established by Mr. Zhang Lei as the settlor and protector and the capital and income beneficiaries thereof include Mr. Zhang Lei, Mr. Salum Zheng Lee, the younger brother of Mr. Zhang Lei and their family members.

Note 2: 11,727,890 Shares out of the 16,227,890 Shares are beneficially held by Mr. Zhang Lei in his own capacity while the remaining 4,500,000 Shares are held pursuant to the share options granted under the Share Option Scheme (as defined below).

Note 3: Mr. Zhang Peng holds 100% of the issued share capital of Zhou Ming Development Ltd., which owns 5,982,240 Shares. Therefore, Mr. Zhang Peng is deemed to have the same interest in the Company.

Note 4: Mr. Chen Yin holds 100% of the issued share capital of Dragon Shing Technology Ltd., which owns 6,911,520 Shares. Therefore, Mr. Chen Yin is deemed to have the same interest in the Company.

Note 5: Among such share interest, Mr. Zhang Lei's interest in 4,500,000 Shares, Mr. Zhang Peng's interest in 4,500,000 Shares and Mr. Hui Chun Ho, Eric's interest in 800,000 Shares are held pursuant to the share options granted under the Share Option Scheme, details of which are set out in the section headed "Share Option Scheme" of this report.

Other Information

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

So far as is known to any Directors or chief executives of the Company, as at 30 June 2025, other than the interests and short positions of the Directors or chief executives of the Company as disclosed in the sections headed "Directors' and Chief Executives' Interests and Short positions in Shares, Underlying Shares and Debentures" above and "Share Option Scheme" below, the following Shareholders had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name	Capacity/Nature of interest	Number of Shares	Approximate % of interest in the Company
Super Land Holdings Limited	Registered holder (Note 1)	1,827,293,270	65.38%
Fantastic Energy Holdings Limited	Interest in a controlled corporation (Note 1)	1,827,293,270	65.38%
TMF (Cayman) Limited	Trustee (Note 1)	1,827,293,270	65.38%
Ms. Yu Jinmei	Interest of a spouse (Note 2)	1,843,521,160	65.96%
China Cinda (HK) Asset Management Co., Limited	Registered holder (Note 3)	267,877,500	9.58%
China Cinda (HK) Holdings Company Limited	Interest in a controlled corporation (Note 3)	267,877,500	9.58%
China Cinda Asset Management Co., Ltd.	Interest in a controlled corporation (Note 3)	267,877,500	9.58%
China Great Wall AMC (International) Holdings Company Limited	Registered holder (Note 4)	190,159,200	6.80%
China Great Wall Asset Management Co., Ltd.	Interest in a controlled corporation (Note 4)	190,159,200	6.80%

Note 1: Such 1,827,293,270 Shares are held by Super Land Holdings Limited as a registered holder. The entire issued share capital of Super Land Holdings Limited is wholly-owned by Fantastic Energy Holdings Limited, which in turn is wholly-owned by TMF (Cayman) Limited as the trustee of a family trust. The family trust is a discretionary trust established by Mr. Zhang Lei as the settlor and protector and the capital and income beneficiaries thereof include Mr. Zhang Lei, Mr. Salum Zheng Lee, the younger brother of Mr. Zhang Lei and their family members.

Note 2: Ms. Yu Jinmei is the spouse of Mr. Zhang Lei, and is therefore deemed to be interested in an aggregate of 1,843,521,160 Shares in which Mr. Zhang Lei has, or is deemed to have, an interest for the purpose of the SFO.

Note 3: China Cinda (HK) Asset Management Co., Limited is wholly-owned by China Cinda (HK) Holdings Company Limited, which in turn is wholly-owned by China Cinda Asset Management Co., Ltd. Accordingly, each of China Cinda Asset Management Co., Ltd. and China Cinda (HK) Holdings Company Limited is deemed to be interested in an aggregate of 267,877,500 Shares held by China Cinda (HK) Asset Management Co., Limited.

Note 4: China Great Wall AMC (International) Holdings Company Limited is wholly-owned by China Great Wall Asset Management Co., Ltd. Accordingly, China Great Wall Asset Management Co., Ltd. is deemed to be interested in an aggregate of 190,159,200 Shares held by China Great Wall AMC (International) Holdings Company Limited.

Save as disclosed above, as at 30 June 2025, there was no other person (other than the Directors or chief executives of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Other Information

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") on 14 June 2013. The purpose of the Share Option Scheme is to motivate the eligible participants to optimise their performance efficiency for the benefit of the Group and to attract and retain or otherwise maintain on-going business relationship with the eligible participants whose contributions are or will be beneficial to the long-term growth of the Group.

In May 2017, the Company proposed to refresh the scheme mandate limit under the Share Option Scheme which was approved by the Shareholders at an annual general meeting of the Company held on 29 June 2017. As a result, the Company may grant share options to eligible participants entitling them to subscribe for a total of up to 250,354,200 Shares under the Share Option Scheme.

Share option movement

No option has been granted, exercised or cancelled to any participant during the six months ended 30 June 2025, the changes in the share options granted by the Company under the Share Option Scheme are as follows:

From 1 January 2025 to 30 June 2025

	1 January 2025 Opening	Granted	Exercised	Forfeited/ Lapsed	30 June 2025 Closing
Tranche Four Options — 7 July 2020					
Exercise price: HK\$1.10					
Zhang Lei	4,500,000	—	—	—	4,500,000
Zhang Peng	4,500,000	—	—	—	4,500,000
Hui Chun Ho, Eric	800,000	—	—	—	800,000
Employees	8,275,000	—	—	(1,875,000)	6,400,000
Tranche Four Options — 7 July 2020	18,075,000	—	—	(1,875,000)	16,200,000
Total	18,075,000	—	—	(1,875,000)	16,200,000

Note 1: For details of the vesting periods and exercise periods of the share options, please refer to Note 21 to the Condensed Consolidated Interim Financial Statements of this report.

Note 2: Tranche One Options expired on 3 September 2019. Accordingly, no information of Tranche One Options is presented for the period ended 30 June 2025.

Note 3: Plan A and Plan B of Tranche Two Options expired on 10 July 2018 and 30 June 2019, respectively. Accordingly, no information of Tranche Two Options is presented for the period ended 30 June 2025.

Note 4: Tranche Three Options expired on 28 September 2021. Accordingly, no information of Tranche Three Options is presented for the period ended 30 June 2025.

Note 5: Tranche Four Options were granted on 7 July 2020.

The exercise periods of the share options may be determined by the Company at the time of the grant, and the share options shall be valid for no more than 10 years from the relevant date of the grant. As at 30 June 2025, share options to subscribe for 16,200,000 Shares remained outstanding.

The number of options available for grant under the scheme mandate as at 1 January 2025 and 30 June 2025 were 232,279,200 Shares and 234,154,200 Shares, respectively.

Other Information

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisition and disposal of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules to govern securities transactions by Directors. Further to the specific enquiries made by the Company to the Directors, all the Directors have confirmed their compliance with the Model Code for the six months ended 30 June 2025.

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

For the six months ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises three independent non-executive Directors who together have substantial experience in the fields of auditing, legal, business, accounting, corporate internal control and regulatory affairs. The Audit Committee had reviewed the interim results of the Group for the six months ended 30 June 2025.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance. The Company has complied with the code provisions in Part 2 — Principles of Good Corporate Governance, Code Provisions and Recommended Best Practices of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange for the six months ended 30 June 2025 and, where appropriate, adopted the recommended best practices set out in the CG Code, save for the deviations as set out below:

Code provision B.2.2 stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. The Company has not held an annual general meeting since 29 November 2023. Accordingly, none of the Directors retired at the annual general meeting nor re-elected by the Shareholders. The Company will hold an annual general meeting at which the Directors will retire and offer themselves for re-election.

Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Zhang Peng has served as both the chairman of the Board and the president of the Company since 9 November 2022, with the division of responsibilities between chairman and president clearly established and set out in writing.

Code provision F.2.2 stipulates that the chairman of the board should attend the annual general meeting and also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. The Company has not held an annual general meeting since 29 November 2023.

The Company was not able to timely comply with the financial reporting provisions under the Listing Rules in (i) announcing the interim results for the period ended 30 June 2025; and (ii) publishing the interim report for the period ended 30 June 2025. Such respective delay constituted non-compliance with Rules 13.48(1) and 13.49(6) of the Listing Rules.

Other Information

EVENTS AFTER THE REPORTING PERIOD

Extension of maturity date of corporate bond

On 30 July 2019, the Group issued corporate bond to the public with aggregate nominal value of RMB880,000,000 at 98.7% of the principal amount, which carry fixed interest of 7.8% per annum (interest payable annually in arrears) with extended maturity date due on 31 January 2025. Subject to approval of the bondholders, the corporate bonds' maturity can be extended to 30 July 2025.

In July 2025, the Group reached another agreement with the bondholders to extend the repayment date to 31 January 2026. Subject to approval of the bondholders, the corporate bonds' maturity can be extended to 30 July 2026.

RESUMPTION OF TRADING

The Group fulfilled the resumption guidance imposed by the Stock Exchange on 25 November 2025. Trading in the Shares on the Stock Exchange resumed from 9:00 a.m. on 26 November 2025.

For details, please refer to the announcement made by the Company dated 25 November 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2025 — unaudited

	Note	For the six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Revenue	3	417,587	1,004,336
Cost of sales		(367,434)	(1,134,641)
Gross profit/(gross loss)		50,153	(130,305)
Other income, gains and losses	4	(159)	(2,459,555)
Selling and distribution expenses		(33,837)	(39,320)
Administrative expenses		(60,554)	(82,903)
Finance costs	5	(1,142,097)	(1,126,609)
Share of profits less losses of joint ventures		28,627	(30,273)
Share of profits less losses of associates		(387)	(636)
Loss before taxation		(1,158,254)	(3,869,601)
Income tax expense	6	(776)	(182,116)
Loss for the period	7	(1,159,030)	(4,051,717)
Other comprehensive income for the period:			
<i>Item that will not be reclassified to profit or loss:</i>			
Equity investments at fair value through other comprehensive income ("FVOCI") — net movement in fair value reserves (non-recycling), net of RMBnil (2024: RMBnil) tax			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations, net of nil tax			
Total comprehensive income for the period		(1,159,030)	(4,051,717)

The notes on pages 28 to 46 form part of this interim financial report.

Consolidated Statement of Profit or Loss and other Comprehensive Income

for the six months ended 30 June 2025 — unaudited

	Note	For the six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Loss for the period attributable to:			
Owners of the Company		(1,107,953)	(3,793,565)
Non-controlling interests		(51,077)	(258,152)
		(1,159,030)	(4,051,717)
Total comprehensive income attributable to:			
Owners of the Company		(1,107,953)	(3,793,565)
Non-controlling interests		(51,077)	(258,152)
		(1,159,030)	(4,051,717)
Losses per share, in Renminbi ("RMB") cents:			
Basic and diluted	9	(39.6)	(135.7)

The notes on pages 28 to 46 form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2025 — unaudited

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Non-current assets			
Investment properties		2,009,466	2,010,805
Property, plant and equipment		351,313	361,409
Intangible assets		18,920	19,918
Freehold land held for future development		26,873	27,259
Interests in associates		1,784,289	1,751,739
Interests in joint ventures	10	1,199,360	1,203,324
Loans to joint ventures	10	1,883	1,883
Equity securities designated at FVOCI		1,032,333	1,022,784
Deferred tax assets			
		6,424,437	6,399,121
Current assets			
Properties under development for sale		13,949,914	13,673,672
Completed properties held for sale		5,535,434	6,010,492
Other inventories and contract costs		607,853	610,930
Trade and other receivables, deposits and prepayments	11	8,580,909	7,954,916
Amounts due from related parties	22	641,337	645,949
Restricted cash		249,584	250,462
Bank balances and cash		68,159	87,166
		29,633,190	29,233,587
Current liabilities			
Trade and other payables, deposits received and accrued charges	12	19,223,801	18,300,276
Contract liabilities		9,646,586	9,834,068
Amounts due to related parties	22	1,943,117	1,926,821
Taxation payable		4,475,195	4,226,488
Bank and other borrowings — due within one year	13	7,370,251	7,431,654
Corporate bonds — due within one year	14	898,030	871,552
Senior notes — due within one year	15	14,168,150	13,499,634
		57,725,130	56,090,493
Net current liabilities			
		(28,091,940)	(26,856,906)
Total assets less current liabilities			
		(21,667,503)	(20,457,785)

The notes on pages 28 to 46 form part of this interim financial report.

Consolidated Statement of Financial Position

at 30 June 2025 — unaudited

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Capital and reserves			
Share capital	16	175,693	175,693
Reserves		(23,263,538)	(22,155,585)
Equity attributable to owners of the Company		(23,087,845)	(21,979,892)
Non-controlling interests		(762,205)	(669,881)
Total equity		(23,850,050)	(22,649,773)
Non-current liabilities			
Bank and other borrowings — due after one year	13	1,876,856	1,881,317
Deferred tax liabilities		305,691	310,671
		2,182,547	2,191,988
		(21,667,503)	(20,457,785)

The notes on pages 28 to 46 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2025 — unaudited

	Attributable to owners of the Company												
	Share capital	Share premium	Special reserve	Revaluation reserve	Share option reserve	Statutory surplus reserve	Foreign currency translation reserve	Fair value reserve (non-recycling)	Retained profits	Total	Non-controlling interests	Total equity	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	(note a)	(note b)			(note c)								
At 1 January 2025	175,693	825,711	69,599	40,060	5,640	635,859	-	(58,202)	(23,674,252)	(21,979,892)	(669,881)	(22,649,773)	
Loss for the period	-	-	-	-	-	-	-	-	-	(1,107,953)	(1,107,953)	(51,077)	(1,159,030)
Equity investments at FVOCI-net movement in fair value reserves (non-recycling)	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences on translating foreign operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	-	-	-	-	(1,107,953)	(1,107,953)	(51,077)	(1,159,030)
Disposal of subsidiaries (note 17)	-	-	-	-	-	-	-	-	-	-	(41,247)	(41,247)	
At 30 June 2025	175,693	825,711	69,599	40,060	5,640	635,859	-	(58,202)	(24,782,205)	(23,087,845)	(762,205)	(23,850,050)	

The notes on pages 28 to 46 form part of this interim financial report.

Consolidated Statement of Changes in Equity

for the six months ended 30 June 2025 — unaudited

Attributable to owners of the Company

	Share capital RMB'000 (note a)	Share premium RMB'000 (note b)	Special reserve RMB'000	Revaluation reserve RMB'000	option reserve RMB'000	Statutory surplus reserve RMB'000	Foreign currency translation reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2024	175,693	825,711	69,599	40,060	7,573	640,973	-	(59,505)	(16,215,494)	(14,515,390)	(643,483)	(15,158,873)
Loss for the period	-	-	-	-	-	-	-	-	(3,793,565)	(3,793,565)	(258,152)	(4,051,717)
Equity investments at FVOCI-net movement in fair value reserves (non-recycling)	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences on translating foreign operations	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	-	-	-	(3,793,565)	(3,793,565)	(258,152)	(4,051,717)
Disposal of subsidiaries	-	-	-	-	-	(114)	-	-	(114)	114	-	-
Share-based payment	-	-	-	-	(1,933)	-	-	-	(1,933)	-	-	(1,933)
At 30 June 2024	175,693	825,711	69,599	40,060	5,640	640,859	-	(59,505)	(20,009,059)	(18,311,002)	(901,521)	(19,212,523)

The notes on pages 28 to 46 form part of this interim financial report.

Consolidated Statement of Changes in Equity

for the six months ended 30 June 2025 — unaudited

Notes:

- (a) Pursuant to article 134 of the Company's Articles of Association, the Company is permitted to pay out dividends from share premium account.
- (b) Special reserve relates to acquisition of additional interests in subsidiaries, deemed acquisition of a subsidiary, disposals of partial interests in subsidiaries, disposal of partial interests in subsidiaries to a non-controlling shareholder and contribution from a company controlled by a shareholder.
- (c) In accordance with the Articles of Association of certain group entities established in the People's Republic of China ("the PRC"), these entities are required to transfer 10% of the profit after taxation, prepared in accordance with PRC generally accepted accounting principles, to the statutory surplus reserve until the reserve reaches 50% of the registered capital of the respective entities. 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 existing operations or convert into additional capital of the entities.

The notes on pages 28 to 46 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2025 — unaudited

	For the six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Net cash used in operating activities	(9,690)	(277,723)
Investing activities		
Interest received	—	1,278
Net cash outflow from disposals of subsidiaries (Note 17)	(2,839)	(6,366)
Loans to joint ventures	—	(2,086)
Repayments from joint ventures	—	1,631
Decrease in restricted cash	878	136,182
Other cash generated from investing activities	1,629	—
Net cash (used in)/generated from investing activities	(332)	130,639
Financing activities		
Interest paid	(9,611)	(7,906)
Repayments to related parties	—	(42)
Advances from related parties	2,360	61
Repayments of bank borrowings	(710)	(9,366)
Repayments of other borrowings	—	(6,236)
New other borrowings raised	—	67,050
Capital contribution from non-controlling interests	—	29,000
Return of capital to non-controlling interests	(1,000)	(10,780)
Net cash (used in)/generated from financing activities	(8,961)	61,781

The notes on pages 28 to 46 form part of this interim financial report.

Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June 2025 — unaudited

	For the six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Net decrease in cash and cash equivalents	(18,983)	(85,303)
Cash and cash equivalents at the beginning of the period, represented by bank balances and cash	87,166	291,912
Effects of exchange rate changes on the balance of cash held in foreign currencies	(24)	37
Cash and cash equivalents at the end of the period, represented by bank balances and cash	68,159	206,646

The notes on pages 28 to 46 form part of this interim financial report.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 June 2025

1 Statement of compliance

This interim financial report of Modern Land (China) Co., Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange"), including compliance with International Accounting Standard ("IAS") 34, Interim financial reporting, issued by the International Accounting Standards Board ("IASB").

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by the audit committee of the Company and approved for issue by the Board of Directors.

2 Basic of preparation

(a) Changes in accounting policies

Amendments to IFRS 21 Lack of Exchangeability

None of the new or revised standards have had a material impact on the Group's reported results or financial position for the current and prior reporting periods. The Group has not early applied any new or revised standards or interpretations that are not yet effective for the current accounting period.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

2 Basic of preparation *(Continued)*

(b) Going concern basis

For the six months ended 30 June 2025, the Group incurred a loss of RMB1,159,030,000. As at the same date, the Group's current liabilities exceeded current assets by RMB28,091,940,000. Current liabilities include current bank and other borrowings amounting to RMB7,370,251,000, corporate bonds of RMB898,030,000, senior notes of RMB14,168,150,000 and provisions for claims and litigations of RMB764,252,000.

Moreover, as at 30 June 2025, the Group was in breach of certain covenants relating to bank and other borrowings amounting to RMB161,461,500, which would have been due in more than one year after the reporting date but now require to be repaid upon demand. Consequently, these borrowings have been reclassified as current liabilities in the statement of financial position as at 30 June 2025. In addition, bank and other borrowings of RMB6,024,164,000 were in default as at 30 June 2025. Should any lender demand immediate repayment of any such borrowings and the Group is unable to comply with the request, the lender has the right to take possession of the secured assets.

In 2022, the Group restructured all senior notes into five tranches (with staggered maturities from 30 December 2023 to 30 December 2027), and further adjusted the terms in 2023. However, due to prolonged severe liquidity pressure, the Group failed to fulfil the settlement obligations of the newly issued 2023 notes and 2024 notes when they became due in December 2024, and did not pay interest on the 2025, 2026 and 2027 notes throughout the year 2024. Subsequently, the Group also failed to pay cash interest on the notes due in 2025, 2026 and 2027 on their maturity dates as at 30 June 2025 and up to the date of approval of these consolidated financial statements. Given the principal and interest payment defaults as at 30 June 2025, notwithstanding that none of the noteholders have enforced their rights, the holders of the senior notes remain entitled to demand immediate repayment of all outstanding principal and interest.

Certain subsidiaries of the Group have provided guarantees for the senior notes, and such guarantees rank behind other secured liabilities of the guarantors to the extent of the value of the assets pledged as security. If any holder of the senior notes demands immediate repayment and the Group is unable to satisfy such demand, the senior noteholders would have the right to take possession of the pledged assets in accordance with the agreed terms.

As at 30 June 2025, corporate bonds with a carrying amount of RMB898,030,000 had matured on 30 July 2025. In July 2025, the Group further reached an agreement with the bondholders to extend the repayment date to 31 January 2026. Subject to the approval of the bondholders, the maturity date of the corporate bonds may be further extended to 30 July 2026.

In addition, the Group has been involved in several litigation and arbitration cases with various counterparties for different reasons. As at 30 June 2025, the Group recognised provisions for claims and litigations amounting to RMB764,252,000.

During the period ended 30 June 2025, the real estate sector in China continued to experience volatility. This was mainly due to tightening policies targeted at the real estate sector and a sustained decline in consumer confidence, resulting in short-term liquidity pressures across the sector. As a result, there was a general decrease in pre-sales by property developers in the PRC in 2025. The Group also experienced a significant decline in contracted sales during 2025.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

2 Basic of preparation *(Continued)*

(b) Going concern basis *(Continued)*

The Group's internal funds became increasingly limited. The Group also experienced liquidity pressure due to limited access to external capital to finance its construction projects. The current macroeconomic conditions and the timing of recovery in real estate sector has brought additional material uncertainties to the Group. It may be more challenging for the Group to generate operating cash inflows or refinance senior notes, corporate bond and bank and other borrowings than it has historically been.

All these events or conditions indicate that multiple material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern.

In view of these circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient cash resources to continue as a going concern and pay its debts when they fall due. Certain plans and measures have been taken to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due which include, but not limited to, the following:

- With respect to the restructuring of the senior notes, management is in close negotiations with the senior noteholders regarding the restructuring and/or extension of the senior notes;
- With respect to the corporate bonds with a carrying amount of RMB898,030,000, the maturity date has been extended to 31 January 2026. Subject to bondholder approval, the maturity date may be further extended to 30 July 2026;
- The Group is in active discussions with the other existing lenders to renew the Group's certain borrowings and/or not to demand immediate repayment until the Group has successfully completed the property construction projects and generated sufficient cash flows therefrom. These discussions have been constructive and focused on possible actions in light of current circumstances but do require time to formulate or implement due to ongoing changes in market conditions;
- The Group will continue to maintain active dialogue to secure a continuing and normal business relationship with major constructors and suppliers, including agreement on the payment arrangements with them and to complete the construction progress by them as scheduled;
- The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables. Subject to the market sentiment, the Group will actively adjust sales and pre-sale activities to better respond to changing markets to achieve the latest budgeted sales and pre-sales volumes and amounts;
- The Group will continue to seek to obtain additional new sources of financing from existing shareholders and potential equity investment partners or to seek suitable opportunities to dispose of its equity interest in certain project development companies to generate additional cash inflows. The Group's properties are predominantly located in higher tier cities that make them relatively more attractive to potential buyers and retain a higher value in current market conditions;

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

2 Basic of preparation *(Continued)*

(b) Going concern basis *(Continued)*

- The Group will continue to control administrative costs and contain unnecessary capital expenditures to preserve liquidity. The Group will also continue to actively assess additional measures to further reduce discretionary spending;
- The Group has been proactive in seeking ways to settle the outstanding litigations of the Group. The Group has made relevant provisions for litigations and claims and will seek to reach an amicable solution on the charges and payment terms to the claims and litigations which have not yet reached a definite outcome;

The Directors have reviewed the Group's cash flow projections prepared by management which cover a period of not less than eighteen months from 30 June 2025 and consider multiple material uncertainties exist as to whether the Group will be able to achieve the plans and measures as described above. Specifically, whether the Group will be able to continue as a going concern will depend on the following:

- Successfully negotiating with the senior noteholders regarding the restructuring and/or extension of the senior notes;
- Obtaining bondholders' approval to further extend the maturity date of the corporate bonds to 30 July 2026, and the ability to repay the corporate bonds on the extended maturity date, or obtaining bondholder approval to further extend the maturity date beyond 30 July 2026;
- Successfully negotiating with other existing lenders to extend certain borrowings, maintaining relationships with the Group's current financing providers so that they would continue to provide funding and do not demand immediate repayment of bank and other borrowings until the Group successfully completes its real estate development projects and generates sufficient cash inflows;
- Maintaining ongoing and normal business relationships with major contractors and suppliers to agree payment arrangements with them and complete construction progress as planned;
- Successful implementation of measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables;
- Successful obtaining of additional new sources of financing;
- Successful implementation of the Group's business strategy plan and cost control measures so as to improve the Group's working capital and cash flow position; and
- Reaching amicable solutions on the charges and payment terms in respect of the claims and litigations which have not yet reached a definite outcome.

The Board considers that, assuming all of the above assumptions, plans and measures are successful, the Group will have sufficient working capital to meet its operational requirements and fulfil its obligations when these debts fall due, with such funds being available for at least fifteen months from the date of approval of these consolidated financial statements. Therefore, the Board considers it appropriate to prepare these consolidated financial statements on a going concern basis.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

2 Basic of preparation (Continued)

(b) Going concern basis (Continued)

Should the Group fail to implement one or more of these plans and measures in a timely manner, it may be unable to continue as a going concern. In such event, adjustments would be necessary to write down the carrying amount of the Group's assets to their recoverable amounts, provide for any liabilities that may arise, and reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. These consolidated financial statements do not include any such adjustments.

3 Revenue and segment information

The Group's operating activities are attributable to a single reportable and operating segment focusing on (a) sale of properties, (b) property investment, (c) hotel operation, (d) real estate agency services, and (e) other services. The operating segment has been identified on the basis of internal management reports reviewed by chief operating decision maker of the Group ("CODM"), Mr. Zhang Peng, who is the President of the Group. The CODM mainly reviews the revenue information on sales of properties from property development, leasing of properties from property investment, hotel operation, real estate agency services and other services. However, other than revenue information, no operating results and other discrete financial information is available for the assessment of performance of the respective types of revenue. The CODM reviews the overall results and organisation structure of the Group as a whole to make decision about resources allocation. Accordingly, no analysis of this single reportable and operating segment is presented.

Disaggregation of revenue from contracts with customers by major products or service lines and by timing of revenue recognition is as follows:

	For the six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Sale of properties	389,919	960,392
Real estate agency services	182	740
Hotel operation	13,758	24,527
Other services	3,441	4,220
	407,300	989,879
Revenue from other sources		
Rental income	10,287	14,457
	417,587	1,004,336

Substantially all of the revenue from sales of properties is recognised at a point in time.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

4 Other income, gains and losses

	For the six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Interest income	953	1,278
Government grants	37	33
Net exchange gain/(loss)	63,861	(69,381)
Net loss on disposal of subsidiaries	(43,755)	(1,409,150)
Allowance for expected credit losses	(15,637)	(927,736)
Penalty, claims and litigations charges	(13,397)	(48,801)
Other gains/(loss)	8,246	(2,879)
Others	(467)	(2,920)
	(159)	(2,459,555)

5 Finance costs

	For the six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Interest on bank and other borrowings	(426,785)	(516,472)
Interest on senior notes and corporate bonds	(751,892)	(680,428)
	(1,178,677)	(1,196,900)
Less: Amount capitalised in properties under development for sale and completed properties held for sale	36,580	70,291
	(1,142,097)	(1,126,609)

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

6 Income tax expense

	For the six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Current tax		
PRC Corporate Income Tax	(17,890)	(18,275)
Land appreciation tax ("LAT")	(2,434)	(13,823)
	(20,324)	(32,098)
Deferred tax		
PRC Corporate Income Tax	19,548	(150,018)
	19,548	(150,018)
Income tax expense	(776)	(182,116)

In accordance with the Corporate Income Tax Law of the PRC, the income tax rate applicable to the Company's subsidiaries in the PRC is 25%.

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

Pursuant to the rules and regulations of British Virgin Islands ("BVI") and the Cayman Islands, the Group is not subject to any income tax in these jurisdictions.

No provision for Hong Kong profits tax has been made as the income generated from the Group neither arose in, nor was derived from, Hong Kong for the six months ended 30 June 2025 and 2024.

7 Loss for the period

	For the six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Loss for the period has been arrived at after charging:		
Depreciation of owned property, plant and equipment	9,508	11,699
Write-down of properties under development and completed properties held for sale	–	78,280
Operating lease rentals	603	704

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

8 Losses per share

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

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Losses		
Losses for the purpose of calculating basic and diluted earnings per share (profit for the period attributable to owners of the Company)	(1,107,953)	(3,793,565)
Number of shares (basic and diluted)		
Weighted average number of ordinary shares in issue for the period	2,794,994	2,794,994

Note: The computation of diluted earnings per share for the six months ended 30 June 2025 and 30 June 2024 does not assume the exercise of share options because they are anti-dilutive for the period.

9 Property, plant and equipment

During the six months ended 30 June 2025, additions to property, plant and equipment amounted to RMB58,000 (six months ended 30 June 2024: RMB898,000), consisting of motor vehicles, electronic equipment and furniture.

10 Interests in joint ventures and loans to joint ventures

	At 30 June	At 31 December
	2025	2024
	RMB'000	RMB'000
Cost of investment in joint ventures	1,953,591	1,953,591
Share of post-acquisition gain and other comprehensive income	(169,302)	(201,852)
	1,784,289	1,751,739
Loans to joint ventures, gross	4,448,425	4,448,425
Less: share of post-acquisition losses that are in excess of cost of investments	(528,126)	(524,162)
Provision for impairment	(2,720,939)	(2,720,939)
	1,199,360	1,203,324

Loans to joint ventures are unsecured, interest free and have no fixed term of repayment. These loans are expected to be recovered after one year.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

11 Trade and other receivables, deposits and prepayments

Trade receivables mainly represent rental receivables and receivable from sale of properties.

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade receivables, net of allowance (note i)	402,129	399,259
Amounts due from non-controlling interests	1,746,849	1,776,092
Other receivables, net of allowance (note ii)	3,739,958	3,453,731
Guarantee deposits for housing provident fund loans provided to customers (note iii)	54,071	43,642
Loans and receivables	5,943,007	5,672,724
Prepayments to suppliers of construction materials	1,564,312	1,246,078
Deposits paid for acquisition of land use rights	38,810	38,810
Prepaid taxation	1,034,780	997,304
	8,580,909	7,954,916

Notes:

(i) The following is an ageing analysis of trade receivables based on due date for rental receivables and revenue recognition dates for receivables from properties sold net of allowance, at the end of the reporting period:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Less than 1 year	90,416	99,082
1–2 years	96,429	86,212
More than 2 years and up to 3 years	215,284	213,965
	402,129	399,259

All of the above trade receivables are overdue rental receivables and receivables from properties sold but not impaired at the end of the reporting period. For the overdue rental receivables, the Group does not hold any collateral over those balances. For receivables from properties sold, the Group holds the titles of the property units as collateral over those balances.

(ii) The amount mainly included refundable deposits for property development projects, proceeds from pre-sales of properties deposited in accounts of local governments and related agencies, and advances made to disposed subsidiaries.

(iii) Guarantee deposits for housing provident fund loans provided to customers represent amounts placed with Housing Provident Fund Management Center, a state-owned organisation responsible for the operation and management of housing provident fund, to secure the housing provident fund loans provided to customers and will be refunded to the Group upon customers obtaining the property individual ownership certificate.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

12 Trade and other payables, deposits received and accrued charges

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade payables (note i)	5,872,250	5,410,925
Accrued expenditure on construction	1,255,418	1,427,794
Amount due to non-controlling interests	1,327,952	1,368,024
Accrued interest	2,329,386	1,936,961
Accrued payroll	49,509	45,151
Dividend payable	939	1,458
Provision for claims and litigation	764,252	795,384
Other payables (note ii)	6,664,873	6,406,632
Financial liabilities measured at amortised cost	18,264,579	17,392,329
Other tax payables	959,222	907,947
	19,223,801	18,300,276

Notes:

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

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Less than 1 year	2,403,885	1,612,396
1–2 years	1,756,923	2,236,044
More than 2 years and up to 3 years	1,711,442	1,562,485
	5,872,250	5,410,925

(ii) Other payables mainly included deposits from customers and cash advanced from potential equity investment partners.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

13 Bank and other borrowings

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Bank loans, secured	1,877,149	1,901,852
Other loans, secured	7,369,958	7,411,119
	9,247,107	9,312,971

The borrowings are repayable:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within one year or on demand	7,370,251	7,431,654
More than one year, but not exceeding two years	1,412,964	1,412,964
More than two years, but not exceeding five years	—	3,962
More than five years	463,892	464,391
	9,247,107	9,312,971
Less: Amount due within one year shown under current liabilities	(7,370,251)	(7,431,654)
	1,876,856	1,881,317
Amount due after one year		
Analysis of borrowings by currency		
— Denominated in RMB	9,143,229	9,147,638
— Denominated in USD	103,878	165,333
	9,247,107	9,312,971

As at 30 June 2025, the borrowings with carrying amount of RMB1,024,426,000 (31 December 2024: RMB1,024,426,000) carry interest at variable rates based on the interest rates quoted by the People's Bank of China, the effective interest rate ranges from 2.8% to 10.6% (31 December 2024: 2.8% to 10.6%) per annum and exposed the Group to cash flow interest rate risk. The remaining borrowings are arranged at fixed rate, the effective interest rate ranged from 4.2% to 24.0% (31 December 2024: from 4.2% to 24.0%) per annum as at 30 June 2025, and exposed the Group to fair value interest rate risk.

As disclosed in Note 2(b), the Group breached certain covenants relating to bank and other borrowings of RMB161,462,000, and these borrowings became repayable on demand as at 30 June 2025. As a result, these bank and other borrowings were classified as current liabilities as at 30 June 2025. Further, bank and other borrowings of RMB6,024,164,000 were defaulted as at 30 June 2025 (31 December 2024: RMB4,845,997,000).

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

14 Corporate bond

On 30 July 2019, the Group issued corporate bond to the public with aggregate nominal value of RMB880,000,000 at 98.7% of the principal amount, which carry fixed interest of 7.8% per annum (interest payable annually in arrears) with extended maturity date due on 31 January 2025. Subject to approval of the bondholders, the corporate bonds' maturity can be extended to 30 July 2025.

In July 2025, the Group reached another agreement with the bondholders to extend the repayment date to 31 January 2026. Subject to approval of the bondholders, the corporate bonds' maturity can be extended to 30 July 2026.

15 Senior notes

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Carrying amount at the beginning of the period/year	13,499,634	11,968,852
Accrued interest included in other payables	725,415	1,346,832
Exchange loss	(56,899)	179,464
Other finance costs	–	4,486
Carrying amount at the end of the period/year	14,168,150	13,499,634
Less: current portion of senior notes	(14,168,150)	(13,499,634)
Amount due after one year	–	–

16 Share capital

	Number of shares '000	Amount USD'000	Equivalent to RMB'000
Ordinary shares of USD0.01 each			
Authorised:			
At 31 December 2024 and 30 June 2025	8,000,000	80,000	524,014
Issued and fully paid:			
At 31 December 2024 and 30 June 2025	2,794,994	27,941	175,693

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

17 Disposal of subsidiaries

During the period ended 30 June 2025, the Group entered into a number of share transfer agreements with various third parties to dispose certain subsidiaries of no consideration. After these transactions, these entities were no longer subsidiaries of the Group.

The carrying amount of the assets and liabilities on the dates of disposal in aggregation were as follows:

	Total RMB'000
Property and equipment	10
Completed properties held for sale	244,272
Trade and other receivables deposits and prepayments	33,304
Bank balances and cash	2,839
Deferred tax assets, net of deferred liabilities	5,019
Trade and other payables, deposits received and accrued charges	(13,636)
Contract liabilities	(161,552)
Bank and other borrowings	(8,995)
Taxation payable	(16,259)
Less: non-controlling interests	41,247
Net assets attributable to the Group	43,755
Total consideration	—
Net loss on disposal of subsidiaries (Note 4)	(43,755)

An analysis of the cash flows of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	Total RMB'000
Cash consideration	—
Less: Cash and cash equivalents disposed of	(2,839)
Net cash outflow of cash and cash equivalents in respect of the disposal of subsidiaries	(2,839)

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

18 Pledge of assets

The following assets were pledged to secure certain banking and other facilities granted to the Group and mortgage loans granted to buyers of sold properties at the end of the reporting period:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Investment properties	657,761	657,761
Properties under development for sale	9,175,122	9,024,237
Completed properties held for sale	838,947	1,083,697
Property, plant and equipment	52,212	52,212
Equity interests in joint ventures	1,166,461	1,150,127
Restricted cash	8,500	8,500
Guarantee deposits for housing provident fund loans provided to customers	4,547	4,547
	11,903,550	11,981,081

In addition to the above, the group entities' equity interests in certain subsidiaries of an aggregate amount of RMB1,781,626,000 (31 December 2024: RMB1,821,176,000) were also pledged to secure certain banking and other facilities granted to the Group.

19 Capital and other commitments

At the end of the reporting period, the Group had the following commitments:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Contracted but not provided for in the consolidated financial statements:		
Expenditure in respect of properties under development	6,923,851	7,123,414

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

20 Contingent liabilities

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the date of grant of the relevant mortgage loans and ends when the buyer obtained the individual property ownership certificate. In the opinion of the Directors, the fair value of guarantee contracts is insignificant at initial recognition. Also, no provision for the guarantee contracts at the end of the reporting period is recognised as the default risk is considered low.

The amounts of the outstanding guarantees at the end of the reporting period are as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Mortgage guarantees	15,059,103	15,113,507

Additionally, a subsidiary of the Company has issued joint guarantee in respect of banking facility made by a bank to a joint venture. In December 2021, due to the delay of a construction project, the facility became overdue and the bank filed a claim against the joint venture and guarantors which include the subsidiary of the Company. Directors do not consider it is probable that a claim will be made against the Group under the guarantee as the joint venture has sufficient assets to settle the amount. The maximum liability of the Group at the end of the reporting period under the guarantees issued is the outstanding amount of the banking facility utilised by the joint venture of RMB974,891,000 (2024: RMB996,082,000).

The Group has not recognised any deferred income in respect of the guarantee as its fair value cannot be reliably measured using observable market data and its transaction price was RMB nil.

As at 30 June 2025, the Group was the defendant in various on-going litigation and arbitration cases primarily initiated by its creditors, in most of the cases the creditors demanded immediate repayment of the amounts owed to them, together with an interest and/or a penalty as compensation. Management assessed the likelihood of the outcome and estimated the probable compensation the Group is liable to for each of these cases, taking into account of all available facts and circumstances and relevant legal advice. Based on the result of those assessments, Management accrued compensation amounted to RMB764,252,000 as provision for claims and litigations charges in the consolidated financial statements as at 30 June 2025 (31 December 2024: RMB795,384,000).

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

21 Share-based payment transactions

On 7 July 2020, the Company granted an aggregate of 47,800,000 options to three directors and twenty-six employees to subscribe for an aggregate of 47,800,000 shares in the Company, representing approximately 1.7% of the shares issued by the Company as at the date of grant.

The details of the options granted are as follows:

	Number of options*	Vesting period	Contractual life of options
Share options granted to directors			
On 7 July 2020	9,800,000	25% from the date of grant to 7 July 2021 25% from the date of grant to 7 July 2022 25% from the date of grant to 7 July 2023 25% from the date of grant to 7 July 2024	5 years 5 years 5 years 5 years
Share options granted to employees			
On 7 July 2020	38,000,000	25% from the date of grant to 7 July 2021 25% from the date of grant to 7 July 2022 25% from the date of grant to 7 July 2023 25% from the date of grant to 7 July 2024	5 years 5 years 5 years 5 years
Total share options	47,800,000		
Exercisable at 31 December 2024	4,675,000		
Exercisable at 30 June 2025	4,050,000		

The exercise of the share options by the eligible employees is conditional upon the fulfilment of certain financial indicators as set out by the Company.

No share options were exercised during the six months ended 30 June 2025.

The Group recognised total expense of RMBNil and a reversal of RMB1,933,000 during the six months ended 30 June 2025 and 2024, respectively, in relation to share options granted by the Company.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

22 Related party balances and transactions

(a) Balances with related parties

(i) Amounts due from related parties

The amounts due from related parties at the end of the reporting period are as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Amounts due from a company controlled by Mr. Zhang Lei, executive director of the Company	12,790	12,490
Amounts due from a company controlled by Mr. Zhang Peng, executive director of the Company	16,713	16,713
Amounts due from associates	6,131	6,149
Amounts due from joint ventures and their subsidiaries	25,629	5,605
 Total non-trade balances (note i)	 61,263	 40,957
 Amounts due from companies controlled by Mr. Zhang Lei	 18,881	 23,289
Amounts due from companies controlled by Mr. Zhang Peng	27,541	28,164
Amounts due from joint ventures and their subsidiaries	533,652	553,539
 Total trade balances (note ii)	 580,074	 604,992
 Amounts due from related parties	 641,337	 645,949
 Loans to joint ventures	 1,199,360	 1,203,324

Notes:

- (i) Balances at 30 June 2025 and 31 December 2024 are of non-trade nature, unsecured, interest free and repayable on demand.
- (ii) Trade receivables from related parties at 30 June 2025 and 31 December 2024 are unsecured, interest free and repayable on demand. The following is an ageing analysis of amounts due from related parties of trade nature based on invoice date which approximated the revenue recognition date, at the end of each reporting period:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Less than 1 year	547	1,057
1-2 years	579,527	603,935
 580,074	 604,992	

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

22 Related party balances and transactions (Continued)

(a) Balances with related parties (Continued)

(ii) Amounts due to related parties

The amounts due to related parties at the end of the reporting period are as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Amounts due to companies controlled by Mr. Zhang Lei	1,043	1,043
Amounts due to companies controlled by Mr. Zhang Peng	1,357	1,357
Amounts due to associates	20,357	94
Amounts due to joint ventures and their subsidiaries	1,802,461	1,783,850
 Total non-trade balances (note i)	 1,825,218	 1,786,344
 Amounts due to companies controlled by Mr. Zhang Lei	 95,345	 114,661
Amounts due to companies controlled by Mr. Zhang Peng	22,390	25,652
Amounts due to joint ventures and their subsidiaries	164	164
 Total trade balance (note ii)	 117,899	 140,477
 Amounts due to related parties	 1,943,117	 1,926,821

Notes:

- (i) Balances at 30 June 2025 and 31 December 2024 are of non-trade nature, unsecured, interest free and repayable on demand.
- (ii) Trade payables to related parties are unsecured, interest free and repayable on demand. The following is an ageing analysis of amounts due to related parties of trade nature based on invoice date at the end of each reporting period:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Less than 1 year	403	390
1–2 years	117,496	140,087
 117,899	 117,899	 140,477

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2025

22 Related party balances and transactions (Continued)

(b) Transactions with related parties

Nature of related party	Nature of transaction	For the six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Companies controlled by Mr. Zhang Lei	Property management and other services expense	213	1,995
Companies controlled by Mr. Zhang Peng	Elevator service expense	165	470

(c) Transactions with key management

	For the six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Key management compensation		
Basic salaries and allowance	1,058	1,520
Retirement benefit contribution	100	100
	1,158	1,620

23 Event after the end of the reporting period

In July 2025, the Group reached an agreement with corporate bondholders of corporate bond with carrying amount of RMB898,030,000 as at 30 June 2025. Pursuant to the agreement, the maturity date of the corporate bond was extended to 31 January 2026. Subject to approval of corporate bondholders every three months, the corporate bond maturity can be extended up to 30 July 2026 as disclosed in Note 14.