



中國海外宏洋集團有限公司
CHINA OVERSEAS GRAND OCEANS GROUP LTD.

Stock Code 股份代號: 00081

凝心聚力 穩健前行

Together We Advance



2025 INTERIM REPORT 二零二五中期報告

目錄

Contents

2 董事局及委員會	67 BOARD OF DIRECTORS AND COMMITTEES
3 公司及股東資料	68 CORPORATE AND SHAREHOLDERS' INFORMATION
5 主席報告書	70 CHAIRMAN'S STATEMENT
13 管理層討論及分析	78 MANAGEMENT DISCUSSION AND ANALYSIS
28 簡明綜合收益表	94 CONDENSED CONSOLIDATED INCOME STATEMENT
29 簡明綜合全面收益表	95 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
30 簡明綜合財務狀況表	96 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
32 簡明綜合權益變動表	98 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
33 簡明綜合現金流量表	99 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
34 簡明財務報告附註	100 NOTES TO THE CONDENSED FINANCIAL STATEMENTS
60 其他資料	126 OTHER INFORMATION

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THE PHOTO OF COVER: JIANGSU YANGZHOU THE PARAGON

Board of Directors and Committees

EXECUTIVE DIRECTORS

Zhuang Yong (*Chairman*)

Yang Lin (*Chief Executive Officer*)

Zhou Hancheng (*Vice President,
Chief Compliance Officer
and General Counsel*)

NON-EXECUTIVE DIRECTORS

Yung Kwok Kee, Billy (*Vice Chairman*)

Liu Ping

INDEPENDENT

NON-EXECUTIVE DIRECTORS

Chung Shui Ming, Timpson

Lam Kin Fung, Jeffrey

Fan Chun Wah, Andrew

AUTHORISED REPRESENTATIVES

Zhuang Yong

Yang Lin

AUDIT COMMITTEE

Chung Shui Ming, Timpson (*Chairman*)

Lam Kin Fung, Jeffrey

Fan Chun Wah, Andrew

REMUNERATION COMMITTEE

Lam Kin Fung, Jeffrey (*Chairman*)

Yung Kwok Kee, Billy

Chung Shui Ming, Timpson

Fan Chun Wah, Andrew

NOMINATION COMMITTEE

Fan Chun Wah, Andrew (*Chairman*)

Chung Shui Ming, Timpson

Lam Kin Fung, Jeffrey

Zhuang Yong

Liu Ping ^(Note)

Note: Appointed with effect from 27 June 2025

Corporate and Shareholders' Information

CORPORATE INFORMATION

Registered Office

Suites 701–702, 7/F., Three Pacific Place
1 Queen's Road East, Hong Kong
Telephone : (852) 2988 0600
Facsimile : (852) 2988 0606
Website : www.cogogl.com.hk

COMPANY SECRETARY

Anita Wong

SHARE REGISTRAR

Tricor Investor Services Limited
17/F., Far East Finance Centre
16 Harcourt Road, Hong Kong
Telephone : (852) 2980 1333
Facsimile : (852) 2810 8185
E-mail : is-enquiries@vistra.com

AUDITOR

PricewaterhouseCoopers
*Certified Public Accountants and
Registered Public Interest Entity Auditor*

PRINCIPAL BANKERS

(In Alphabetical Order)

Agriculture Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of China Limited
Bank of Communications Co., Ltd.
Bank of Communications Co., Ltd.,
Hong Kong Branch
Bank of Shanghai Co., Ltd.
China CITIC Bank Corporation Limited
China Construction Bank (Asia)
Corporation Limited
China Construction Bank Corporation
China Merchants Bank Co., Ltd.
China Minsheng Banking Corp., Ltd.
Chong Hing Bank Limited
CMB Wing Lung Bank Limited
DBS Bank Ltd., Hong Kong Branch
The Hongkong and Shanghai Banking
Corporation Limited
Industrial and Commercial Bank of China
(Asia) Limited
Industrial and Commercial Bank of China
Limited
Industrial Bank Co., Ltd.
Nanyang Commercial Bank, Limited
Postal Savings Bank of China Co., Ltd.
Shanghai Pudong Development Bank
Limited

Corporate and Shareholders' Information

SHAREHOLDERS' INFORMATION

Share Listing

Shares of China Overseas Grand Oceans Group Limited (the "Company") are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Ordinary Shares (as at 30 June 2025)

Shares outstanding 3,559,374,732 shares

INVESTOR RELATIONS

Telephone : (852) 2988 0600
Facsimile : (852) 2988 0606
E-mail : cogo.ir@cohl.com

MEDIA ENQUIRY

Telephone : (852) 2988 0600
Facsimile : (852) 2988 0606
E-mail : cogo.pr@cohl.com

STOCK CODE

Shares

Stock Exchange : 00081
Bloomberg : 81:HK
Reuters : 0081.HK

FINANCIAL CALENDAR

2025 interim results announcement	25 August 2025
Ex-dividend date	18 September 2025
Latest time to lodge transfer documents for registration with the Company's share registrar	At 4:30 p.m. on 19 September 2025
Book closure period and record date for interim dividend	22 September 2025
Payment date of interim dividend	17 October 2025

Chairman's Statement

INTRODUCTION

I am pleased to present the unaudited interim results review and outlook of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2025 (the “first half of 2025” or the “Period Under Review”).

In first half of 2025, the Group achieved a revenue of RMB14,543 million, a decrease of 33.4% as compared to the corresponding period last year. Profit attributable to owners of the Company amounted to RMB284 million, a decrease of 67.9% as compared to the corresponding period last year. Basic earnings per share was RMB8.0 cents.

After a prudent review on the overall result performance and working capital requirements for the future operations of its business, the board of directors of the Company (the “Board”) gratefully declared an interim dividend of HK1 cent per share for the six months ended 30 June 2025.

MARKET REVIEW

In the first half of 2025, China’s economy showed resilience and stability amid a complex global environment and internal challenges. Despite external uncertainties, government counter-cyclical policies helped stabilize domestic demand, surpass export expectations, and boost industrial production. The economy maintained a steady growth with GDP expanding by 5.3% in the first half of the year.

During the Period Under Review, China’s real estate market showed further signs of stabilization. Property sales remained steady, with new home sales volume and value holding firm. Prices of new residential properties experienced narrower declines, and inventory levels have decreased for three consecutive months. Supply-side adjustments have kept land transactions low in 2025, with efforts to boost land reserves expected to reduce industry inventory by over 350 million square meters (“sq.m.”). Supply-demand dynamics are gradually improving. According to CRIC data, residential property sales in the top 100 cities totalled RMB2.04 trillion in the first half of 2025, down 2.1% as compared to the corresponding period last year, with sales areas at 95 million sq.m., a 6.1% decline as compared to the corresponding period last year. The trend toward stabilization remained firm.

Chairman's Statement

MARKET REVIEW *(continued)*

Amid a rapidly shifting global landscape and persistent industry uncertainties, the Group maintained steady progress toward stabilization and recovery. Adapting to the evolving real estate sector, we balanced stability with growth while responding swiftly to market changes. Staying true to our “Balanced and Refined” strategy, we sharpened our professionalism, strengthened core operations, and advanced innovation and sustainability initiatives. By tackling challenges and seizing new opportunities, we laid the foundation for sustainable growth.

BUSINESS REVIEW

In the first half of 2025, the real estate market continued to recover, stabilizing after earlier declines. New home supply and demand fell year-on-year but grew quarter-on-quarter. Supply constraints persisted, while transaction volumes remained largely flat compared to the same period last year. Market activity stayed strong, supported by high-quality project launches. While secondary-market sales rose year-on-year driven by price cuts, growth moderated as school-district demand waned and premium new homes attracted upgraders.

The Group bolstered frontline operations with refined management practices, driving steady growth while prioritizing stability. During the Period Under Review, the Group together with its associates and joint ventures (collectively the “Group Series of Companies”) achieved contracted property sales of RMB16,610 million, representing a decrease of 12.7% as compared to the corresponding period last year. The contracted sales area was 1,472,400 sq.m., representing a decrease of 11.1% as compared to the corresponding period last year. Contracted property sales attributable to the Group for the Period Under Review amounted to RMB14,246 million, representing a decrease of 8.9% as compared to the corresponding period last year, ranking 20th in the industry in accordance to CRIC data. The Group continued to reduce inventory, achieving average residential property selling price of approximately RMB12,200 per sq.m., representing a year-on-year decrease of 2.1%. As at the end of the Period Under Review, the balance of preliminary sales pending the completion of sales and purchase agreements was RMB207 million for an aggregated contracted area of 19,200 sq.m..

Chairman's Statement

BUSINESS REVIEW *(continued)*

During the Period Under Review, the Group streamlined project operations, boosted execution efficiency, and accelerated pre-sale launches for new projects. 8 projects achieved pre-sale launches in an average of 102 days, 42 days faster than the 2024 average. The improved efficiency also accelerated project deliveries.

During the Period Under Review, the Group's commercial property operations grew steadily, with key projects advancing swiftly. Revenue reached RMB235 million, up 11.3% year-on-year, while leased area across the Group Series of Companies expanded 2.9% to 480,000 sq.m.. Office projects excelled, with occupancy rates surpassing 90% at Beijing China Overseas International Centre, Hefei Central Park, and Lanzhou China Overseas Plaza. Retail and hospitality operations also thrived. Over the Labour Day holidays, Shantou Golden Coast's revenue surged 182% year-on-year, with its water park drawing over 80,000 visitors, a 120% increase. Huizhou Tangquan Hotel earned the "2024-2025 China Tourism Accommodation Industry Gold Light Award". Preparations for major projects, including Huizhou Hilton Hotel, Weifang Uni World, Jilin Uni Mall, and Zunyi Uni Mall, progressed on track.

The Group upheld its "Balanced and Refined" strategy, targeting key mid-tier cities. The Group solidified its foothold in high-potential markets, capturing leading market shares. Sales ranked among the top three in 19 cities, with the Group topping the market in 8, including Lanzhou, Ganzhou, Yinchuan, Hohhot, Taizhou, and Tangshan.

The Group remained committed to its "3P" investing strategy, which targeted the most "Prominent" cities and their "Prime" neighborhoods while focusing on "Popular" property types. Leveraging the "China Overseas Properties" platform and brand strength, it proactively secured projects through disciplined market analysis, ensuring profit delivery and fast cash turnover. This approach supported consistent replenishment of our land bank reserves with well-positioned plots primed for future growth. The Group tailored its strategy to industry trends and the dynamics of mid-tier cities. It capitalized on its strengths: sharp customer insights, streamlined product lines, and state-owned enterprise branding, to seize high-potential investment opportunities in each market. In cities with strong fundamentals and favourable industry conditions, the Group expanded its footprint and boosted market share. In the first half of 2025, the Group Series of Companies acquired eleven projects through public auctions, adding total gross floor area of 1,328,300 sq.m., with total land cost amounting to RMB6,187 million; and attributable gross floor area of 1,195,700 sq.m., with attributable land cost amounting to RMB5,356 million.

Chairman's Statement

BUSINESS REVIEW *(continued)*

As of 30 June 2025, the gross floor area of the total land bank of the Group Series of Companies was 13,541,900 sq.m., of which 11,459,500 sq.m. were attributable to the Group.

Embracing a long-term approach, the Group advanced its “Low Cost, High Quality, Fast Delivery” model through standardized product development, driving measurable gains at projects like Nantong Center Mansion II and Hohhot Private Mansion. The system not only delivered a full range of unit types but also adapted to local conditions, implementing customized standards aligned with regional pricing power and demand shifts.

The Group's strong record of delivery reinforces customer confidence in its industry-leading execution capabilities. During the first half of 2025, the Group had successfully delivered approximately 9,200 new homes. Customer satisfaction rating was 96%, top among industry peers. Our proven track record for ensuring high-quality delivery of new homes is highly recognized and makes us a top brand in the sector.

Amid the headwind in the real estate sector, the Group strengthened its operating cash flow management, and our strong financial position stood the Group in good stead. The Group Series of Companies recorded receipts from sales totalling RMB16,947 million for the period, with operational cash flow keeping positive for three consecutive years. Cash reserves totalled RMB28,526 million. The net gearing ratio was 33.5% as at the period ended. None of the “Three Red Lines” was breached. The weighted average financing cost remained at an industry low of 3.5% (the corresponding period in 2024: 4.3%). The proportion of total interest-bearing debt denominated in Hong Kong Dollar (“HKD”) and United States Dollar (“USD”) was adjusted downward from 19.0% as at the end of last year to 14.2%. This prudent capital structure adjustment helped continually enhance the Group's resilience amid macroeconomic fluctuations by lowering foreign exchange rate exposure.

Chairman's Statement

BUSINESS REVIEW *(continued)*

The Group embedded sustainability principles into its core operations, aligning ESG priorities with its business strategy. It adopted green building standards, urban renewal practices, low-carbon materials, renewable energy solutions, and energy monitoring systems across its operations and project management. Leveraging its exceptional ESG performance, the Group achieved an AA rating in the Wind ESG assessment for the third consecutive year, with its score rising to 9 and ranking among the top three in the real estate sector. Furthermore, its “He Shan Da Guan” project was selected as a model case for the 2024-2025 National Green and Low-Carbon “Good Housing” initiative, marking another milestone in the Group’s green building practices. Green financing efforts progressed steadily, with sustainability-linked offshore RMB loans reaching RMB5,228 million in Hong Kong.

COGO Low Carbon Building Technology Co., Ltd.*, the Company’s subsidiary, expanded its ESG and related businesses, driving green development through market-oriented approaches. It advanced carbon footprint assessments for the building materials sector and provided low-carbon integrated services for Shenzhen Qianhai’s Shen-Gang Zhihui Fenghua Industrial Zero-Carbon Park. This project was a key initiative in building a collaborative, technology-driven green industry ecosystem in the Guangdong-Hong Kong-Macao Greater Bay Area.

The Group leveraged technology to drive innovation and deliver high-quality housing. It integrated green, low-carbon, and smart technologies across new projects, including distributed energy systems, smart construction sites, smart homes, and smart communities, while advancing digital business operations.

* English translation is for identification only

Chairman's Statement

PROSPECTS

Looking forward to the second half of 2025, the Group anticipated stronger policies to stabilize the property market, particularly through urban renewal and land acquisition initiatives, which alleviated inventory pressures and accelerated a new supply-demand balance. The Group strategically assessed market and project conditions in its target cities, reinforcing its “Balanced and Refined” strategy, focusing on key mid-tier cities. Here, “Balanced” denoted a moderate scale, while “Refined” emphasized high-quality housing and strong financial returns. The Group prioritized professional operations, safety, and high-turnover efficiency in its core business.

Despite headwinds in the real estate sector, the Group sees great potential in mid-tier cities where it has a strong presence. These cities offer significant growth opportunities due to China’s ongoing urbanization. Some economically robust mid-tier cities experience positive population growth, benefiting the Group’s major markets. The reduced competition among real estate companies in these cities provides the Group with a competitive advantage, leveraging its strengths in resource integration and localized brand building. The influence of the “China Overseas Properties” brand, established product systems, supply chain cost efficiencies, and a dedicated professional team will further bolster the Group’s core competitiveness.

As the real estate market moves into its latter stages, companies face a test of resilience and a showcase of their overall strength. The Group focuses on refining current projects and boosting new ones. For existing projects, it fine-tunes operations and carefully balances pricing and volume. For new projects, it targets high-potential opportunities, invests precisely, and aims for strong returns.

Chairman's Statement

PROSPECTS *(continued)*

In a dynamic market environment, adapting to shifting customer demands and providing exceptional offerings becomes paramount. Our steadfast dedication to personalized service and premium products guarantees enduring customer satisfaction, reinforcing our brand reputation and maximizing the influence of “China Overseas Properties” for sustainable business growth.

The Group upholds a disciplined financial strategy, prioritizing cash flow management, cost control, and risk mitigation to maintain robust financial flexibility. With healthy operating cash flows and a solid balance sheet, the Group regularly assesses its debt structure and financing expenses to uphold sufficient cash reserves. Meeting all “Three Red Lines” requirements, the Company emphasizes financial efficiency while monitoring external factors such as political and economic shifts, interest rates, and currency fluctuations for their potential impacts on financial performance and operations.

The Group tackles volatile markets by balancing operational efficiency with employee welfare. It accelerates digital transformation through infrastructure upgrades and workforce upskilling to stay competitive. As the property sector adjusts, the Group prioritizes cost-effective talent management, retaining key technical and managerial staff while streamlining operations and cutting redundancies. This disciplined strategy optimizes labour costs while preserving core strengths.

Employees are the Group’s greatest asset, and hiring and developing talent is key to its success. To value their efforts, the Group offers strong human resources systems, a safe workplace, and robust training programs, sharing growth with its team. With a people-first approach, it recruits top talent, promotes based on merit, and supports career paths that match individual strengths. The Group blends personal and company goals, building solid human resources structures and talent pipelines. Through clear policies and a positive culture, it creates a simple, open, and uplifting work environment.

Looking forward, China’s economy is set for stable growth, driven by supportive policies, stronger consumer spending, and increased investment. The property market continues to stabilize, with buyer confidence steadily improving. With strong financial resources, the Group targets high-potential opportunities, meeting varied demand across cities and buyer groups. It focuses on innovative, upgraded products, balancing bold moves with careful strategies to navigate market challenges.

Chairman's Statement

APPRECIATION

I would like to express my gratitude to all directors, the management team and our employees for their efforts and dedication, as well as to our stakeholders, customers, partners and the community for their continued trust and support to the Group. We will live up to the expectations and create greater shareholder value for all.

Zhuang Yong

Chairman and Executive Director

Hong Kong, 25 August 2025

Management Discussion and Analysis

BUSINESS REVIEW

REVENUE AND OPERATING RESULTS

With the support from the launch of the package of policies in respect of “Promoting Stabilization in the Chinese Real Estate Market” in September last year, the real estate market of Mainland China continued its recovery trend in the first quarter of 2025 and achieved certain degree of market stabilization. Thanks to continued government support, new home market sales have been generally stable and the land market improved. Since the second quarter, the overall real estate market slowed down, and there has been a clear differentiation among various tiers of cities. In June, policymakers reaffirmed their focus on “Stabilizing Expectations, Stimulating Demand, Optimizing Supply, and Resolving Risks”, which released a positive signal and injected confidence into the market.

Leveraging a consistently solid financial foundation, the Group has been committed to providing high quality properties to customers. Our products resonate strongly in second-tier and third-tier cities. During the period, the Group’s market share continued to expand in key cities where it operates.

For the six months ended 30 June 2025, the Group Series of Companies achieved contracted property sales of RMB16,610 million (the corresponding period in 2024: RMB19,017 million), representing a decrease of 12.7% against the corresponding period last year, in which, an amount of RMB973 million (the corresponding period in 2024: RMB1,693 million) was contributed by associates and joint ventures for the period. Contracted property sales attributable to the Group amounted to RMB14,246 million for the period (the corresponding period in 2024: RMB15,630 million), representing a decrease of 8.9% against the corresponding period last year, where the Group’s overall sales performance had outperformed the major market participants.

For the six months ended 30 June 2025, the Group recorded revenue of RMB14,543 million (the corresponding period in 2024: RMB21,852 million), representing a decrease of 33.4% against the corresponding period last year. Mainly affected by ongoing consolidation of the overall real estate market in Mainland China, gross profit for the period was RMB1,348 million (the corresponding period in 2024: RMB2,108 million), representing a decrease of 36.1% against the corresponding period last year. The overall gross profit margin for the period narrowed to approximately 9.3% (the corresponding period in 2024: 9.6%).

Management Discussion and Analysis

BUSINESS REVIEW *(continued)*

REVENUE AND OPERATING RESULTS *(continued)*

In terms of expenses, the Group continued to maintain stringent cost control throughout the period. Distribution and selling expenses for the period decreased by RMB33 million against the corresponding period last year to RMB569 million (the corresponding period in 2024: RMB602 million) and the ratio of distribution and selling expenses to the Group's contracted property sales maintained at less than 4% for both the current period and corresponding period last year. In addition, administrative expenses for the period decreased by RMB117 million against the corresponding period last year to RMB290 million (the corresponding period in 2024: RMB407 million) and the ratio of the administrative expenses to revenue maintained at less than 2% for both the current period and corresponding period last year.

Mainly affected by the above-mentioned continued consolidation of the real estate market, operating profit for the period amounted to RMB622 million (the corresponding period in 2024: RMB1,319 million), representing a decrease of 52.9% against the corresponding period last year.

The total interest expense for the period significantly decreased by RMB212 million against the corresponding period last year to RMB710 million (the corresponding period in 2024: RMB922 million), which was mainly due to the effective cost control measures on interest expenses adopted by the Group during the period. Finance costs, after capitalization of RMB691 million (the corresponding period in 2024: RMB898 million) to the on-going property development projects, was RMB19 million (the corresponding period in 2024: RMB24 million) for the period.

Share of losses of associates for the period amounted to RMB18 million (the corresponding period in 2024: profits of RMB45 million), while the share of losses of joint ventures for the period amounted to RMB36 million (the corresponding period in 2024: profits of RMB18 million). During the period, property sales of real estate development projects of associates and joint ventures were also affected by the ongoing market consolidation.

Income tax expense comprised enterprise income tax and land appreciation tax ("LAT"). Income tax expense for the period decreased by RMB328 million to RMB167 million (the corresponding period in 2024: RMB495 million) as compared with the corresponding period last year, mainly due to the decrease in operating profit for the period and the adjustments upon the settlements of LAT for certain projects. The effective tax rate for the period was 30.4% (the corresponding period in 2024: 36.5%).

Management Discussion and Analysis

BUSINESS REVIEW *(continued)*

REVENUE AND OPERATING RESULTS *(continued)*

Overall, for the six months ended 30 June 2025, profit attributable to owners of the Company amounted to RMB284 million (the corresponding period in 2024: RMB885 million), representing a decrease of 67.9% against corresponding period last year. Basic earnings per share were RMB8.0 cents (the corresponding period in 2024: RMB24.9 cents).

LAND BANK

The management believes that a sizable and high-quality land bank can ensure the sustainable growth of the Group's business and is also one of the most important assets to a property developer. In order to navigate the challenging market conditions, the Group further enhances its customer and investment research capabilities and actively seizes structural opportunities in the market. The Group proactively acquires high-quality land parcels at reasonable prices to continuously acquire land parcels and improve the quality of its land bank.

During the six months ended 30 June 2025, the Group Series of Companies acquired eleven projects at an aggregate consideration of RMB6,187 million in seven key cities where it operates, including Hefei, Hohhot, Lanzhou, etc., whereby gross floor area of approximately 1,328,300 sq.m., of which approximately 1,195,700 sq.m. was attributable to the Group (including the interests in associates and joint ventures). In response to the structural opportunities in the market, land investments have been significantly strengthened compared with the corresponding period last year in order to support future business development of the Group.

Management Discussion and Analysis

LAND BANK *(continued)*

The table below shows the details of land parcels acquired during the six months ended 30 June 2025:

No.	City	Name of project	Attributable Interest	Total GFA (sq.m.)
1	Nantong	Chongchuan District Project (Center Mansion II)	100%	89,200
2	Hohhot	Xincheng District Project #1 (Private Mansion)	100%	97,300
3	Hohhot	Xincheng District Project #2 (Private Mansion)	100%	114,500
4	Hefei	Baohe District Project #1 (Central Manor III)	100%	113,900
5	Yangzhou	Hanjiang District Project (The Paragon Yard)	100%	22,900
6	Shaoxing	Yuecheng District Project (Lake Mansion)	100%	67,200
7	Nanning	Xingning District Project (Infinity Vision)	100%	156,800
8	Hefei	Yaohai District Project (Inner Mansion)	100%	87,000
9	Lanzhou	Chengguan District Project (Center Mansion)	100%	319,600
10	Hefei	Baohe District Project #2	39%	42,900
11	Hefei	Baohe District Project #3	51%	217,000
Total				1,328,300

As at 30 June 2025, the gross floor area of total land bank of the Group Series of Companies in Mainland China reached 13,541,900 sq.m. (31 December 2024: 13,778,100 sq.m.), of which 882,400 sq.m. (31 December 2024: 969,400 sq.m.) was held by associates and joint ventures collectively. The gross floor area of land bank attributable to the Group (including the interests in associates and joint ventures) was 11,459,500 sq.m. (31 December 2024: 11,590,700 sq.m.). As at 30 June 2025, the Group Series of Companies held a land bank distributed across 33 cities.

Management Discussion and Analysis

SEGMENT INFORMATION*

PROPERTY DEVELOPMENT

The Group remains focused on large scale second- and third-tier cities in Mainland China whereby it has a deep understanding of the varying demands for affordable and upgraded housing in different cities and provides suitable products based on the market conditions and target customer base in each city. The Group's standardization center and construction research center continue to focus on product development, integrating product implementation system to provide customers with high quality housing products. The Group's product competitiveness and brand recognition are continuously improving in the cities where it operates.

For the six months ended 30 June 2025, contracted property sales of the Group Series of Companies amounted to RMB16,610 million (the corresponding period in 2024: RMB19,017 million), representing a decrease of 12.7% against the corresponding period last year. The contracted area sold was 1,472,400 sq.m. (the corresponding period in 2024: 1,656,200 sq.m.), representing a decrease of 11.1% against the corresponding period last year. Of the contracted property sales, RMB973 million for an aggregated contracted area of 99,200 sq.m. (the corresponding period in 2024: contracted property sales amounted to RMB1,693 million for an aggregated contracted area of 144,900 sq.m.) was contributed by associates and joint ventures. Besides, as at 30 June 2025, the balance of preliminary sales pending the completion of sales and purchase agreements was RMB207 million for an aggregated contracted area of 19,200 sq.m..

* The Group has restated segment information comparative figures to conform with the current period's presentation.

Management Discussion and Analysis

SEGMENT INFORMATION (continued)

PROPERTY DEVELOPMENT (continued)

Contracted property sales from major projects during the six months ended 30 June 2025:

City	Name of project	Contracted Area (sq.m.)	Amount (RMB Million)
Hefei	Central Manor II/Mount and Lake/Skyline/ Guan Shan Li	114,192	2,047
Lanzhou	Infinity Vision/Antara/China Overseas Platinum Garden	105,782	1,324
Ganzhou	Central Mansion/River View Mansion/ The One Future	109,079	1,267
Shantou	The Rivera North City/The Peninsula/Platinum Mansion/Guan Lan Fu/Golden Coast	94,289	980
Yinchuan	Unique Palace/Private Mansion/ Sea Advanced Collection/Genius Garden	83,625	924
Nantong	Center Mansion/Center Mansion II/ Hills Scenery	45,304	890
Xuzhou	Jewel Manor/Loong Mansion/ Lake City Mansion	43,650	685
Hohhot	Private Mansion/River View Mansion	51,957	631
Taizhou	Jinmao Palace*/Royal Mansion	46,245	571
Nanning	One Sino Residences/Lake Palace/ Harrow Community	36,004	540
Yangzhou	The Paragon Yard/The Paragon	33,621	474
Yancheng	Gorgeous Mansion/Origin of City/ Sanguinely Life^/Mansion One	44,858	423
Tangshan	Maple Palace/Zhen Ru Fu	24,180	422
Quanzhou	Private Mansion/Master Mansion	31,199	414
Changzhou	Jiang Nan Mansion/South Halcyon/ World Masterpiece	40,054	398
Weifang	Da Guan Tian Xia/The Riviera/Royal Villa	59,524	398
Zibo	Genius Garden/Jade Park^	50,503	344

Management Discussion and Analysis

SEGMENT INFORMATION *(continued)*

PROPERTY DEVELOPMENT *(continued)*

Contracted property sales from major projects during the six months ended 30 June 2025:
(continued)

City	Name of project	Contracted Area (sq.m.)	Amount (RMB Million)
Jilin	Metropolis Times/Glorioushire	53,428	302
Huai'an	Honor Mainstays/Central Mansion	23,770	271
Tianshui	The Platinum Pleased Mansion	25,994	263
Anqing	The Metropolis	36,714	251
Shaoxing	Marina One	7,981	205
Zhenjiang	Zhenru Mansion	18,702	192

* This project is held by a joint venture of the Group

^ These projects are held by the associates of the Group

During the period, gross floor area of approximately 1,570,400 sq.m. (the corresponding period in 2024: 3,224,500 sq.m.) of the Group's construction sites were completed for occupation and of which, about 75% (the corresponding period in 2024: 74%) were sold out by period end. The Group continued to focus on promoting sales in this changing market to place financial resilience at its core.

For the six months ended 30 June 2025, the recognized revenue of the Group for this segment was RMB14,308 million (the corresponding period in 2024: RMB21,641 million), representing a decrease of 33.9% against the corresponding period last year. The revenue for the current period was mainly from the sales of high-rise residential projects. Mainly affected by ongoing consolidation of the overall real estate market in Mainland China, the gross profit margin of this segment narrowed to approximately 8.6% (the corresponding period in 2024: 9.2%) when compared to corresponding period last year.

The Group jointly developed certain property development projects with reliable business partners under the business model of associates and joint ventures. The Group's share of net losses from the associates and joint ventures included in the segment result for the period amounted to RMB57 million (the corresponding period in 2024: net profits of RMB61 million). During the period, property sales of real estate development projects of associates and joint ventures were also affected by the ongoing market consolidation.

Management Discussion and Analysis

SEGMENT INFORMATION (continued)

PROPERTY DEVELOPMENT (continued)

Overall, mainly affected by the above-mentioned continued consolidation of the real estate market, the segment profit for the period was recorded at RMB449 million (the corresponding period in 2024: RMB1,238 million).

Recognized revenue from major projects during the six months ended 30 June 2025:

City	Name of project	Contracted Area (sq.m.)	Amount (RMB Million)
Hefei	Skyline/Mount and Lake	82,460	1,632
Nanning	One Sino Residences/Lake Palace	47,763	1,208
Tangshan	Zhen Ru Fu/Maple Palace/The Pogoda	54,020	1,014
Yinchuan	Sea Advanced Collection/International Community/Gorgeous Mansion	85,551	969
Shantou	The Peninsula/The Rivera North City/Platinum Mansion/Guan Lan Fu/Guan Yun Fu	87,480	926
Lanzhou	China Overseas Platinum Garden/La Cite/The Platinum Pleased Mansion	87,672	838
Hohhot	River View Mansion	72,253	791
Ganzhou	River View Mansion	83,228	758
Quanzhou	Private Mansion	59,725	707
Huai'an	Honor Mainstays	42,386	616
Xuzhou	Lake City Mansion/Future land	53,076	505
Anqing	The Metropolis	60,622	493
Changzhou	Jiang Nan Mansion/South Halcyon/World Masterpiece	25,231	342
Yancheng	Mansion One/Gorgeous Mansion	35,280	327
Nantong	Hills Scenery	19,513	320
Langfang	Platinum Garden	36,265	307
Shaoxing	Marina One	10,728	256
Jinhua	Central Mansion	8,810	236
Zhuzhou	Majestic Mansion/Elegance Mansion	33,702	225
Zhenjiang	Zhenru Mansion	16,062	167

Management Discussion and Analysis

SEGMENT INFORMATION *(continued)*

PROPERTY DEVELOPMENT *(continued)*

The following projects had commenced the construction work during the period:

City	Name of project	Commenced by
Ganzhou	Central Mansion	January
Xuzhou	Jewel Manor	February
Lanzhou	Infinity Vision	March
Nantong	Center Mansion II	March
Yinchuan	Private Mansion	March
Hohhot	Private Mansion	April
Lanzhou	Antara	April
Yancheng	Mansion One	April
Yangzhou	The Paragon Yard	April
Hefei	Central Manor III	May
Lanzhou	Paragon	May
Nanning	Infinity Vision	May

As at 30 June 2025, the gross floor area of properties under construction and stock of completed properties amounted to 7,487,100 sq.m. (31 December 2024: 8,004,100 sq.m.) and 3,052,600 sq.m. (31 December 2024: 3,114,500 sq.m.) respectively, totalling 10,539,700 sq.m. (31 December 2024: 11,118,600 sq.m.). Properties with gross floor area of 3,100,200 sq.m. (31 December 2024: 3,085,200 sq.m.) had been contracted for sales and were pending for handover upon completion.

Management Discussion and Analysis

SEGMENT INFORMATION *(continued)*

COMMERCIAL PROPERTY OPERATIONS

In respect of the commercial property operation business, the Group maintains a high-quality commercial property portfolio in 17 cities in Mainland China. This strategy generates stable recurring income for the Group.

As at 30 June 2025, the total leased area of commercial properties held by the Group Series of Companies was approximately 480,000 sq.m., including eight office buildings, thirteen shopping malls and commercial area, five hotels, and one long-term leased apartment, amounted to an aggregate carrying amount of RMB6,945 million.

For the six months ended 30 June 2025, the revenue of the Group for this segment amounted to RMB235 million (the corresponding period in 2024: RMB211 million), of which RMB151 million (the corresponding period in 2024: RMB137 million) arose from commercial property rental income and RMB84 million (the corresponding period in 2024: RMB74 million) arose from hotel and other commercial operations. The commercial property operation business remained on a stable growth in general.

In respect of the investment properties, no fair value adjustment was recognized for the period (the corresponding period in 2024: Nil).

The Group holds 65% of equity interest of a scientific research office building in Zhang Jiang High-tech Zone in Shanghai. The Group's share of profit from the joint venture, which holds the above research office building, was RMB3 million (the corresponding period in 2024: RMB3 million) and was included in the segment result for the period.

Overall, the segment profit for the period was RMB111 million (the corresponding period in 2024: RMB110 million), which was on par against the corresponding period last year.

Management Discussion and Analysis

FINANCIAL RESOURCES AND LIQUIDITY

The Group has consistently adopted prudent financial management approach and its financial condition remained healthy. The Company and its subsidiaries have gained multiple accesses to funds from both investors and financial institutions in Mainland China and international market to meet its requirements in working capital, refinancing and project development. During the period, onshore and offshore financing channels remained readily accessible, underscoring the Group's competitive strengths.

In addition, under the favourable corporate financing environment in Mainland China, the Group has been actively exploring and expanding new financing channels. During the period, the Group successfully issued additional tranches of onshore corporate bonds, totalling an aggregate amount of RMB1,500 million. Those tranches of bonds had maturities of three to five years with coupon rates of 2.4% to 2.7% per annum. Furthermore, the Group has additionally drawn down a total of RMB970 million of operating property loans through its commercial properties with a tenure of between 10 to 15 years during the period. The Group continued securing financings in the Mainland at lower interest rates, effectively controlling financing costs and maintaining the Group's cost of funds at the low end within the industry.

In respect of offshore financing, following the work from last year, the Group continued refinancing of HKD floating rate bank loans into RMB fixed rate bank loans with lower interest rates during the period according to market conditions. Furthermore, following the significant drop of Hong Kong Interbank Offered Rate ("HIBOR") since May this year, interests arising from the remaining HKD bank loans has also been lowered against the corresponding period last year. This further helped lower the Group's overall offshore financing costs during the period.

During the six months ended 30 June 2025, the Group secured new credit facilities of RMB8,151 million from leading financial institutions. After taking into account drawdowns of RMB8,100 million, repayment of loans of RMB7,249 million and decrease of RMB69 million due to translation of HKD loan during the period, total bank and other borrowings (excluding guaranteed notes and corporate bonds) increased by RMB782 million as compared to the end of last year to RMB31,702 million (31 December 2024: RMB30,920 million).

Management Discussion and Analysis

FINANCIAL RESOURCES AND LIQUIDITY *(continued)*

The total bank and other borrowings (excluding guaranteed notes and corporate bonds) included RMB loans of RMB29,491 million (31 December 2024: RMB27,146 million) and HKD loans of HK\$2,420 million (equivalent to RMB2,211 million) (31 December 2024: HK\$4,020 million <equivalent to RMB3,774 million>). About 93.0% and 7.0% (31 December 2024: 87.8% and 12.2%) of the Group's total bank and other borrowings (excluding guaranteed notes and corporate bonds) were denominated in RMB and HKD respectively.

As at 30 June 2025, bank and other borrowings amounted to RMB13,234 million (31 December 2024: RMB12,862 million) were charged at fixed interest rates ranging from 2.5% to 4.0% (31 December 2024: 2.8% to 4.9%) per annum, while the remaining bank and other borrowings of RMB18,468 million (31 December 2024: RMB18,058 million) were charged at floating interest rates ranging from 2.2% to 3.9% (31 December 2024: 2.5% to 6.3%) per annum. About 41.7% and 58.3% (31 December 2024: 41.6% and 58.4%) of the Group's total bank and other borrowings (excluding guaranteed notes and corporate bonds) were charged at fixed and floating interest rates respectively. About 22.4% (31 December 2024: 31.5%) of bank and other borrowings is repayable within one year.

As at 30 June 2025, guaranteed notes and corporate bonds amounted to RMB3,682 million (31 December 2024: RMB3,782 million) and RMB6,000 million (31 December 2024: RMB5,000 million), respectively, totalling RMB9,682 million (31 December 2024: RMB8,782 million).

As at 30 June 2025, the Group's total borrowings (including guaranteed notes and corporate bonds) amounted to RMB41,384 million (31 December 2024: RMB39,702 million), which increased by RMB1,682 million and of which about 85.8% and 14.2% (31 December 2024: 81.0% and 19.0%) were denominated in RMB and HKD/USD respectively. The increase in the ratio of total borrowings denominated in RMB against that as at last year end was mainly due to the continuing increase in the ratio of offshore bank borrowings denominated in RMB during the period. As at 30 June 2025, the average tenure of total borrowings of the Group was extended to 2.7 years (31 December 2024: 2.5 years).

Management Discussion and Analysis

FINANCIAL RESOURCES AND LIQUIDITY *(continued)*

For the six months ended 30 June 2025, in respect of total borrowing (including guaranteed notes and corporate bonds) of the Group, the weighted average borrowing cost during the period was 3.5% per annum, which decreased from 4.1% per annum for the year ended 31 December 2024. The decrease in overall borrowing cost of the Group was mainly attributable by the combined effect of the decrease in weighted average borrowing cost of onshore borrowings of the Group from 3.7% per annum during the prior year to 3.2% per annum during the current period due to the ongoing availability of onshore financing with lower interest rates; and the decrease in weighted average borrowing cost for offshore borrowings of the Group from 4.5% per annum during the prior year to 3.8% per annum during the current period due to the continuing increase in the ratio of offshore bank borrowings denominated in RMB with lower interest rates and the decrease in HIBOR during the period.

For the six months ended 30 June 2025, sales deposits collection from properties sales remained satisfactory. Receipts from sales of the Group Series of Companies reached RMB16,947 million for the period with the cash collection ratio exceeded 102%. The operating cash flow of the Group continued to record a net inflow of RMB1,173 million for the period. Cash and bank balances was RMB28,526 million (31 December 2024: RMB27,291 million) in total as at 30 June 2025, which increased by RMB1,235 million against that as at last year end. Cash and bank balances accounted for 22.3% of the Group's total assets as at 30 June 2025 (31 December 2024: 21.1%), which maintained at a very healthy level. Of which, 97.8% (31 December 2024: 99.6%) was denominated in RMB while the remaining were in HKD and USD.

As at 30 June 2025, net working capital of the Group amounted to RMB59,704 million (31 December 2024: RMB59,436 million), with a current ratio of 2.0 (31 December 2024: 2.0).

As at 30 June 2025, the net gearing ratio, expressed as a percentage of net debts (i.e. total borrowings, including guaranteed notes and corporate bonds, net of cash and bank balances) to total equity, was 33.5% (31 December 2024: 33.1%). The liabilities-to-assets ratio of the Group was 69.9% (31 December 2024: 70.9%), which continuously improved over the past few years. The management closely monitors the financial position of the Group to ensure healthy development of the operation scale and business.

Management Discussion and Analysis

FINANCIAL RESOURCES AND LIQUIDITY *(continued)*

Besides, according to the “Three Red Lines” real estate financial supervision policy in Mainland China, as at 30 June 2025, the liabilities-to-assets ratio (excluding receipts in advances) was 61.5% (31 December 2024: 63.0%), net gearing ratio was 33.5% (31 December 2024: 33.1%) and cash-to-short-term debt ratio was 1.5 times (31 December 2024: 1.7 times). Therefore, the Group did not breach any of the red lines and maintained its status as a “Green Category” enterprise, and the above-mentioned indicators continue to improve over the past few years at a healthy level.

Taking into account of the unutilized bank credit facilities available to the Group of RMB8,977 million (31 December 2024: RMB10,475 million), the Group’s total available funds (including cash and bank balances) reached RMB37,503 million as at 30 June 2025 (31 December 2024: RMB37,766 million).

In view of rapidly changing conditions in the real estate and capital markets as well as evolving government policies and regulations, effective liquidity risk management is essential to sustain the Group’s business growth. The Group continues to implement centralized financing and cash management policies, maintains healthy cash flow, and minimizes financial risks to ensure sound operations and a solid financial position. While the global environment remains complex, dynamic and volatile, and financial markets change rapidly, the Group maintains close communication with financial institutions and ensures ongoing compliance with financial covenants to maintain support from all stakeholders.

The Group regularly reassesses its operational and investment position, monitors financial market and explores opportunities to invest in property development projects in co-operation with reputable business partners through the business models of associates and joint ventures to improve its capital structure continuously.

Management Discussion and Analysis

FOREIGN EXCHANGE EXPOSURE

As the Group conducted its sales, receivables and payables, expenditures and part of the borrowings in RMB for its property development business in Mainland China, the management considered a natural hedge mechanism existed in that operation.

However, as at 30 June 2025, about 14.2% (31 December 2024: 19.0%) of the Group's total borrowings (including guaranteed notes and corporate bonds) were still denominated in HKD/USD. Hence, by taking into account of the debt financing structure, the Group is subject to foreign exchange risk from the volatility of HKD/USD against RMB exchange rate.

If HKD/USD appreciates/depreciates against RMB, it would record a(n) decrease/increase in the net assets value and financial results presented in RMB.

The Group has not entered into any derivative financial instruments either for hedging or speculative purpose during the period.

To manage foreign exchange risks, the Group is in the process of continuing to raise the proportion of RMB borrowing in its entire borrowings portfolio to the appropriate level according to market conditions.

COMMITMENTS AND GUARANTEE

As at 30 June 2025, the Group had commitments totalling RMB12,378 million (31 December 2024: RMB12,152 million) which mainly related to land premium, property development and construction works.

In addition, as at 30 June 2025, the Group issued guarantees to certain banks and government agencies for facilitating end-user mortgages in connection with its property sales in Mainland China as a usual commercial practice with an aggregate amount of RMB14,960 million (31 December 2024: RMB15,861 million) and to certain banks for the credit facilities granted to certain associates and joint ventures with an aggregate amount of RMB238 million (31 December 2024: RMB290 million).

Management Discussion and Analysis

CAPITAL EXPENDITURE AND CHARGES ON ASSETS

The Group had capital expenditures totalling RMB1 million (the corresponding period in 2024: RMB35 million) during the period, mainly included additions of motor vehicles and furniture, fixtures and office equipment.

As at 30 June 2025, certain inventories of properties with an aggregate carrying value of RMB3,407 million (31 December 2024: RMB7,196 million), certain investment properties with an aggregate carrying value of RMB3,897 million (31 December 2024: RMB3,809 million) and certain property, plant and equipment and the related right-of-use assets with an aggregate carrying value of RMB84 million (31 December 2024: Nil) in Mainland China were pledged to obtain an aggregate amount of RMB1,297 million (31 December 2024: RMB1,602 million) of property project development loans and aggregate amount of RMB3,362 million (31 December 2024: RMB2,514 million) of operational property loans from certain banks in Mainland China respectively.

EMPLOYEES

As at 30 June 2025, the Group has 2,307 employees (31 December 2024: 2,429). The decrease in the number of employees was mainly due to the streamline of organizational structure and staffing to meet the requirements of different development stages of the Group during the period.

The Group is keen to motivate and nourish talent and reviews the remuneration policies and packages on a regular basis to recognize employee contributions and respond to changes in the employment market. The pay levels of the employees are determined based on their responsibilities, performance and the prevailing market condition. Discretionary bonus was paid to employees based on individual performance while other remuneration and benefits, including the provident fund contributions/retirement pension scheme, remained at appropriate levels. Different trainings and development opportunities continued to be offered to sharpen employees' capabilities to meet the pace of business growth.

Condensed Consolidated Income Statement

The unaudited condensed consolidated results of the Group for the six months ended 30 June 2025 and the comparative figures for the corresponding period in 2024 are as follows:

	Notes	Six months ended 30 June	
		2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Revenue	4	14,543,468	21,852,074
Cost of sales and services provided		(13,195,524)	(19,743,700)
Gross profit		1,347,944	2,108,374
Other income and gains, net	6	132,558	219,986
Distribution and selling expenses		(568,578)	(601,585)
Administrative expenses		(290,027)	(407,336)
Operating profit		621,897	1,319,439
Finance costs	7	(18,584)	(24,344)
Share of results of associates		(17,734)	45,183
Share of results of joint ventures		(35,762)	18,463
Profit before income tax	8	549,817	1,358,741
Income tax expense	9	(167,400)	(495,263)
Profit for the period		382,417	863,478
Profit/(Loss) for the period attributable to:			
Owners of the Company		283,841	884,588
Non-controlling interests		98,576	(21,110)
		382,417	863,478
		RMB Cents	RMB Cents
Earnings per share	11		
Basic		8.0	24.9
Diluted		8.0	24.9

Condensed Consolidated Statement of Comprehensive Income

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Profit for the period	382,417	863,478
Other comprehensive income		
<i>Item that will not be reclassified to profit or loss</i>		
Exchange differences on translation of the Company's financial statements	(218,454)	127,840
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of subsidiaries' financial statements	871,934	(367,487)
Losses on net investment hedges	(328,017)	–
Other comprehensive income for the period, net of tax	325,463	(239,647)
Total comprehensive income for the period	707,880	623,831
Total comprehensive income attributable to:		
Owners of the Company	609,304	644,941
Non-controlling interests	98,576	(21,110)
	707,880	623,831

Condensed Consolidated Statement of Financial Position

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	Notes		
Assets and liabilities			
Non-current assets			
Investment properties		4,536,748	4,536,748
Property, plant and equipment	12	754,586	808,564
Right-of-use assets		324,920	327,305
Interests in associates		500,539	518,273
Interests in joint ventures		376,696	412,458
Deferred tax assets		892,626	1,376,844
		7,386,115	7,980,192
Current assets			
Inventories of properties		80,951,385	84,369,988
Other inventories		2,688	2,772
Contract costs		36,085	55,261
Trade and other receivables	13	752,022	748,410
Prepayments and deposits	14	3,517,562	3,282,159
Amounts due from associates		726,912	726,912
Amounts due from joint ventures		442,040	441,985
Amounts due from non-controlling shareholders		3,492,924	2,896,924
Tax prepaid		1,909,126	1,387,437
Cash and bank balances	15	28,525,649	27,290,854
		120,356,393	121,202,702
Current liabilities			
Trade and other payables	16	10,806,455	13,650,255
Pre-sales proceeds		28,093,099	27,803,620
Amounts due to associates		169,166	155,166
Amounts due to joint ventures		255,799	255,857
Amounts due to non-controlling shareholders		4,841,227	5,129,250
Amount due to a related company – due within one year		186,119	186,119
Lease liabilities – due within one year		14,187	9,133
Guaranteed notes and corporate bonds – due within one year	18	8,182,283	2,800,000
Taxation liabilities		1,017,958	2,048,482
Bank and other borrowings – due within one year	17	7,085,904	9,729,105
		60,652,197	61,766,987
Net current assets		59,704,196	59,435,715
Total assets less current liabilities		67,090,311	67,415,907

Condensed Consolidated Statement of Financial Position

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Non-current liabilities			
Bank and other borrowings – due after one year	17	24,616,282	21,190,484
Lease liabilities – due after one year		12,910	15,658
Amount due to a related company – due after one year		75,026	75,026
Guaranteed notes and corporate bonds – due after one year	18	1,500,000	5,982,049
Deferred tax liabilities		2,490,552	2,601,627
		28,694,770	29,864,844
Net assets		38,395,541	37,551,063
Capital and reserves			
Share capital	19	6,047,372	6,047,372
Reserves		25,730,197	25,348,495
Equity attributable to owners of the Company		31,777,569	31,395,867
Non-controlling interests		6,617,972	6,155,196
Total equity		38,395,541	37,551,063

Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Translation reserve*	Assets revaluation reserve*	Statutory reserve*	Retained profits*	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024 (Audited)	6,047,372	(1,205,910)	30,075	2,527,146	23,904,849	31,303,532	6,825,984	38,129,516
Profit/(Loss) for the period	-	-	-	-	884,588	884,588	(21,110)	863,478
Exchange differences arising from translation into presentation currency	-	(239,647)	-	-	-	(239,647)	-	(239,647)
Total comprehensive income for the period	-	(239,647)	-	-	884,588	644,941	(21,110)	623,831
Contributions from non-controlling shareholders	-	-	-	-	-	-	48,000	48,000
Dividends attributable to non-controlling shareholders	-	-	-	-	-	-	(39,977)	(39,977)
Acquisition of additional equity interests in subsidiaries while retaining control	-	-	-	-	130,985	130,985	(555,593)	(424,608)
2023 final dividend approved	-	-	-	-	(360,660)	(360,660)	-	(360,660)
Transactions with owners	-	-	-	-	(229,675)	(229,675)	(547,570)	(777,245)
At 30 June 2024 (Unaudited)	6,047,372	(1,445,557)	30,075	2,527,146	24,559,762	31,718,798	6,257,304	37,976,102

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Translation reserve*	Assets revaluation reserve*	Statutory reserve*	Retained profits*	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (Unaudited)	6,047,372	(1,821,685)	30,075	3,345,666	23,794,439	31,395,867	6,155,196	37,551,063
Profit for the period	-	-	-	-	283,841	283,841	98,576	382,417
Exchange differences arising from translation into presentation currency	-	653,480	-	-	-	653,480	-	653,480
Losses on net investment hedges	-	(328,017)	-	-	-	(328,017)	-	(328,017)
Total comprehensive income for the period	-	325,463	-	-	283,841	609,304	98,576	707,880
Contributions from non-controlling shareholders	-	-	-	-	-	-	364,200	364,200
2024 final dividend approved	-	-	-	-	(227,602)	(227,602)	-	(227,602)
Transactions with owners	-	-	-	-	(227,602)	(227,602)	364,200	136,598
At 30 June 2025 (Unaudited)	6,047,372	(1,496,222)	30,075	3,345,666	23,850,678	31,777,569	6,617,972	38,395,541

* The total of these equity accounts at the end of the reporting period represents “Reserves” in the condensed consolidated statement of financial position.

Condensed Consolidated Statement of Cash Flows

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Note		
Net cash from operating activities	1,172,600	2,804,252
Investing activities		
Additions of investment properties	–	(33,153)
Purchase of property, plant and equipment	(1,408)	(2,065)
Interest received	102,565	140,613
Proceeds from disposal of property, plant and equipment	9,376	13,227
Proceeds from disposal of right-of-use assets	–	5,128
Advances to associates	–	(18,132)
Advances to joint ventures	(368)	(69,083)
Repayments from joint ventures	313	209
Net cash from investing activities	110,478	36,744
Financing activities		
Proceeds from bank and other borrowings	8,099,754	7,277,855
Repayments of bank and other borrowings	(7,249,373)	(8,958,434)
Proceeds from issue of corporate bonds	1,500,000	–
Redemption of corporate bonds	(500,000)	–
Advances from associates	14,000	10,000
Repayments to associates	–	(1,445)
Advances from joint ventures	880	1,606
Repayments to joint ventures	(938)	–
Acquisitions of additional equity interests in subsidiaries while retaining control	–	(250,731)
Advances to non-controlling shareholders	(596,000)	(197,945)
Repayments from non-controlling shareholders	–	47,390
Cash advances from non-controlling shareholders	105,415	528,989
Repayments of cash advances from non-controlling shareholders	(399,768)	(1,009,294)
Payment of principal element of leases	(10,372)	(6,677)
Payment of other interest	(658,015)	(948,247)
Dividends paid to non-controlling shareholders	–	(39,977)
Contributions from non-controlling shareholders	2,500	48,000
Net cash from/(used in) financing activities	308,083	(3,498,910)
Net increase/(decrease) in cash and cash equivalents	1,591,161	(657,914)
Cash and cash equivalents at the beginning of period	21,735,740	20,063,626
Effect of foreign exchange rate changes on cash and cash equivalents	(24,921)	6,556
Cash and cash equivalents at the end of period	23,301,980	19,412,268
Analysis of the balances of cash and cash equivalents		
Cash and bank balances as per condensed consolidated statement of financial position	28,525,649	25,208,521
Less: restricted bank balances	(5,223,669)	(5,796,253)
	23,301,980	19,412,268

Notes to the Condensed Financial Statements

1. GENERAL INFORMATION

China Overseas Grand Oceans Group Limited (the “Company”) is a limited liability company incorporated in the Hong Kong Special Administrative Region (“Hong Kong”), the People’s Republic of China (the “PRC”) and its shares are listed on the Stock Exchange. The address of the Company’s registered office and principal place of business is Suites 701-702, 7/F., Three Pacific Place, 1 Queen’s Road East, Hong Kong.

The principal activities of the Company and its subsidiaries (collectively, the “Group”) mainly comprise property development and commercial property operations. The Group’s business activities are principally carried out in certain regions in the PRC.

The unaudited condensed consolidated financial statements for the six months ended 30 June 2025 (the “Interim Financial Statements”) have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The Interim Financial Statements do not include all of the information required for annual financial statements and thereby they should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2024 (the “2024 Annual Financial Statements”).

The Interim Financial Statements are presented in Renminbi (“RMB”), unless otherwise stated.

The financial information relating to the year ended 31 December 2024 that is included in this Interim Financial Statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

Notes to the Condensed Financial Statements

1. GENERAL INFORMATION *(continued)*

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

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

The Interim Financial Statements are unaudited, but have been reviewed by the Audit Committee of the Company. The Interim Financial Statements were approved for issue on 25 August 2025.

2. BASIS OF PREPARATION

The Interim Financial Statements have been prepared under the historical cost basis except for investment properties, which is stated at fair value.

All values are rounded to the nearest thousand except otherwise stated.

Save as described in below and note 3 "Adoption of Hong Kong Financial Reporting Standards ("HKFRS")", the accounting policies used in preparing the Interim Financial Statements are consistent with those of the 2024 Annual Financial Statements, as described in those annual financial statements.

Income tax

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Notes to the Condensed Financial Statements

2. BASIS OF PREPARATION *(continued)*

Hedge accounting

Hedging activities

The Group designates certain RMB denominated borrowings as net investment hedges in foreign operations.

At the inception of the hedging, the Group documents the economic relationship between hedging instruments and hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

Net investment hedges in foreign operations

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognized immediately in consolidated income statement.

Gains and losses accumulated in equity are reclassified to consolidated income statement when the foreign operation is partially disposed of or sold.

3. ADOPTION OF HKFRS

3.1 New and amended standards adopted by the Group

The Group has applied the following amendments for the first time for its annual reporting period commencing 1 January 2025:

Amendments to HKAS 21

Lack of Exchangeability

The amendments listed above did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

Notes to the Condensed Financial Statements

3. ADOPTION OF HKFRS (continued)

3.2 New and amended standards and interpretations not yet adopted

Certain new or amended accounting standards and interpretations have been published that are not mandatory for 30 June 2025 reporting period and have not been early adopted by the Group.

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature- dependent Electricity	1 January 2026
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5 (Amendment)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Group is in the process of making an assessment of the impact of these new or amended HKFRSs upon initial application.

Notes to the Condensed Financial Statements

4. REVENUE

The principal activities of the Group are disclosed in note 1. Revenue derived from the Group's principal activities comprises of the followings:

	Six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Property development	14,308,715	21,641,173
Commercial property operations	234,753	210,901
Total revenue	14,543,468	21,852,074

5. SEGMENT INFORMATION

The operating segments are reported in a manner consistent with the way in which information is reported internally to the Group's management for the purposes of resources allocation and assessment of segment performance. Since the property leasing and other segment of the Group are mainly engaged in office and commercial unit leasing and hotel operations, and their operating results are combined for the performance assessment by management, the Group has changed the composition of its reportable segments in respect of the commercial property operation businesses for the year ended 31 December 2024, which mainly combined the property leasing segment and the other segment into commercial property operations segment during the year ended 31 December 2024.

For the period ended 30 June 2025, the two reportable segments of the Group and the type of revenue are as follows:

Property development	—	property development and sales
Commercial property operations	—	property rentals, hotel and other commercial property operations

The Group has restated segment information comparative figures to conform with the current period's presentation.

Notes to the Condensed Financial Statements

5. SEGMENT INFORMATION *(continued)*

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. Segment revenue represents revenue from external customers and there were no inter-segment sales between different operating segments during the current and prior period. Segment profit/loss includes the Group's share of profit/loss arising from the activities of the Group's associates and joint ventures. Reportable segment profit/loss excludes corporate income and expenses and finance costs from the Group's profit/loss before income tax. Corporate income and expenses are income and expenses incurred by corporate headquarters which are not allocated to the operating segments. Each of the operating segments is managed separately as the resources requirement of each of them is different.

Segment assets include all assets with the exception of tax assets and corporate assets, including certain cash and bank balances and other assets which are not directly attributable to the business activities of the operating segments as these assets are managed on a group basis.

Segment liabilities include trade and other payables, accrued liabilities, amounts due to associates, joint ventures, non-controlling shareholders and related companies and other liabilities directly attributable to the business activities of the operating segments and exclude tax liabilities, corporate liabilities and liabilities such as bank and other borrowings, guaranteed notes and corporate bonds and certain amounts due to related companies that are managed on a group basis.

Notes to the Condensed Financial Statements

5. SEGMENT INFORMATION (continued)

Information regarding the Group's reportable segments including the reportable segment revenue, segment profit/loss, segment assets, segment liabilities and reconciliations to revenue, profit before income tax, total consolidated assets and total consolidated liabilities are as follows:

	Property development RMB'000	Commercial property operations RMB'000	Consolidated RMB'000
Six months ended 30 June 2025 (Unaudited)			
Revenue from contracts with customers			
disaggregated by timing of revenue recognition	14,308,715	84,025	14,392,740
– Recognition at point in time	14,308,715	–	14,308,715
– Recognition over time	–	84,025	84,025
Revenue from other sources			
– Rental income from commercial properties	–	150,728	150,728
Reportable segment revenue	14,308,715	234,753	14,543,468
Reportable segment profit	449,047	111,022	560,069
Corporate income			27,628
Finance costs			(18,584)
Other corporate expenses			(19,296)
Profit before income tax			549,817
As at 30 June 2025 (Unaudited)			
Reportable segment assets	116,407,115	6,961,016	123,368,131
Tax assets			2,801,752
Corporate assets [^]			1,572,625
Total consolidated assets			127,742,508
Reportable segment liabilities	43,989,569	106,530	44,096,099
Tax liabilities			3,508,510
Bank and other borrowings			31,702,186
Guaranteed notes and corporate bonds			9,682,283
Amount due to a related company			75,026
Other corporate liabilities			282,863
Total consolidated liabilities			89,346,967

Notes to the Condensed Financial Statements

5. SEGMENT INFORMATION (continued)

	Property development RMB'000	Commercial property operations RMB'000	Consolidated RMB'000
Six months ended 30 June 2024 (Unaudited)			
Revenue from contracts with customers			
disaggregated by timing of revenue recognition	21,641,173	73,504	21,714,677
– Recognition at point in time	21,641,173	–	21,641,173
– Recognition over time	–	73,504	73,504
Revenue from other sources			
– Rental income from commercial properties	–	137,397	137,397
Reportable segment revenue	21,641,173	210,901	21,852,074
Reportable segment profit	1,238,445	110,161	1,348,606
Corporate income			63,678
Finance costs			(24,344)
Other corporate expenses			(29,199)
Profit before income tax			1,358,741
As at 31 December 2024 (Audited)			
Reportable segment assets	118,447,057	7,004,278	125,451,335
Tax assets			2,764,281
Corporate assets [^]			967,278
Total consolidated assets			129,182,894
Reportable segment liabilities	47,035,617	93,799	47,129,416
Tax liabilities			4,650,109
Bank and other borrowings			30,919,589
Guaranteed notes and corporate bonds			8,782,049
Amount due to a related company			75,026
Other corporate liabilities			75,642
Total consolidated liabilities			91,631,831

[^] Corporate assets as at 30 June 2025 mainly included property, plant and equipment of RMB67,852,000 (31 December 2024: RMB71,087,000), right-of-use assets of RMB89,549,000 (31 December 2024: RMB89,516,000) and cash and bank balances of RMB1,413,520,000 (31 December 2024: RMB804,879,000), which are managed on a group basis.

Notes to the Condensed Financial Statements

6. OTHER INCOME AND GAINS, NET

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Interest income on:		
– Bank deposits	102,565	140,613
Total interest income on financial assets measured at amortized cost	102,565	140,613
Net foreign exchange gains	14,056	57,410
Others	15,937	21,963
	132,558	219,986

7. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Interest on bank and other borrowings	567,950	783,358
Interest on corporate bonds	93,964	90,650
Imputed interest expense on guaranteed notes (note 18(a))	46,407	45,845
Interest on amount due to a related company	1,782	1,782
Interest on lease liabilities	383	444
Total interest expense on financial liabilities measured at amortized cost	710,486	922,079
Less: Amount capitalized	(691,902)	(897,735)
	18,584	24,344

Notes to the Condensed Financial Statements

8. PROFIT BEFORE INCOME TAX

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Profit before income tax is arrived at after charging/(crediting):		
Depreciation:		
Property, plant and equipment	46,015	48,722
Right-of-use assets	14,691	10,398
Total depreciation	60,706	59,120
Cost of sales and services provided comprise		
– Amount of inventories recognized as cost of sales	12,818,211	19,641,866
Staff costs	384,722	520,891
Net foreign exchange gains	(14,056)	(57,410)

Notes to the Condensed Financial Statements

9. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current tax for the period		
Other regions of the PRC		
– Enterprise income tax (“EIT”)	203,801	354,440
– Land appreciation tax (“LAT”)	(411,748)	(11,759)
	(207,947)	342,681
Under/(Over)-provision in prior years		
Other regions of the PRC	2,204	(2,817)
Deferred tax	373,143	155,399
	167,400	495,263

No Hong Kong profits tax has been provided in the financial statements as the Group did not derive any estimated assessable profit in Hong Kong for the current period and the same period last year.

EIT arising from other regions of the PRC is calculated at 25% (six months ended 30 June 2024: 25%) on the estimated assessable profits.

PRC LAT is levied at progressive rates from 30% to 60% (six months ended 30 June 2024: 30% to 60%) on the estimated appreciation of land value, being the proceeds of sales of properties less deductible expenditure including cost of land use rights and development and construction expenditure.

Notes to the Condensed Financial Statements

10. DIVIDENDS

The Board has declared that an interim dividend of HK\$0.01 (six months ended 30 June 2024: HK\$0.03) per share, amounting to HK\$35,594,000, equivalent to approximately RMB32,670,000 (six months ended 30 June 2024: HK\$106,781,000, equivalent to approximately RMB97,730,000), will be paid to the shareholders of the Company whose names appear in the Register of Members on 22 September 2025.

At the reporting date, a dividend of HK\$0.07 per share, amounting to HK\$249,156,000, was recognized as distribution of the final dividend for the financial year ended 31 December 2024. At 30 June 2024, a dividend of HK\$0.11 per share, amounting to HK\$391,531,000 was recognized as distribution of the final dividend for the financial year ended 31 December 2023.

11. EARNINGS PER SHARE

The calculations of basic earnings per share attributable to owners of the Company are based on the following data:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Earnings		
Profit for the period attributable to owners of the Company	283,841	884,588

Notes to the Condensed Financial Statements

11. EARNINGS PER SHARE (continued)

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	'000	'000
Weighted average number of ordinary shares		
Weighted average number of ordinary shares in issue during the period	3,559,375	3,559,375

Diluted earnings per share for the six months ended 30 June 2025 and 2024 are the same as the basic earnings per share as there have been no dilutive potential ordinary shares in existence during both periods.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group incurred capital expenditure classified as property, plant and equipment of RMB1,408,000 (six months ended 30 June 2024: RMB2,065,000), which represented approximately RMB1,158,000 (six months ended 30 June 2024: RMB411,000) in furniture, fixtures and office equipment and approximately RMB250,000 (six months ended 30 June 2024: RMB1,654,000) in motor vehicles.

13. TRADE AND OTHER RECEIVABLES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Trade receivables	164,813	210,825
Less: Loss allowance for trade receivables	—	—
Trade receivables, net	164,813	210,825
Other receivables	587,209	537,585
	752,022	748,410

Notes to the Condensed Financial Statements

13. TRADE AND OTHER RECEIVABLES *(continued)*

The ageing analysis of the Group's trade receivables based on invoice date or when appropriate, date of transfer of property, is as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
30 days or below	89,950	90,632
31–60 days	4,235	594
61–90 days	2,368	1,469
91–180 days	5,089	365
181–360 days	37,473	10,383
Over 360 days	25,698	107,382
	164,813	210,825

The credit terms in connection with sales of properties granted to the buyers are set out in the sale and purchase agreements and vary for different agreements. Rentals receivable from tenants and service income receivable from customers are generally due on presentation of invoices.

As at 30 June 2025, no material provision was made against the gross amount of trade receivables and other receivables.

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of unrelated customers.

14. PREPAYMENTS AND DEPOSITS

The balance of prepayments and deposits as at 30 June 2025 mainly comprise prepayments for value added tax and other taxes amounting to RMB2,193,743,000 (31 December 2024: RMB2,290,802,000) and deposits and consideration amounting to RMB643,750,000 (31 December 2024: RMB389,390,000) in aggregate paid by the Group for the acquisition of lands in the PRC.

Notes to the Condensed Financial Statements

15. CASH AND BANK BALANCES

At 30 June 2025, cash and bank balances included cash and cash equivalents of RMB23,301,980,000 (31 December 2024: RMB21,735,740,000) and other bank balances of RMB5,223,669,000 (31 December 2024: RMB5,555,114,000), which mainly represented pre-sales proceeds from sales of properties in the PRC and was subject to usage restrictions.

16. TRADE AND OTHER PAYABLES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Trade payables	9,802,041	12,090,963
Other payables and accruals	496,979	1,188,997
Dividend payables	227,665	–
Deposits received	279,770	370,295
	10,806,455	13,650,255

The ageing analysis of the Group's trade payables based on invoice date or contract terms, where appropriate, is as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
30 days or below	3,095,743	4,368,642
31–60 days	407,052	601,722
61–90 days	228,512	284,335
91–180 days	1,060,190	1,054,726
181–360 days	2,227,757	2,272,931
Over 360 days	2,782,787	3,508,607
	9,802,041	12,090,963

Notes to the Condensed Financial Statements

17. BANK AND OTHER BORROWINGS

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Bank borrowings	31,702,186	30,119,589
Other borrowings	–	800,000
	31,702,186	30,919,589
Analysis into:		
Current liabilities	7,085,904	9,729,105
Non-current liabilities	24,616,282	21,190,484
	31,702,186	30,919,589
Analysis into:		
Secured (note 20)	4,659,330	4,115,560
Unsecured	27,042,856	26,804,029
	31,702,186	30,919,589

Notes to the Condensed Financial Statements

17. BANK AND OTHER BORROWINGS (continued)

Bank and other borrowings were scheduled for repayment as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Bank borrowings		
On demand or within one year	7,085,904	8,929,105
More than one year, but not exceeding two years	10,855,364	9,490,157
More than two years, but not exceeding five years	11,153,500	9,667,259
Over five years	2,607,418	2,033,068
	31,702,186	30,119,589
	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Other borrowings		
On demand or within one year	—	800,000
	—	800,000

Notes to the Condensed Financial Statements

17. BANK AND OTHER BORROWINGS (continued)

The carrying amounts of bank and other borrowings are denominated in the following currencies:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
HK\$	2,211,257	3,773,585
RMB	29,490,929	27,146,004
	31,702,186	30,919,589

As at 30 June 2025, the Group's bank and other borrowings have been arranged as follows:

- borrowings denominated in HK\$ amounting to RMB2,211,257,000 (31 December 2024: RMB3,773,585,000) are interest-bearing at floating rates ranging from 2.23% to 2.38% (31 December 2024: 6.12% to 6.27%) per annum; and
- borrowings denominated in RMB amounting to RMB16,257,274,000 (31 December 2024: RMB14,283,774,000) are interest-bearing at floating rates ranging from 2.35% to 3.85% (31 December 2024: 2.45% to 4.30%) per annum while the remaining balance of RMB13,233,655,000 (31 December 2024: RMB12,862,230,000) are interest-bearing at fixed rates ranging from 2.51% to 3.99% (31 December 2024: 2.77% to 4.88%) per annum.

As at 30 June 2025, the Group designated certain RMB denominated borrowings with an aggregate carrying amount of RMB12,592,569,000 (31 December 2024: Nil) to hedge the exposure arising from the net investments in certain subsidiaries with operations in the PRC. For the six months ended 30 June 2025, losses arising from the aforesaid hedging instruments of RMB328,017,000 (six months ended 30 June 2024: Nil) have been recognized in other comprehensive income as an effective hedge.

Notes to the Condensed Financial Statements

18. GUARANTEED NOTES AND CORPORATE BONDS

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Guaranteed notes (note (a))	3,682,283	3,782,049
Corporate bonds (note (b))	6,000,000	5,000,000
	9,682,283	8,782,049
Analysis into:		
Current liabilities	8,182,283	2,800,000
Non-current liabilities	1,500,000	5,982,049
	9,682,283	8,782,049

- (a) The movements of the carrying amount of the guaranteed notes during the period are set out as below:

	RMB'000
Carrying amount as at 31 December 2024 (Audited) and 1 January 2025 (Unaudited)	3,782,049
Imputed interest expense (note 7)	46,407
Finance costs paid	(45,593)
Translation adjustment	(100,580)
Carrying amount as at 30 June 2025 (Unaudited)	3,682,283

Notes to the Condensed Financial Statements

18. GUARANTEED NOTES AND CORPORATE BONDS *(continued)*

- (b) During the six months ended 30 June 2025, the Group issued and redeemed the following corporate bonds:

Issued during the period:

Issue date	Principal amount RMB'000	Issue price	Fixed interest rate per annum	Maturity date	Carrying amount at 30 June 2025 (Unaudited) RMB'000
16 May 2025	400,000 ⁽ⁱ⁾	100%	2.40% ⁽ⁱⁱ⁾	19 May 2028	400,000
16 May 2025	1,100,000 ⁽ⁱ⁾	100%	2.70% ⁽ⁱⁱ⁾	19 May 2030	1,100,000
Total					1,500,000

Fully redeemed during the period:

Issue date	Principal amount RMB'000	Issue price	Fixed interest rate per annum	Redemption value (Unaudited) RMB'000
6 June 2023	500,000	100%	3.05%	500,000

Notes:

- (i) The corporate bonds are unconditionally and irrevocably guaranteed by the Company and listed on the Shanghai Stock Exchange.
- (ii) Payable annually.

Notes to the Condensed Financial Statements

19. SHARE CAPITAL

	Number of ordinary shares	Carrying amount RMB'000
Issued and fully paid – ordinary shares with no par:		
At 1 January 2024 (Audited), 31 December 2024 (Audited), 1 January 2025 (Unaudited) and 30 June 2025 (Unaudited)	3,559,374,732	6,047,372

20. PLEDGE OF ASSETS

At the end of each reporting period, the carrying amount of the assets pledged by the Group to secure for borrowings and banking facilities granted to the Group are analyzed as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Pledge for borrowings and banking facilities of the Group		
– Investment properties	3,896,846	3,809,482
– Inventories of properties	3,406,827	7,196,481
– Property, plant and equipment and the related right-of-use assets	83,913	–
	7,387,586	11,005,963

Notes to the Condensed Financial Statements

21. COMMITMENTS

At the end of each reporting period, the Group had other significant commitments as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Contracted for but not provided for in the consolidated financial statements:		
– Investment in equity interests	644,800	–
– Acquisition of land	1,068,120	1,085,156
– Property development	9,383,566	11,067,196
	11,096,486	12,152,352
Authorized but not contracted for:		
– Acquisition of land	1,281,511	–
	12,377,997	12,152,352

Notes to the Condensed Financial Statements

22. FINANCIAL GUARANTEES

At the end of each reporting period, the Group provided guarantees to banks and government agencies for mortgage loans granted to certain purchasers of the Group's properties and for the banking facilities granted to the certain joint ventures and associate. The amount of the relevant facilities utilized and outstanding are as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Mortgage loans granted by banks and government agencies to certain purchasers of the Group's properties	14,959,600	15,861,129
Bank loans granted by the banks to joint ventures	166,569	218,419
Bank loan granted by a bank to an associate	71,540	72,030
	15,197,709	16,151,578

In the opinion of the directors, the financial impact arising from providing the above financial guarantees is insignificant and accordingly, they are not accounted for in these financial statements as at 30 June 2025 and 31 December 2024.

23. RELATED PARTY TRANSACTIONS

The table set forth below summarizes the name of the major related parties which are entities as defined in HKAS 24 (Revised) *Related Party Disclosures* and the nature of their relationship with the Group as at 30 June 2025:

Related Parties	Relationship with the Group/COLI
China Overseas Land & Investment Limited ("COLI")	The Company is an associate of COLI
China State Construction Engineering Corporation Limited ("CSCECL")	Intermediate holding company of COLI
China Overseas Holdings Limited ("COHL")	Immediate holding company of COLI
China Overseas Property Holdings Limited ("COPH")	Fellow subsidiary of COLI
China State Construction International Holdings Limited ("CSC")	Fellow subsidiary of COLI
China State Construction Development Holdings Limited ("CSCD")	Fellow subsidiary of COLI

Notes to the Condensed Financial Statements

23. RELATED PARTY TRANSACTIONS (continued)

Save as disclosed elsewhere in the Interim Financial Statements, the Group had the following significant transactions with related parties during the period:

		Six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	Notes	RMB'000	RMB'000
Nature of transactions			
COLI and its subsidiaries			
Royalty expenses [#]	(i)	145,435	172,878
Rental income [#]	(ii)	8,985	8,163
Rental payments [#]	(ii)	4,724	2,291
Design service expenses [#]	(iii)	578	2,216
Purchase of materials [#]	(iv)	381,393	303,131
CSCECL and its subsidiaries (exclusive of COHL and its subsidiaries)			
Property construction costs [#]	(iv)	83,486	189,286
COHL			
Licence fee payments [#]	(ii)	2,031	1,997
Air-conditioning and management charge payments [#]	(ii)	307	293
COPH and its subsidiaries			
Property management fee expenses [#]	(iii)	104,162	115,894
Interest expenses	(v)	1,782	1,782
CSC and its subsidiaries (exclusive of CSCD and its subsidiaries)			
Property construction costs [#]	(iv)	27,601	–
CSCD and its subsidiaries			
Construction supervision expenses [#]	(iii)	2,550	8,284
PRC government departments/agencies			
Land use rights acquisitions		6,187,040	1,384,640
Key management (including directors)			
Remuneration		3,362	3,382

Notes to the Condensed Financial Statements

23. RELATED PARTY TRANSACTIONS *(continued)*

Notes:

- (i) Royalty fee is charged at annual fee as specified in the contracts.
 - (ii) Rental and utility income and rental payments are charged in accordance with respective tenancy agreements.
 - (iii) Design service fee, property management fee and construction supervision fee are charged in accordance with respective contracts.
 - (iv) Purchase of materials and property construction fee are charged in accordance with respective contracts. The amounts represent aggregated transaction amounts recognised during the period in relation to contracts signed in current and prior periods.
 - (v) Interest expenses are charged at interest rates as specified on the respective amounts due.
- # These related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

24. FAIR VALUE MEASUREMENT

(a) Financial instruments

As at 30 June 2025 and 31 December 2024, the Group did not have any financial instruments measured at fair value. Accordingly, no analysis on fair value hierarchy is presented.

During the six months ended 30 June 2025, there were no transfers among Level 1, Level 2 and Level 3 in the fair value hierarchy (six months ended 30 June 2024: Nil).

Financial instruments not measured at fair value include trade and other receivables, amounts due from/to associates, joint ventures, non-controlling shareholders and other related companies, cash and bank balances, trade payables, other payables and accruals, bank and other borrowings, and guaranteed notes and corporate bonds.

Notes to the Condensed Financial Statements

24. FAIR VALUE MEASUREMENT *(continued)*

(a) Financial instruments *(continued)*

Due to their short-term nature, the carrying values of trade and other receivables, amounts due from/to associates, joint ventures, non-controlling shareholders and other related companies (the portion which are due for repayment within one year), cash and bank balances, trade payable, other payables and accruals approximate their fair values.

For disclosure purpose, the fair values of bank and other borrowings and an amount due to a related company which was due for repayment after one year are not materially different from their carrying values. Those fair values have been determined by using discounted cash flow model and are classified as Level 3 in the fair value hierarchy. Significant inputs include the discount rates used to reflect the credit risks of the Group.

The fair values of the guaranteed notes and corporate bonds are determined with reference to quotation published by leading financial market data providers or quoted market prices available on the relevant stock exchanges, as appropriate. The fair value measurement of these financial instruments is within Level 1 of the fair value hierarchy. As at 30 June 2025, the aggregate fair value of guaranteed notes and corporate bonds amounted to RMB9,609,956,000 (31 December 2024: RMB8,644,008,000).

(b) Non-financial assets

The fair value of the investment properties as at 30 June 2025 is a Level 3 recurring fair value measurement and determined by using the same approach as the last year end. During the six months ended 30 June 2025, there were no transfers among Level 1, Level 2 and Level 3 in the fair value hierarchy (six months ended 30 June 2024: Nil).

Other Information

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board declared an interim dividend of HK1 cent per share (2024: HK3 cents per share) for the six months ended 30 June 2025. The interim dividend will be payable in cash.

Relevant Dates for Interim Dividend Payment

Ex-dividend date	18 September 2025
Latest time to lodge transfer documents for registration with the Company's share registrar	At 4:30 p.m. on 19 September 2025
Book closure period and record date for interim dividend	22 September 2025
Payment date of interim dividend	17 October 2025

In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than the aforementioned latest time.

SHARE CAPITAL

The Company's total number of shares in issue as at 30 June 2025 was 3,559,374,732 ordinary shares.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions by directors of the Company (the "Code of Conduct") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Listing Rules (the "Model Code").

Having made specific enquiries to all directors of the Company, they confirmed that they have complied with the Code of Conduct throughout the six months ended 30 June 2025.

Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 30 June 2025, the directors and chief executive of the Company, and their respective associates had the following interests in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Long Positions in Shares of the Company

Name of directors	Capacity	Nature of interests	Number of shares held	Aggregate long position	Percentage of shares in issue ⁽¹⁾
Mr. Zhuang Yong	Beneficial owner	Personal	800,825	800,825	0.02%
Mr. Yang Lin	Beneficial owner	Personal	2,550,000	2,550,000	0.07%
Mr. Zhou Hancheng	Beneficial owner	Personal	810,000	810,000	0.02%
Mr. Yung Kwok Kee, Billy	Beneficial owner Beneficiary of a trust ⁽²⁾ Interest of controlled corporation ⁽³⁾ Interest of spouse ⁽⁴⁾	Personal Other Interest in controlled corporation Family	19,194,749 372,617,689 62,578,292 10,000,000	464,390,730	13.05%
Ms. Liu Ping	Interest of spouse	Family	200,000	200,000	0.01%
Dr. Chung Shui Ming, Timpson	Beneficial owner	Personal	544,875	544,875	0.02%

Notes:

- (1) The percentage is based on the total number of shares of the Company in issue as at 30 June 2025 (i.e. 3,559,374,732 shares).
- (2) These shares of the Company are held by a trust for the benefit of Mr. Yung Kwok Kee, Billy and his family members.
- (3) These shares of the Company are held by Extra-Fund Investment Limited, a wholly-owned subsidiary of Shell Electric Holdings Limited, which in turn is owned as to 80.55% by Red Dynasty Investments Limited, a company wholly-owned by Mr. Yung Kwok Kee, Billy.
- (4) Mr. Yung Kwok Kee, Billy is deemed to be interested in 10,000,000 shares of the Company through the interest of his spouse, Ms. Vivian Hsu.

Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES *(continued)*

Save as disclosed above, as at 30 June 2025, no interests and short positions were held or deemed or taken to be held by any directors or chief executive of the Company or their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or pursuant to the Model Code or which are required pursuant to Section 352 of the SFO to be entered in the register referred to therein.

Saved as disclosed above, during the six months ended 30 June 2025, none of the directors and chief executive of the Company (including their spouses and children under the age of 18) had any interests in, or had been granted any rights to subscribe for the shares, options and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), or had exercised any such rights.

Other Information

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SECURITIES

As at 30 June 2025, the following substantial shareholders of the Company and other persons (other than the directors or chief executive of the Company) had interests in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Long Positions in Shares of the Company

Name of shareholders	Capacity	Nature of interests	Number of shares held	Aggregate long position	Percentage of shares in issue ⁽¹⁾
China State Construction Engineering Corporation ("CSCEC")	Interest of controlled corporation ⁽²⁾	Interest in controlled corporation	1,410,758,152	1,410,758,152	39.63%
Diamond Key Enterprises Inc. ("Diamond Key")	Beneficial owner ⁽³⁾	Beneficial	190,910,903	190,910,903	5.36%
On Fat Profits Corporation ("On Fat")	Beneficial owner ⁽³⁾	Beneficial	181,706,786	181,706,786	5.11%
UBS TC (Jersey) Ltd ("UBS TC")	Trustees of trusts ⁽³⁾	Other	372,617,689	372,617,689	10.47%
Ms. Vivian Hsu	Beneficial owner Interest of spouse ⁽⁴⁾	Personal Family	10,000,000 454,390,730	464,390,730	13.05%
FIL Limited ("FIL")	Interest of controlled corporation ⁽⁵⁾	Interest in controlled corporation	250,441,513	250,441,513	7.04%
Pandanus Partners L.P. ("Pandanus Partners")	Interest of controlled corporation ⁽⁵⁾	Interest in controlled corporation	250,441,513	250,441,513	7.04%
Pandanus Associates Inc. ("Pandanus Associates")	Interest of controlled corporation ⁽⁵⁾	Interest in controlled corporation	250,441,513	250,441,513	7.04%
Fidelity Funds	Beneficial owner	Beneficial	180,562,469	180,562,469	5.07%

Other Information

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SECURITIES *(continued)*

Notes:

- (1) The percentage is based on the total number of shares of the Company in issue as at 30 June 2025 (i.e. 3,559,374,732 shares).
- (2) CSCEC holds as to approximately 57.70% of the shareholding interest in China State Construction Engineering Corporation Limited ("CSCECL"). CSCECL wholly owns China Overseas Holdings Limited which, in turn, holds as to 56.10% of the shareholding interest in China Overseas Land & Investment Limited ("COLI"). COLI wholly owns Big Crown Limited ("Big Crown") and China Overseas Project Development Limited ("China Overseas Project Development"), and Big Crown wholly owns Star Amuse Limited ("Star Amuse"). Star Amuse and China Overseas Project Development hold 1,357,257,348 shares and 53,500,804 shares of the Company, respectively.
- (3) 372,617,689 shares of the Company held by UBS TC (including 190,910,903 shares and 181,706,786 shares of the Company held by Diamond Key and On Fat, respectively) are disclosed in the section headed "Directors' and Chief Executive's Interests in Securities" above as being held under a trust with Mr. Yung Kwok Kee, Billy and his family members as the beneficiaries. None of the directors of the Company are directors or employees of Diamond Key and On Fat.
- (4) Ms. Vivian Hsu is deemed to be interested in 454,390,730 shares of the Company through the interest of her spouse, Mr. Yung Kwok Kee, Billy.
- (5) Pandanus Associates is interested in 250,441,513 shares of the Company, of which 17,522,246 shares of the Company are reported as unlisted derivatives settled in cash. Pandanus Associates acts as general partner of and has 100% control over Pandanus Partners which in turn holds as to 41.00% of the shareholding interest in FIL. FIL is interested in these 250,441,513 shares of the Company through a series of subsidiaries.

Save as disclosed above, the Company had not been notified by any other person (other than the directors or chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 30 June 2025.

Other Information

CORPORATE GOVERNANCE

The Group strives to raise the standards of corporate governance and regards corporate governance as part of value creation. This reflects the commitment of the Board and senior management on abiding by the standards of corporate governance, as well as the commitment to maintaining transparency and accountability to maximise the value of the shareholders of the Company as a whole.

The Company has applied the corporate governance principles and complied with all the code provisions (where applicable, some of the recommended best practices) set out in the Corporate Governance Code in Appendix C1 to the Listing Rules during the six months ended 30 June 2025.

DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

The facility letter has been entered into by the Company in the following terms and conditions and continues to subsist at 30 June 2025:

- Date: 18 January 2023
Amount: Loan facility up to HK\$1 billion
Term: 3 years commencing from the first utilisation date

The above facility letter stipulates that, if COLI ceases to be the single largest shareholder of the Company or ceases to have management control over the Company, the above facility shall be cancelled and all outstanding amounts shall become immediately due and payable.

As at the date of this report, COLI owns approximately 39.63% of the total number of shares of the Company in issue.

CHANGE IN DIRECTORS' INFORMATION

Change in directors' information since the date of the 2024 annual report of the Company, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, is set out below:

- Ms. Liu Ping has been appointed as a member of the Nomination Committee of the Company with effect from June 2025.

Other Information

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

Save as disclosed below, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Group's listed securities during the six months ended 30 June 2025 and up to the date of this report.

In May 2025, 中海宏洋地產集團有限公司 (China Overseas Grand Oceans Property Group Limited* ("COGOP"), a wholly-owned subsidiary of the Company), completed the issuance of the first tranche of 2025 corporate bond (the "2025 Corporate Bond (First Tranche)") in the aggregate principal amount of RMB1,500,000,000, of which RMB400,000,000 is due May 2028 with the interest rate of 2.4% and RMB1,100,000,000 is due May 2030 with the interest rate of 2.7%. The 2025 Corporate Bond (First Tranche) is irrevocably and unconditionally guaranteed by the Company and listed on the Shanghai Stock Exchange. The net proceeds, after deducting the expenses in connection with the issuance of the 2025 Corporate Bond (First Tranche), amounted to approximately RMB1,498,800,000, which are used for redeeming existing bonds.

In June 2025, COGOP early and fully redeemed at par the first tranche of 2023 carbon neutrality green corporate bond in the principal amount of RMB500,000,000 which was issued in June 2023.

REVIEW OF INTERIM REPORT BY AUDIT COMMITTEE

The Audit Committee of the Board has reviewed the Company's unaudited interim report for the six months ended 30 June 2025, and discussed with the Company's management regarding auditing, internal control and other important matters.

* *English translation for identification purpose only.*



 **中國海外宏洋集團有限公司**
CHINA OVERSEAS GRAND OCEANS GROUP LTD.

香港皇后大道東一號太古廣場三座七樓 701-702 室

Suites 701-702, 7/F., Three Pacific Place,
1 Queen's Road East, Hong Kong

電話 Tel : (852) 2988 0600 傳真 Fax : (852) 2988 0606

網頁 Website : www.cogoghl.com.hk

