



COUNTRY GARDEN

Holdings Company Limited

碧桂园控股有限公司

2025

INTERIM REPORT

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2007



WHAT IS COUNTRY GARDEN

Country Garden is a high-tech conglomerate working for society's happiness.

We are committed to robotics and technology-enabled construction

The rapidly evolving, diverse technologies have culminated in the age of robotics. We commit ourselves to this wave of technological innovation by recruiting diverse talents. We draw on their expertise and harness the power of technology to create a better life for society and add impetus to the country's technological advancement and quality development.

We established Bright Dream Robotics to develop and apply construction robots, raising the level of intelligentization of construction work.

We set up a technology-enabled construction group to develop a smart construction system that encompasses construction robots, a new type of prefabricated construction, smart equipment and digitalization through building information modeling (BIM). The effort aims at a perfect combination of workplace safety, quality, efficiency, environmental protection and technology. The company is also

developing the businesses of general contracting and labour sub-contracting as it initiates and promotes a transformation in the traditional construction sector.

We have established Phoenix Management Company to actively expand into light-asset management and construction services. Leveraging the Group's extensive expertise in design, development, cost management, and customer resources accumulated over the years, we analyze market demands and continuously refine our products. By working closely with our partners, we strive to deliver exceptional projects.

We build good housing and good communities

Country Garden devotes itself to China's new type of urbanization. In the spirit of the craftsman, we design and build green, low-carbon, intelligent and safe housing, which comes with exquisite interior decoration, scenic gardens, comprehensive amenities and thoughtful services to the residents. We have converted over 1,400 rural towns to modern cities across the country, and more than five million people have chosen to make their homes in housing estates developed by Country Garden. We are proud to have contributed to the urbanization and modernization of our country.

We fulfil social responsibility

We join charitable causes to promote common prosperity. Since its establishment, Country Garden, together with its founder, have donated a cumulative total of over RMB10 billion to charity and carried out its work in poverty alleviation and rural revitalization in 57 counties in 16 provinces across the country, benefitting 490,000 people. It will build on its achievements in poverty alleviation by helping to turn villages into harmonious and good places to live and work, thus contributing to rural revitalization.

Established in 1992, Country Garden was listed on the Stock Exchange of Hong Kong in 2007. Country Garden fosters loyalty to the Communist Party of China and patriotism in its corporate culture. It aspires to be a conscientious, socially responsible and transparent company that works diligently for China's modernization and the Chinese Dream of national rejuvenation.



**COUNTRY
GARDEN —**

**We are here to
make society
a better place.**



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CORPORATE PROFILE

Country Garden Holdings Company Limited (stock code: 2007.HK) is one of the China's largest residential property developers that capitalizes on urbanization. With centralized management and standardization, the Group runs the businesses of property development, construction, interior decoration, property investment, and the development and management of hotels. Country Garden offers a broad range of products to cater for diverse demands, namely residential projects such as townhouses, condominiums, car parks and retail shop spaces. The Group also develops and manages hotels at some of its property projects with the aim of enhancing the properties' marketability. The Group's other businesses are robotics and light-asset entrusted management and construction services.



CORPORATE PROFILE

Since its establishment, Country Garden has been benefitting from China's thriving economy. Its business presence has been extended from Guangdong province to other economically vibrant regions of the country. Country Garden had projects of property development and operation in a number of locations of strategic importance in all the provinces, municipalities and autonomous regions of the country by the end of the first half of 2025.

Looking ahead, Country Garden will continue to consolidate its various community-based businesses that centre around its real estate business by integrating community resources. Specifically, it will build businesses that can meet all the needs in the entire human life cycle. All this can unlock the value of all of the Group's businesses and contribute to the urbanization and modernization of our country.





CORE VALUES

The COUNTRY GARDEN that I dream of

- ✧ This is a company that brings together the best and the brightest
 - ✧ This is a place where smart people come to excel
 - ✧ This is a school where we learn to make ourselves better
 - ✧ This is a big, happy family
- ✧ This is a company that values integrity, proper procedure, and the law
 - ✧ This is a company of reason, always willing to correct itself
 - ✧ This is a fair company, where hard work brings rewards
 - ✧ This is a company that knows how to win, how to learn from experience, and apply what it learns
 - ✧ This is a company that creates a happy life for the world
 - ✧ This company is good for the community, good for the economy, and good for its employees
 - ✧ This is a company that the public knows and loves
 - ✧ This is a company that is always striving for progress and for humanity

— YEUNG Kwok Keung

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VALUE

A transparent company with
a conscience and
social responsibility

CORE VALUES

VISION

Country Garden is a diversified technology company that creates a happy life for the world

CORPORATE MISSION

Make the world a better place for having us in it

BRAND

Five-star living for you

CORPORATE SPIRIT

Good for people and good for society



 CHAIRMAN STATEMENT

YANG Huiyan
Chairman

Reflecting on the first half of 2025, we are pleased to see that real estate policies have consistently supported market stabilisation and recovery. Central and local governments have worked in tandem to expand the policy toolkit, with about 170 cities and counties rolling out over 340 policies. With such raft of favourable policies, the new home market in several core cities has remained broadly stable, and new home prices in 100 cities saw a year-on-year increase of 2.63% on average in the first half of the year. Overall, real estate market indicators have continued to improve, sustaining the positive trend of stabilisation and recovery that began in the fourth quarter of 2024.

CHAIRMAN STATEMENT



Country Garden Xi'nanshangcheng, Guiyang (Guizhou)

In March 2025, the Report on the Work of the Government presented at the National People's Congress and the Chinese People's Political Consultative Conference included, for the first time, the objective of "ensuring stability in the real estate market" in its overall requirements. Following this, the Politburo meeting in April 2025 emphasised the importance of "continuing to reinforce the stable trend of the real estate market". A financial policy package was introduced to stabilise the market and expectations in May 2025. Then, the executive meeting of the State Council in June 2025 reiterated its commitment to "take more vigorous measures to stem the downturn and restore stability in the real estate market", sending a positive signal to the market that policies will be further improved. These moves will have a positive impact on stabilising market expectations and supporting the pillar industry. Looking ahead to the second half of 2025, local governments will fully implement these policies to ensure their effectiveness. We should be more confident, and the Company will continue to work on the strategy of "guaranteeing delivery, stabilising capital and debt, and maintaining operation".

Guaranteeing delivery remains the Company's foremost priority in its current development phase. For the six months ended 30 June 2025, the Group recorded approximately RMB72.57 billion in revenue, and the Group and its joint ventures and associates together delivered a total of approximately 74,000 housing units. The Group once again topped the chart in delivery volume during the first half of 2025. Moving forward, the Company will continue to implement an extreme strategy by efficiently utilising resources, promoting categorised management and quota control, and establishing diverse dynamic mechanisms to strengthen the planning and operational management system. With a comprehensive, big-picture approach, the Company aims to overcome challenges and drive further progress. These delivery results would not have been possible without the close collaboration between government and business, the strong support of our partners, the trust of financial institutions, and the understanding of homeowners, all of which have enabled the Company to coordinate effectively and address key project challenges, ensuring smooth delivery progress.

CHAIRMAN STATEMENT



Country Garden Central Peninsula, Haikou (Hainan)

On stabilising capital and debt, the Company remains committed to the long-term objective of continuously optimising its balance sheet. At present, the offshore debt restructuring is progressing well, with the key terms of the restructuring proposal already agreed upon. As of 18 August 2025, holders representing over 77% of the aggregate principal amount of the existing public notes have acceded to the restructuring agreement. The Company is confident in completing a holistic offshore debt restructuring by the end of 2025. The external interest-bearing debts involved in this offshore restructuring programme amount to approximately USD16.0 billion in principal and interest, plus shareholder loans of approximately USD1.2 billion in principal and interest, bringing the total to about USD17.2 billion. If all five options of the restructuring proposal are fully subscribed, the maximum debt reduction of the Company after restructuring could reach approximately USD11.7 billion. Based on market floating interest rates at the time the restructuring support agreement was announced, the new financing costs of debts after restructuring are expected to decrease to between 1.0% and 2.5%, with a maturity extension of up to 11 years. Simultaneously, the Company actively responded to the urban real estate financing coordination mechanism, continued to promote domestic projects to enter the white list, and eased debt pressures and enhanced liquidity of projects through new financing, loan extensions and reduction of financing costs, thereby securing greater external support for project operation and delivery. The Company will continue to focus on stabilising capital and debt and work towards a healthy and sustainable capital structure.

On maintaining operation, the Company's current operations are well aligned with overall industry trends. During the first half of 2025, the Group and its joint ventures and associates together achieved contracted sales attributable to the shareholders of the Company of approximately RMB16.75 billion, with contracted sales GFA attributable to the shareholders of the Company of approximately 2.05 million square meters. In respect of expense control, the Company employs a rolling budget management, conducting monthly reviews and adjustments. It maintains strict control over every expenditure, major and minor, to ensure efficient use of resources and continuously enhance operational efficiency. On the sales side, the Company works closely with local government policies to implement categorised sales management and strategies that promote effective asset revitalisation. Since 2022, the Group has disposed of various assets, recovering over RMB65.0 billion, with the goal of broadening and strengthening revenue streams to support property delivery and maintain stable operation.

CHAIRMAN STATEMENT



Country Garden Yunyuebizhen, Foshan (Guangdong)

At present, the central government is committed to stabilising the real estate market and encouraging its transformation by implementing a range of policy measures. These range from the central bank's reduction of reserve requirements and interest rates to stimulate the market to the official launch of new regulations promoting "quality homes"; and from the speedy introduction of financing systems that are aligned with new real estate development models to the advancement of high-quality urban renewal projects. The sector is undergoing significant transformation, and the future development of real estate sector is expected to evolve towards a new landscape of industrialised competition.

Just as water retains no constant shape, strategies must remain adaptable. The Company's multiple organisational reforms in recent years have consistently aligned with strategic objectives. In 2025, the strategic plan emphasises core priorities such as guaranteeing delivery, while medium-term goals focus on gradually enhancing the quality of its balance sheet and ultimately achieving a stable operating state within the new normal. By systematically adjusting our organisational structure and resource allocation, we are dedicated to reaching these strategies and objectives in phases. As the policy environment continues to improve, the industry is poised to regain momentum. With steadfast dedication, the Company is confident in entering a more sustainable development cycle alongside the recovery of the industry.

Victory is ensured when people pool their strength together; success is secured when people put their heads together! In the face of complex and ever-changing market landscape and challenges today, the Company stands united in determination and solidarity, creating a strong force to overcome obstacles and move towards a positive and promising direction. The advancement of the Company cannot be separated from the guidance and support of regulatory authorities, the trust and assistance of financial institutions, the joint efforts with partners, the trust and companionship of investors, and, most importantly, the care and understanding of all homeowners. On behalf of the Board of Country Garden, I would like to express my heartfelt gratitude and highest respect to everyone!

Yang Huiyan
Country Garden Holding Company Limited
Chairman

Foshan, Guangdong Province, The PRC, 29th August 2025

BUSINESS OVERVIEW

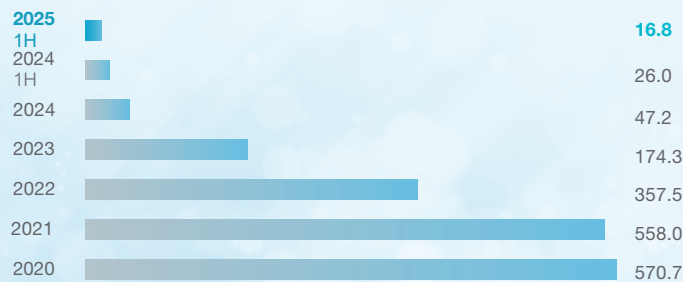
PROPERTY DEVELOPMENT

Contracted Sales

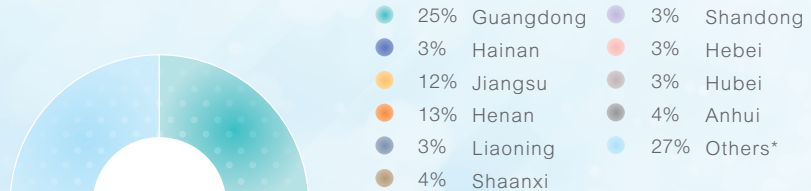
In the first half of 2025, the Group together with its joint ventures and associates achieved contracted sales attributable to the shareholders of the Company of approximately RMB16.75 billion with contracted sales GFA attributable to the shareholders of the Company of approximately 2.05 million sq.m..

In the first half of 2025, the attributable contracted sales outside Guangdong Province was around 75% of that of the Group, reflecting the Group's efforts in geographic diversification.

Attributable contracted sales
(RMB billion)

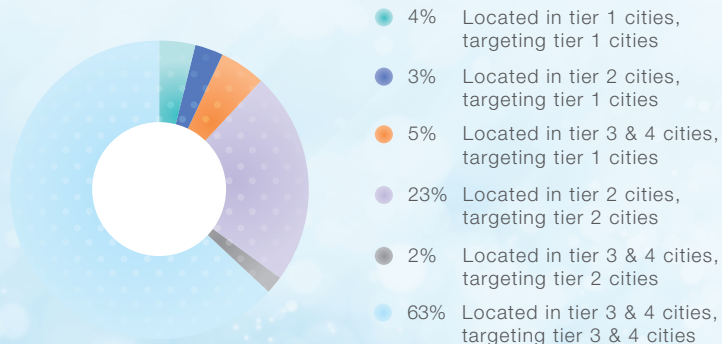


Geographical breakdown of contracted sales In the first half of 2025
(By Attributable Value)



Note: Others* include Malaysia, United States, Hunan, Guizhou, Zhejiang, Sichuan, Inner Mongolia, Shanxi, Indonesia, Guangxi, Fujian, Gansu, Jiangxi, Shanghai, Thailand, Xinjiang, Australia, Chongqing, Yunnan, Beijing, Heilongjiang, India, Qinghai, Tianjin, Hong Kong, Jilin, New Zealand, Ningxia.

Contracted sales breakdown in Mainland China by city type In the first half of 2025
(By Attributable Value)



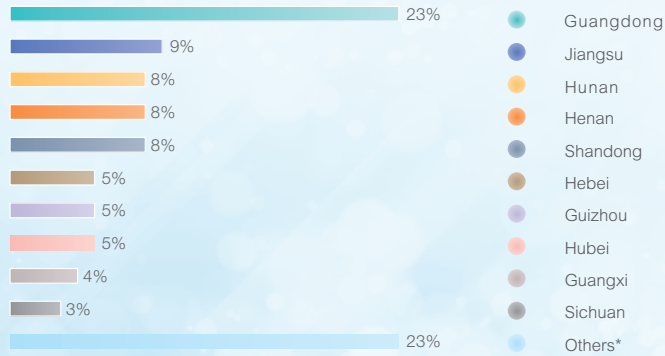
BUSINESS OVERVIEW

In terms of tier cities, around 63% of the attributable contracted sales in Mainland China was contributed by projects located in tier 3 & 4 cities targeting tier 3 & 4 cities, around 23% was contributed by projects located in tier 2 cities targeting tier 2 cities and 14% was contributed by the others.

Landbank — Mainland China

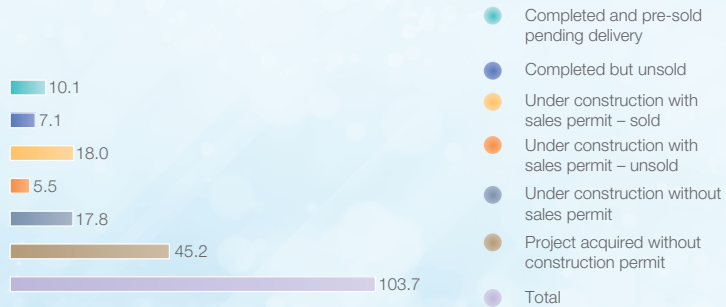
As of June 30, 2025 the acquired attributable GFA in Mainland China together with its joint venture and associates was 103.65 million sq.m.. 77% of the landbank was located outside of Guangdong province.

Landbank
breakdown by
province in
Mainland China
(By attributable GFA)



Others* include Shaanxi, Liaoning, Hainan, Shanxi, Anhui, Jiangxi, Xinjiang, Zhejiang, Gansu, Mongolia, Yunnan, Chongqing, Tianjin, Fujian, Beijing, Jilin, Qinghai, Heilongjiang, Shanghai, Ningxia, Tibet.

Attributable
landbank GFA
breakdown by
development stage
in Mainland China
(million sq.m.)



BUSINESS OVERVIEW

Project Location

As of June 30, 2025
the Group operated

3,077 projects under different development stages,

3,043 of these projects were located in Mainland China and

34 were outside Mainland China.



11
Xinjiang

3
Tibet

BUSINESS OVERVIEW

As of June 30, 2025
the Group's

3,043 projects in
Mainland
were located as follows:



BUSINESS OVERVIEW

Top 50 Projects of Equity Contract Sales in Mainland China In the first half of 2025⁽¹⁾

Serial number	Project	City (District)	Aggregate saleable GFA for entire project	
			sq.m.	
1	Shaoguan Country Garden — Sun Palace (韶關碧桂園•太陽城)	Shaoguan (Wujiang)	3,778,484	
2	Country Garden — Xinyue Shiguang (碧桂園•新月時光)	Changzhou (Wujin)	185,130	
3	Country Garden — Gaoxin Cloud Villa (碧桂園•高新雲墅)	Xi'an (Chang'an)	295,570	
4	Country Garden — Cloud Lake Tianjing (碧桂園•雲湖天境)	Zhengzhou (Gaoxin)	85,297	
5	Country Garden — Yunding (碧桂園雲頂)	Xi'an (Yanta)	970,422	
6	Country Garden — Yunding (碧桂園•雲頂)	Guangzhou (Zengcheng)	453,384	
7	Shaoguan Country Garden (韶關碧桂園)	Shaoguan (Zhenjiang)	3,735,938	
8	Country Garden — Central Garden (碧桂園•中央公園)	Zhengzhou (Zhongmu)	553,245	
9	Haikou Hainan Heart (海口海南之心)	Haikou (Meilan)	1,735,108	
10	Country Garden — Ten Miles Silver Beach, Victoria Harbour Peninsula (碧桂園•十里銀灘維港半島)	Huizhou (Huidong)	683,065	
11	Country Garden — Blue Valley Light (碧桂園•藍穀之光)	Qingdao (Jimo)	662,603	
12	Country Garden — Yujing Stage (碧桂園•瑜璟臺)	Dongguan (Chashan)	253,922	
13	Country Garden — Yunzhu (碧桂園•雲著)	Shaoguan (Wujiang)	238,028	
14	Country Garden — Wanghai Center (碧桂園•望海中心)	Dalian (Zhongshan)	176,770	
15	Country Garden — Tianyue (碧桂園•天悅)	Luoyang (Laocheng)	179,404	
16	Country Garden — Shouzu (碧桂園•首座)	Dongguan (Dalang)	445,592	
17	Country Garden — Phoenix City (碧桂園•鳳凰城)	Zhengzhou (Zhongyuan)	691,902	
18	Country Garden — Fenglin Mansion (碧桂園•鳳麟府)	Shantou (Chaoyang)	314,794	
19	Country Garden — Guanlan (碧桂園•觀瀾)	Jinhua (Yiwu)	208,848	
20	Country Garden — Fenghui (碧桂園•峰匯)	Suqian (Siyang)	153,942	
21	Country Garden — Guiyang NO.1 (碧桂園•貴陽1號)	Guiyang (Huaxi)	212,899	
22	Country Garden — Phoenix City (碧桂園•鳳凰城)	Zhenjiang (Jurong)	6,544,880	
23	Country Garden — Yuyue Tianjing (碧桂園•豫樾天境)	Suqian (Suyu)	196,982	
24	Yihe Country Garden — Lion Riding Fudi (頤和碧桂園•獅乘福第)	Cangzhou (Yunhe)	145,547	
25	Country Garden — Xinghe Chenyuan (碧桂園•星河宸院)	Taizhou (Xinghua)	128,657	
26	Country Garden Qujiang Mansion (碧桂園曲江府)	Shaoguan (Qujiang)	211,311	

BUSINESS OVERVIEW

Completed property developments ⁽²⁾				Properties under development ⁽³⁾			Properties for future development ⁽⁴⁾
Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	GFA for future development
sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.
2,686,687	2,631,901	53,855	2024/11/26	310,951	205,907	2022/11/25	780,846
90,186	59,814	14,063	2024/9/10	33,860	4,724	2023/9/1	61,084
182,903	145,382	36,530	2025/5/16	112,667	95,342	2022/6/21	—
				85,297	30,814	2023/6/9	—
693,761	600,220	84,431	2024/4/30	227,467	74,455	2022/10/9	49,194
395,639	388,491	3,014	2024/11/30	27,864	7,758	2020/7/17	29,881
3,296,440	3,294,961	462	2023/11/14	162,906	85,251	2021/3/12	276,592
553,245	492,607	7,418	2024/7/16				—
566,248	431,987	119,158	2024/12/31	221,857	100,240	2020/12/23	947,003
112,669	56,109	8,950	2025/5/27	196,660		2021/9/30	373,736
335,018	293,965	761	2023/11/30	49,401	21,359	2020/5/14	278,184
180,525	124,903	191	2025/6/30	73,397	1,562	2023/2/28	—
90,019	71,082	13,432	2025/3/6	96,905	55,378	2023/6/19	51,104
83,069	49,040	32,787	2025/1/24	93,701	67,178	2020/12/9	—
160,376	145,189	635	2025/6/25	19,028	17,287	2023/11/17	—
387,972	313,143	21,070	2022/1/21				57,620
403,205	394,809	1,940	2024/6/19	179,734	56,286	2021/7/13	108,963
147,338	118,592	22,374	2025/2/10	78,594	44,133	2021/11/19	88,862
172,858	608	101,101	2025/3/24	35,990	204	2021/12/21	—
53,824		43,151	2024/12/27	6,907	3,363	2024/4/18	93,211
212,899	183,248	24,906	2025/3/28				—
5,205,771	5,049,694	107	2024/12/5	247,937	53,081	2022/5/24	1,091,172
102,077	92,973	4,632	2024/12/30	47,016	4,624	2023/2/10	47,889
55,894	53,649	152	2025/4/30	89,653	56,243	2021/9/10	—
67,026	38,317	3,225	2024/11/8	61,631		2021/6/24	—
211,311	169,129	8,840	2024/12/20				—

BUSINESS OVERVIEW

Serial number	Project	City (District)	Aggregate saleable GFA for entire project	sq.m.
27	Country Garden — Yunjing (碧桂園•雲境)	Zhengzhou (Jinshui)	88,522	
28	Country Garden — Longyue (碧桂園•瓏悅)	Luoyang (Luolong)	92,770	
29	Country Garden — Tianxi (碧桂園•天璽)	Chuzhou (Nanqiao)	241,085	
30	Country Garden — Xingchen Yayuan (碧桂園•星辰雅苑)	Hefei (Changfeng)	137,293	
31	Country Garden — Jiuxi Tai (碧桂園•玖璽臺)	Fuyang (Linqun)	137,321	
32	Country Garden Sizhi Plaza (碧桂園思致廣場)	Shanghai (Jinshan)	82,188	
33	Country Garden Southwest Shangcheng (碧桂園西南上城)	Guiyang (Guanshanhu)	3,084,579	
34	Country Garden Mountain Lake City — Mingmen (碧桂園山湖城•名門)	Qingyuan (Qingcheng)	189,126	
35	Country Garden — Tianlan (碧桂園•天瀾)	Luoyang (Luolong)	93,115	
36	Country Garden — Tianzhu (碧桂園•天著)	Qingyuan (Qingcheng)	442,596	
37	Country Garden — Rishengchang Lingfeng Garden (碧桂園•日昇昌領峰花園)	Huizhou (Huicheng)	144,290	
38	Country Garden Shidai City (碧桂園時代城)	Zhengzhou (Guancheng)	580,046	
39	Country Garden — Xingyue (碧桂園•星樾)	Shaoguan (Ruyuan)	127,528	
40	Country Garden — Dacheng Garden (碧桂園•大成花園)	Zhanjiang (Lianjiang)	179,835	
41	Country Garden — Capital Mansion (碧桂園•首府)	Shantou (Chaoyang)	302,691	
42	Country Garden — Tianxi Bay (碧桂園•天璽灣)	Zhoukou (Chuanhui)	309,794	
43	Country Garden — Binjiang Shidai (碧桂園•濱江時代)	Meizhou (Fengshun)	673,929	
44	Country Garden — Bajing Tai (碧桂園•八景臺)	Huanggang (Xishui)	304,586	
45	Country Garden — Haiyi Peninsula (碧桂園•海逸半島)	Dongfang (Dongfang)	145,261	
46	Country Garden — Ten Miles Silver Beach with Haiyun Mountain (碧桂園•十里銀灘伴海雲山)	Huizhou (Huidong)	317,146	
47	Country Garden — Xingyue Bay (碧桂園•星悅灣)	Shaoguan (Xinfeng)	221,218	
48	Country Garden — Phoenix Mansion (碧桂園•鳳凰名邸)	Shaoguan (Lechang)	217,789	
49	Country Garden — Tianhui (碧桂園•天薈)	Nantong (Rudong)	74,475	
50	Country Garden — Shilijiangwan (碧桂園•十里江灣)	Jieyang (Rongcheng)	314,691	

Note:

- (1) All the GFAs displayed in this section are attributable to the owners of the Company.
- (2) Based on the measurement reports from relevant government departments.
- (3) Based on the actual measurements by the project management department of the Group.
- (4) “GFA for future development” for each project is the GFA expected to be built.

BUSINESS OVERVIEW

Completed property developments ⁽²⁾				Properties under development ⁽³⁾			Properties for future development ⁽⁴⁾
Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	GFA for future development
sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.
				62,547	32,307	2021/12/1	25,975
92,770	79,304	3,701	2025/5/28			2021/11/13	—
144,303	133,764	579	2024/12/6	76,731	33,496	2022/12/9	20,051
63,960	40,812	11,912	2025/4/24	30,549	9,965	2023/3/31	42,784
112,359	104,456	4,837	2025/4/25	24,962	9,642	2023/6/27	—
79,829	60,097		2021/11/8	2,359	143	2025/1/16	—
1,892,304	1,716,215	12,135	2024/12/31	881,637	26,447	2023/3/23	310,638
101,298	56,162	36,657	2025/6/20	87,828	9,337	2022/7/8	—
73,815	62,735	1,865	2025/1/23	19,300	5,068	2023/7/3	—
158,521	155,705	731	2024/8/29	88,878	48,308	2022/9/9	195,197
144,290	131,672	1,206	2023/7/13				—
468,034	459,583	1,121	2025/4/10	112,012	65,493	2021/5/17	—
66,594	66,437	157	2024/2/2	60,934	49,498	2023/1/6	—
141,166	134,439	180	2024/10/28	38,669	4,855	2023/4/27	—
257,533	255,723		2023/6/30	45,158	37,459	2021/12/13	—
225,357	215,796	7,284	2023/11/10	70,851	33,362	2021/11/25	13,586
266,411	265,868	544	2023/11/30	87,377	68,845	2021/7/29	320,141
124,195	110,016	12,222	2025/4/22	88,230	50,530	2021/4/26	92,161
137,199	124,016	10,452	2024/1/30	8,062	7,685	2021/8/30	—
90,909	72,009	4,820	2025/6/24	20,026	553	2021/7/7	206,211
118,989	114,753	2,666	2024/12/26	55,694	26,810	2023/5/31	46,535
89,160	87,668	745	2024/7/18	82,754	42,949	2023/4/17	45,875
74,475	51,503		2024/3/28				—
147,166	146,489	452	2025/5/26	79,181	36,132	2023/1/11	88,344

BUSINESS OVERVIEW

Landbank GFA breakdown by location in Mainland China⁽¹⁾

		Completed property developments ⁽²⁾			Properties under development ⁽³⁾		Properties for future development ⁽⁴⁾
Province/Location	Aggregate saleable GFA	Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Total saleable GFA under development	Total saleable GFA pre-sold	GFA for future development
	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.
Guangdong	141,268,043	121,354,942	117,924,549	1,700,685	7,802,313	2,018,773	12,110,788
Jiangsu	58,062,559	50,397,260	48,442,737	719,018	3,826,603	1,098,502	3,838,696
Anhui	43,712,011	41,945,118	41,511,213	131,309	1,013,318	410,902	753,575
Henan	36,850,457	29,702,422	28,608,661	793,702	4,343,083	2,672,425	2,804,952
Hunan	36,645,466	29,343,625	28,075,884	777,684	3,098,111	1,551,651	4,203,730
Shandong	29,105,842	21,820,457	20,917,126	644,658	3,498,959	2,185,176	3,786,426
Hubei	27,272,133	22,905,701	22,447,934	249,826	1,553,182	436,664	2,813,250
Guangxi	22,288,772	19,688,242	18,648,705	937,887	1,234,956	543,669	1,365,574
Zhejiang	19,387,367	18,358,691	17,762,514	171,531	1,028,562	447,360	114
Guizhou	18,065,470	13,591,740	13,001,850	190,391	1,719,823	222,131	2,753,907
Hebei	15,515,000	11,533,641	10,432,003	906,511	2,543,927	1,485,771	1,437,432
Liaoning	14,829,594	12,678,103	12,207,586	240,476	1,041,305	381,928	1,110,186
Sichuan	14,158,240	11,867,503	11,154,016	638,858	1,114,211	802,932	1,176,526
Shaanxi	11,646,131	9,094,364	8,877,066	171,123	1,422,745	712,873	1,129,022
Jiangxi	11,582,398	10,180,002	9,729,155	374,251	952,907	415,354	449,489
Hainan	8,794,800	6,801,956	6,328,554	301,232	587,500	193,796	1,405,344
Fujian	8,632,125	8,257,288	8,058,662	25,358	349,860	134,749	24,977
Gansu	7,680,417	6,970,937	6,494,810	422,946	373,667	207,116	335,813
Shanxi	7,311,939	5,211,626	5,006,191	76,515	1,217,446	763,291	882,867
Chongqing	6,552,488	5,932,204	5,794,673	88,622	408,498	183,129	211,786
Yunnan	4,840,627	4,007,310	3,889,506	64,274	403,697	153,832	429,620
Inner Mongolia	4,793,004	3,876,969	3,754,699	79,297	538,565	210,945	377,470
Tianjin	3,680,673	3,011,141	2,960,878	14,197	309,635	219,632	359,897
Xinjiang	3,239,901	1,683,940	1,544,767	127,035	411,711	279,025	1,144,250
Qinghai	2,005,859	1,797,969	1,752,871	30,268	142,019	88,431	65,871
Ningxia	1,441,805	1,362,304	1,317,267	38,565	79,501	78,985	0

BUSINESS OVERVIEW

		Completed property developments ⁽²⁾			Properties under development ⁽³⁾		Properties for future development ⁽⁴⁾
Province/Location	Aggregate saleable GFA	Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Total saleable GFA under development	Total saleable GFA pre-sold	GFA for future development
	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.
Jilin	1,265,527	1,190,216	989,819	145,030	46,576	18,956	28,735
Shanghai	1,162,797	1,113,501	1,015,471	4,756	49,296	47,080	0
Heilongjiang	1,000,196	898,422	830,330	5,290	101,774	438	0
Beijing	666,773	395,879	339,814	19,336	114,743	33,938	156,151
Tibet	164,259	154,254	153,559	0	10,005	0	0
Total	563,622,673	477,127,727	459,972,870	10,090,631	41,338,498	17,999,454	45,156,448

Note:

- (1) All the GFAs displayed in this section are attributable to the owners of the Company.
- (2) Based on the measurement reports from relevant government departments.
- (3) Based on the actual measurements by the project management department of the Group.
- (4) "GFA for future development" for each project is the GFA expected to be built.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue was primarily derived from two business segments as follows: Property development and Technology-enabled construction. Revenue of the Group decreased by 28.9% to approximately RMB72,570 million in the first half of 2025 from approximately RMB102,102 million for the corresponding period in 2024. 96.5% of the Group's revenue was generated from the sales of properties (corresponding period in 2024: 96.8%), and 3.5% was generated from Technology-enabled construction and Others segment (corresponding period in 2024: 3.2%).

Property Development

Due to the decrease of GFA delivered, revenue generated from property development decreased by 29.1% to approximately RMB70,028 million for the six months ended 30 June 2025 from approximately RMB98,829 million for the corresponding period in 2024. The recognised average selling price of property delivered (value-added taxes not included) was approximately RMB7,340 per sq.m. for the six months ended 30 June 2025.

Technology-enabled Construction

Technology-enabled construction revenue from external customers decreased by 40.5% to approximately RMB1,466 million for the six months ended 30 June 2025 from approximately RMB2,464 million for the corresponding period in 2024, primarily due to the decrease in new construction volume resulting from sluggish market of real estate.

Others

Others segment mainly includes property investment and hotel operation. Revenue from external customers of others segment increased by 33.0% to approximately RMB1,076 million for the six months ended 30 June 2025 from approximately RMB809 million for the corresponding period in 2024.

Selling and marketing costs and Administrative expenses

The Group strictly implemented measures to reduce non-core and non-essential operating expenses. Selling and marketing costs and administrative expenses decreased by 18.9% to approximately RMB3,936 million for the six months ended 30 June 2025 from approximately RMB4,851 million for the corresponding period in 2024.

Finance Costs – Net

The Group recorded net finance costs of approximately RMB1,645 million in the first half of 2025 (corresponding period in 2024: approximately RMB2,312 million).

During the period, the Group recorded net foreign exchange gains of approximately RMB760 million (corresponding period in 2024: net foreign exchange losses of approximately RMB217 million), finance income of approximately RMB166 million (corresponding period in 2024: approximately RMB387 million). Interest expenses amounted to approximately RMB6,665 million for the six months ended 30 June 2025 (corresponding period in 2024: approximately RMB6,713 million), of which approximately RMB4,094 million had been capitalised on qualifying assets (corresponding period in 2024: approximately RMB4,231 million).

MANAGEMENT DISCUSSION AND ANALYSIS

Loss Attributable to Owners of the Company

In the first half of 2025, the loss attributable to owners of the Company was approximately RMB19,078 million (corresponding period in 2024: the loss attributable to owners of the Company was approximately RMB12,842 million).

Liquidity, Financial and Capital Resources

Cash position

As at 30 June 2025, the Group's total cash (equals to the sum of cash and cash equivalents and restricted cash) amounted to approximately RMB24,062 million (31 December 2024: approximately RMB29,897 million), including approximately RMB6,282 million in cash and cash equivalents and approximately RMB17,780 million in restricted cash.

As at 30 June 2025, 89.2% (31 December 2024: 87.3%) of the Group's total cash was denominated in Renminbi and 10.8% (31 December 2024: 12.7%) was denominated in other currencies (mainly US dollars, HK dollars and Malaysian Ringgit).

Debt Composition

As at 30 June 2025, the Group's bank and other borrowings, senior notes, corporate bonds and convertible bonds amounted to approximately RMB155,510 million, RMB74,570 million, RMB17,723 million and RMB6,780 million respectively (31 December 2024: approximately RMB153,954 million, RMB73,084 million, RMB19,759 million and RMB6,691 million respectively).

For bank and other borrowings, approximately RMB130,130 million, RMB24,890 million and RMB490 million will be repayable within 1 year, between 1 and 5 years and beyond 5 years respectively (31 December 2024: approximately RMB137,413 million, RMB16,541 million and RMB nil respectively). As at 30 June 2025 and 31 December 2024, the majority of the Group's bank and other borrowings were secured by the Group's certain property, plant and equipment, investment properties, properties under development, completed properties held for sale and financial assets, and/or secured by the pledge of certain equity interests in the Group's subsidiaries, and/or guaranteed by the Group.

As at 30 June 2025, the total debts increased to approximately RMB254,583 million, from approximately RMB253,488 million as at 31 December 2024.

Capital Gearing Ratio

The capital gearing ratio is calculated by dividing the net debt by total capital. Net debt equals to total debt (representing bank and other borrowings, senior notes, corporate bonds and convertible bonds) net of total cash (including cash and cash equivalent and restricted cash). Total capital is calculated by adding total equity and net debt. The Group's capital gearing ratio increased from approximately 81.4% as at 31 December 2024 to approximately 90.6% as at 30 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Key Risk Factors and Uncertainties

The following lists out the key risks and uncertainties the Group is facing. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below.

Risks Pertaining to the Property Market and Operation

The Group's businesses and prospects are largely dependent on the performance of the property market in mainland China. At present, the property market in mainland China is in a period of deep adjustment and transformation. Property related policies continue to support the market to "stop falling and stabilize", and the central and local governments are working together to promote it. The policy toolkit continues to expand, and various indicators of the real estate market continue to improve, which has had a positive impact on the current expectation of stabilizing the market and the pillar industries. Therefore, the Group will continue to implement comprehensive self-rescue measures in conjunction with current favorable policies, and continue to work around the strategy of "guaranteeing delivery, stabilizing capital and debt, and maintaining operation", providing a foundation for the Group to enter a stable operating state within the new normal operation. In the meantime, the Group has been suffering from a large debt burden, the overload of resources by creditors such as financial institutions, partners and investors, the impact of negative public opinion on the brand, and the impact of the judicial environment on the performance of the management team, which also have brought about a number of adverse impacts on the Group's sustainable operation.

Interest Rate Risk

The Group's bank and other borrowings mainly bear floating rates. As at 30 June 2025, the weighted average borrowing cost of the Group's total debt was 4.88%, decreased by 29 basic points as compared with that as at 31 December 2024. The Group has implemented certain interest rate management which includes, among others, close monitoring of interest rate movements and refinancing on existing banking facilities and entering into new banking facilities when good pricing opportunities arise.

Foreign Exchange Risk

The Group's foreign exchange exposure is mainly derived from the borrowings denominated in USD and HKD. The Group has been paying close attention to the fluctuation of the foreign exchange rate and actively taking measures to mitigate the risk of exchange rate fluctuation.

Liquidity Risk

The Group is facing phased liquidity pressure. In light of the current liquidity position, the Group has undertaken a number of plans and measures to mitigate the liquidity pressure and to improve the financial position of the Group, details of which are set out in note 2.1 to the "NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION" in this report.

MANAGEMENT DISCUSSION AND ANALYSIS

Guarantees

As at 30 June 2025, the Group had guarantees in respect of mortgage facilities for certain property buyers amounting to approximately RMB241,427 million (31 December 2024: approximately RMB259,095 million).

Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible for repaying the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks, and the Group is entitled to take over the legal title and the possession of the related properties. The guarantees are to be discharged upon the earlier of: (i) issuance of the real estate ownership certificates which are generally available within three months after the buyers take possession of the relevant properties; and (ii) the satisfaction of mortgage loans by the property buyers.

In addition, as at 30 June 2025, the Group had provided guarantees amounting to approximately RMB6,088 million (31 December 2024: approximately RMB6,185 million) for certain liabilities of the joint ventures, associates and other parties of the Group.

Disposal of approximately 11.063% shares in LandSpace Technology Co., Ltd.* (藍箭航天空間科技股份有限公司) (“LandSpace”) in aggregate

On 7 April 2025, Guangzhou Bilan Enterprise Management Partnership (Limited Partnership)* (廣州碧藍企業管理合夥企業(有限合夥)) (the “**First Seller**”) (an indirect non-wholly owned limited partnership of the Company) (as seller), each of (i) Guangzhou Xinde Jiancheng Technology Investment Partnership (Limited Partnership)* (廣州信德箭成科技投資合夥企業(有限合夥)), (ii) Langma No. 98 (Shenzhen) Private Equity Venture Capital Fund Partnership (Limited Partnership)* (朗瑪九十八號(深圳)私募創業投資基金合夥企業(有限合夥)), (iii) Ningbo Meishan Bonded Port Area Rongtai Chengde Venture Capital Partnership (Limited Partnership)* (寧波梅山保稅港區融泰成德創業投資合夥企業(有限合夥)) and Ningbo Meishan Bonded Port Area Rongtai Hengde Venture Capital Partnership (Limited Partnership)* (寧波梅山保稅港區融泰恒德創業投資合夥企業(有限合夥)), (iv) Shanghai Kehui Venture Capital Co., Ltd.* (上海科慧創業投資有限公司), (v) Nantong Zhongjin Chuanhe Equity Investment Partnership (Limited Partnership)* (南通中金傳合股權投資合夥企業(有限合夥)) and (vi) Zhongjin Zhanxin Venture Capital (Heshan) Partnership (Limited Partnership)* (中金戰新創業投資(鶴山)合夥企業(有限合夥)) (each a purchaser under the relevant share transfer agreements), and LandSpace (as target company) entered into six share transfer agreements in relation to the disposal of approximately 4.536% shares in LandSpace in aggregate at a price of RMB48.74 per share for a total consideration of RMB535,056,997.20.

On 25 April 2025, the First Seller and Foshan Nanhai Ruizheng Equity Investment Partnership (Limited Partnership)* (佛山市南海區睿正股權投資合夥企業(有限合夥)) (an indirect non-wholly owned limited partnership of the Company) (as sellers), Qingdao Haijin Xingyu Investment Development Partnership (Limited Partnership)* (青島海金星宇投資發展合夥企業(有限合夥)) (as purchaser), and LandSpace (as target company) entered into a share transfer agreement in relation to the disposal of approximately 6.527% shares in LandSpace in aggregate at the same price of RMB48.74 per share for a total consideration of RMB769,999,978.88 (collectively the “**2025 Disposal**”). The 2025 Disposal was entered into as part of the Group’s means to resolve the phased liquidity pressure. As at the date of this report, this transaction has been completed.

For further details, please refer to the announcement of the Company dated 25 April 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Employees and Remuneration Policy

Human resource has always been the most valuable resource of the Group. As at 30 June 2025, the Group had approximately 17,920 full-time employees.

Employees are rewarded on a performance related basis, together with reference to the profitability of the Group, remuneration benchmarks in the industry, and prevailing market conditions within the general framework of the Group's salary and bonus system. The Group is subject to social insurance contribution plans or other pension schemes organised by the regional governments and is required to pay on behalf of the employees a monthly social insurance premium covering pension insurance, medical insurance, unemployment insurance and housing fund or to contribute regularly to other mandatory provident fund schemes on behalf of the employees. As at the date of this report, there were no significant labor disputes which adversely affect or are likely to have an adverse effect on the operations of the Group.

To achieve the sustainable operation and development of the company and build the core competitiveness, the Group has optimized and refined its talent standards and personnel structure. It has clearly defined the "Three Excellence" talent profile standards for the new era, established a standardized identification mechanism and differentiated retention policies, and strengthened the talent care system. The Group has implemented strategic preferences in terms of resource allocation such as salary incentives and career development channels. Through a dynamic tracking and evaluation mechanism, it continuously optimizes management strategies, forms a full-cycle talent management closed loop, and fully releases the strategic value of human resources.

The Group has approved and adopted certain share option schemes and share award scheme, details can be referred in the sections headed "EMPLOYEE INCENTIVE MECHANISMS" in "CORPORATE GOVERNANCE AND OTHER INFORMATION" of this report.

Forward Looking

Currently, China's property is accelerating its transformation into a new development model, from the central bank's reserve requirement ratio cuts to boost the market, to the official implementation of new regulations on "good houses", from accelerating the introduction of a series of financing systems that are compatible with the new model of real estate development, to high-quality urban renewal work. The industry is still undergoing a profound transformation, and the future development of the real estate industry will gradually move towards a new pattern of industrial competition.

In the face of new challenges and market changes, the Group has always been committed to doing the right thing, focusing on core tasks such as ensuring the delivery of houses in the short term, gradually improving the quality of the balance sheet in the medium term, and then entering a new normal of normal operation in the future. At present, the Group spares no effort to shoulder its social responsibility, actively responds to and fully completes the guaranteed delivery work. In the first half of 2025, the Group, together with its joint ventures and associated companies, has delivered about 74,000 sets of houses, once again ranking first in the industry in terms of delivery volume.

MANAGEMENT DISCUSSION AND ANALYSIS

In the future, the Group will gradually build a healthy and sustainable capital structure, increase efforts to activate accumulated assets, strictly control every expenditure, ensure efficient utilization of resources, continuously improve operational efficiency, and ensure the achievement of phased strategies and goals through orderly adjustment of organizational structure and resource allocation. While focusing on the core real estate business, the business models of technology construction and entrusted construction in the Group's "one body, two wings" strategy are gradually maturing. Relying on the core competitive advantages of "cost power, product power, and service power", we continue to explore new models for real estate development.

Looking back on the arduous challenges of the past two years, the Group has persisted in overcoming obstacles. In the face of the future, it is even more necessary to have scientific management and resilient responsibility, with the confidence that "long winds and waves will come and go", and the perseverance of "although it is hard to search through thousands of hardships", to cross the cycle. The Group firmly believes that with the continuous optimization of policy environment, the real estate industry will gradually regain vitality. As long as we persist, the Company will also gradually enter a more benign development cycle with the recovery of the industry.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board and the management of the Company are committed to the principles of good corporate governance consistent with prudent management and enhancement of shareholder value. These principles emphasise transparency, accountability and independence.

During the six months ended 30 June 2025, the Company has applied the principles and has complied with the applicable code provisions set out in Part 2 of the Corporate Governance Code.

BOARD OF DIRECTORS

The Directors during the six months ended 30 June 2025 and up to the date of this report is set out below:

Executive Directors

Ms. YANG Huiyan (*Chairman*)
Mr. MO Bin (*President*)
Ms. YANG Ziyang
Dr. CHENG Guangyu
Ms. WU Bijun

Non-executive Director

Mr. CHEN Chong

Independent Non-executive Directors

Dr. HAN Qinchun
Mr. WANG Zhijian
Mr. TUO Tuo

AUDIT COMMITTEE

The Audit Committee assists the Board in providing an independent review of the effectiveness of the financial reporting process, risk management and internal control systems of the Group, overseeing the audit process, and performing other duties and responsibilities as may be assigned by the Board from time to time. The members of the Audit Committee are all independent non-executive Directors, namely Mr. WANG Zhijian, Dr. HAN Qinchun and Mr. TUO Tuo. Mr. WANG Zhijian is the chairman of the Audit Committee.

The Audit Committee has reviewed with the management of the Company the accounting policies and practices adopted by the Group and discussed, among other things, internal control, risk management and financial reporting matters including a review of the unaudited interim financial information of the Group for the six months ended 30 June 2025. In addition, the independent auditor of the Company, ZHONGHUI ANDA CPA Limited, has reviewed the unaudited interim financial information of the Group for the six months ended 30 June 2025 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

CORPORATE GOVERNANCE AND OTHER INFORMATION

EXTRACTS OF THE REPORT ON REVIEW OF UNAUDITED INTERIM FINANCIAL INFORMATION

The Company's independent auditor, ZHONGHUI ANDA CPA Limited, has disclaimed a conclusion in its report on review of the Group's unaudited interim financial information for the six months ended 30 June 2025, and extract of which is as follows:

BASIS FOR DISCLAIMER OF CONCLUSION

Scope limitation relating to the assessment on the appropriateness of the going concern basis of preparing the Interim Financial Information

As disclosed in note 2.1 to the interim condensed financial information, the Group incurred a loss attributable to owners of the Company of approximately RMB19.1 billion for the six months ended 30 June 2025. As at 30 June 2025, the Group had net current liabilities of RMB43.7 billion and borrowings in total of approximately RMB254.6 billion, out of which approximately RMB222.4 billion was included in current liabilities, while its total cash (including cash and cash equivalents and restricted cash) amounted to approximately RMB24.1 billion. As at 30 June 2025, the Group had certain indebtedness, including senior notes, corporate bonds, convertible bonds and bank and other borrowings, with an aggregated carrying amount of approximately RMB186.2 billion were defaulted or cross-defaulted. The above events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

In view of the above circumstances, the directors of the Company (the "**Directors**") have been undertaking a number of plans and measures to mitigate the liquidity pressure and improve its financial position, details of which are set out in note 2.1 to the interim condensed financial information. To assess the appropriateness of the going concern basis, the management of the Group prepared a cash flow forecast ("**Cash Flow Forecast**"), which takes into account the effects of the success in implementing and completing the aforesaid plans and measures as scheduled notwithstanding the inherent uncertainties associated with the outcome of these plans and measures. In particular, the positive outcome of the Cash Flow Forecast is significantly influenced by the success of the proposed restructuring plan for the Group's offshore liabilities (the "**Proposed Debt Restructuring**"). Based on the result of the Cash Flow Forecast, the Directors are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the foreseeable future and therefore, the Group has the ability to continue as a going concern and will continue its operations for at least 12 months from 30 June 2025. Accordingly, the Directors are of the view that it is appropriate to prepare the interim financial information on a going concern basis.

However, we have not been able to obtain sufficient appropriate review evidence to satisfy ourselves about the appropriateness of the use of the going concern basis of accounting in the preparation of the interim financial information because of the lack of sufficient appropriate review evidence in relation to the Proposed Debt Restructuring and the measures for future actions assumed in the Cash Flow Forecast which inherent uncertainties associated with the outcome of these plans and measures and how variability in such outcome would affect the Cash Flow Forecast.

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

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLAIMER OF CONCLUSION

We do not express a conclusion on the interim financial information. Because of the significance of the matters described in the Basis for Disclaimer of Conclusion section of our report, we disclaim our conclusion as to whether the use of the going concern assumption in the preparation of the interim financial information is appropriate.

CHANGES SINCE DATE OF 2024 ANNUAL REPORT

Pursuant to rule 13.51B(1) of the Listing Rules, there is no change to information required to be disclosed by the Directors pursuant to paragraphs (a) to (e) and (g) of rule 13.51(2) of the Listing Rules between the date of the Company's 2024 annual report and up to the date of this report.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as the code of conduct for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standard regarding securities transactions set out therein throughout the six months ended 30 June 2025. No incident of non-compliance was noted by the Company for the six months ended 30 June 2025. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2025, the Directors and chief executive of the Company had the following interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Long positions in the Shares, underlying Shares and debentures of the Company

Name of Directors	Capacity	Number of Shares held	Number of underlying Shares held under equity derivatives	Total	Percentage to total issued Shares as at 30 June 2025	Amount of debentures held
Ms. YANG Huiyan	Interest of controlled corporation	14,539,618,535 ¹	—	14,539,618,535	51.94%	—
Mr. MO Bin	Beneficial owner	86,591,006	—	86,591,006	0.30%	USD30,000,000
Ms. YANG Ziyang	Interest of controlled corporation	—	—	—	—	USD18,000,000 ²
Dr. CHENG Guangyu	Beneficial owner	12,338,951	1,757,149 ³	14,096,100	—	—
	Interest of spouse	17,307,339 ⁴	—	17,307,339	—	—
				31,403,439	0.11%	
Ms. WU Bijun	Beneficial owner	—	—	—	—	USD500,000
Mr. CHEN Chong	Interest of spouse	14,539,618,535 ⁵	—	14,539,618,535	51.94%	—

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

1. These Shares represent Shares held by Concrete Win Limited in which Ms. YANG Huiyan beneficially owns the entire issued share capital.
2. The amount of debentures represents the debentures held by Shiny Dragon Assets Limited in which Ms. YANG Ziying beneficially owns the entire issued share capital.
3. The relevant interests are share awards granted pursuant to the Share Award Scheme. The grant date was prior to appointment of Dr. CHENG Guangyu as Director on 20 December 2022.
4. These Shares represent Shares held by Ms. ZUO Ying who is the spouse of Dr. CHENG Guangyu.
5. These Shares represent Shares held by Ms. YANG Huiyan who is the spouse of Mr. CHEN Chong.

Save as disclosed above, during the six months ended 30 June 2025, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, during the six months ended 30 June 2025, none of the Directors, their spouse or children under the age of 18 had any rights to subscribe for equity or debt securities of the Company or its associated corporation (within the meaning of Part XV of the SFO), nor has any of them exercised such rights.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 30 June 2025, according to the register kept by the Company under Section 336 of the SFO, the following company, other than the Directors and chief executive of the Company, had long positions of 5% or more in the Shares and underlying Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

Long positions in the Shares

Name of Shareholder	Capacity	Number of ordinary Shares held	Percentage of total issued Shares ¹ as at 30 June 2025
Concrete Win Limited	Beneficial owner	14,539,618,535 ²	51.94%

Notes:

1. As at 30 June 2025, the total number of the issued Shares is 27,988,507,946 Shares.
2. These Shares are held by Concrete Win Limited, the entire issued share capital of which is beneficially owned by Ms. YANG Huiyan.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed above, the Company has not been notified by any other person (other than the Directors and chief executive of the Company) who had an interest or short positions of 5% or more in the Shares and underlying Shares as of 30 June 2025 which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

EMPLOYEE INCENTIVE MECHANISMS

For the purpose of rewarding the contribution of the senior management (including executive Directors of the Company who are also senior management) and employees of the Group engaging in profitable property development projects of the Group, two incentive mechanisms (as amended from time to time) (the “**Incentive Mechanisms**”) were adopted by the Group (with the latest versions being adopted on 27 December 2019 and 18 September 2020 respectively), which respectively concern property development projects located in Mainland China and property development projects located in Hong Kong and other overseas jurisdictions (the “**Property Development Projects**”). Under the Incentive Mechanisms, in general, senior management and employees will primarily be provided with cash rewards, calculated with reference to net profits generated from the Property Development Projects and the Group’s internal rate of return. A portion of these cash rewards will be used as either (i) the consideration for the exercise of the share options to be granted to them by the Company under the terms of the Share Option Schemes (in respect of certain executive Directors of the Company who are also senior management) or (ii) the consideration for the purchase of Shares (i.e. the share awards) (in respect of senior management who are not Directors and employees of the Company).

(I) Share Award Scheme

The aforementioned share awards to the senior management who are not Directors and employees of the Company are funded by existing Shares, and shall be distributed in accordance with the Principles for Employees’ Shares Conversion Rights (as amended from time to time) adopted by the Group on 11 February 2015 (the “**Share Award Scheme**”). The Share Award Scheme has no fixed expiry date.

According to the trust deed approved by the Board on 27 January 2015, the trustee of the Share Award Scheme is Power Great Enterprises Limited (“**Power Great**”), a wholly-owned subsidiary of the Company. During the six months ended 30 June 2025, Power Great as the trustee of the Share Award Scheme had not purchased any Share from the market, and had not acquired any Share by any other means. During the six months ended 30 June 2025, no Shares were granted under the Share Award Scheme. As at 30 June 2025, the total number of Shares in relation to share awards that were granted under the Share Award Scheme was 165,434,000 Shares (being the net number after deduction of the exercised and lapsed share awards). As at 30 June 2025, Power Great held a cumulative total of 283,259,032 Shares available for use under the Share Award Scheme (including Shares which had been granted to relevant employees with the registration and transfer procedures yet to be completed) (31 December 2024: 283,259,032 Shares).

CORPORATE GOVERNANCE AND OTHER INFORMATION

(II) Share Option Schemes

On 20 March 2007, the 2007 Share Option Scheme was approved and adopted by the then Shareholders for a period of 10 years commencing on the adoption date. The 2007 Share Option Scheme had expired on 19 March 2017.

In view of the expiry of the 2007 Share Option Scheme on 19 March 2017, the 2017 Share Option Scheme was approved and adopted by the Shareholders at the 2017 AGM for a period of 10 years commencing on the adoption date and ending on 17 May 2027. Subject to the terms and conditions of the 2017 Share Option Scheme, the Board may, at its discretion, grant share options to any eligible person to subscribe for the Shares within the validity period of the scheme.

The total number of share options available for grant under the Share Option Schemes is 2,048,830,798 Shares both as at 1 January 2025 and as at 30 June 2025 (as at 1 January 2024 and 31 December 2024: 2,048,830,798 Shares). During the six months ended 30 June 2025, no share options were granted to eligible persons in accordance with the terms of the Share Option Schemes (there was also no share option granted during the year ended 31 December 2024).

(a) During the six months ended 30 June 2025, details of movements in the share options under the 2007 Share Option Scheme are as follows:

Category and name (if applicable) of grantees	Outstanding at 1 January 2025	Granted during the period ¹	Options to subscribe for Shares			Outstanding at 30 June 2025	Exercise price per Share HKD	Date of grant	Exercisable period
			Exercised during the period	Cancelled during the period	Lapsed during the period				
Other participants ²	1,506,227	—	—	—	—	1,506,227	3.332	16.03.2016	16.03.2021–15.03.2026
	1,599,861	—	—	—	—	1,599,861	3.106	11.05.2016	11.05.2021–10.05.2026
	816,050	—	—	—	—	816,050	3.740	19.08.2016	19.08.2021–18.08.2026
Total	3,922,138	—	—	—	—	3,922,138			

Notes:

- The 2007 Share Option Scheme has expired on 19 March 2017. Following the date of expiry of the 2007 Share Option Scheme, no subsequent options may be granted under the 2007 Share Option Scheme. During the six months ended 30 June 2025, no share options were granted by the Company in accordance with the terms of the 2007 Share Option Scheme. Therefore, the total number of Shares which may be issued in respect of share options granted under the 2007 Share Option Scheme during the period divided by the weighted average number of Shares in issue during the period is zero.
- The “Other participants” are former Directors.
- As at 1 January 2025 and 30 June 2025, the number of share options available for grant under the 2007 Share Option Scheme was zero since the 2007 Share Option Scheme has expired on 19 March 2017.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(b) During the six months ended 30 June 2025, details of movements in the share options under the 2017 Share Option Scheme are as follows:

Category and name (if applicable) of grantees	Outstanding at 1 January 2025	Granted during the period ¹	Options to subscribe for Shares			Outstanding at 30 June 2025	Exercise price per Share HKD	Date of grant	Exercisable period
			Exercised during the period	Cancelled during the period	Lapsed during the period				
Other employee participant	1,135,435	—	—	—	—	1,135,435	8.250	22.05.2017	22.05.2022–21.05.2027
	526,868	—	—	—	—	526,868	16.460	21.03.2018	21.03.2023–20.03.2028
	320,165	—	—	—	—	320,165	12.408	09.05.2019	09.05.2024–08.05.2029
	176,545	—	—	—	—	176,545	10.040	12.05.2020	12.05.2025–11.05.2030
	901,113	—	—	—	—	901,113	9.730	26.03.2021	26.03.2026–25.03.2031
Sub-total	3,060,126	—	—	—	—	3,060,126			
Other participants²	1,573,688	—	—	—	—	1,573,688	8.250	22.05.2017	22.05.2022–21.05.2027
	978,409	—	—	—	—	978,409	10.100	24.08.2017	24.08.2022–23.08.2027
	659,817	—	—	—	—	659,817	12.980	08.12.2017	08.12.2022–07.12.2027
	421,667	—	—	—	—	421,667	16.460	21.03.2018	21.03.2023–20.03.2028
	258,092	—	—	—	—	258,092	16.280	10.05.2018	10.05.2023–09.05.2028
	202,300	—	—	—	—	202,300	12.240	22.08.2018	22.08.2023–21.08.2028
	619,907	—	—	—	—	619,907	9.654	06.12.2018	06.12.2023–05.12.2028
	414,881	—	—	—	—	414,881	12.044	25.03.2019	25.03.2024–24.03.2029
	429,995	—	—	—	—	429,995	12.408	09.05.2019	09.05.2024–08.05.2029
	1,039,436	—	—	—	—	1,039,436	9.834	23.08.2019	23.08.2024–22.08.2029
	639,140	—	—	—	—	639,140	11.092	05.12.2019	05.12.2024–04.12.2029
	346,922	—	—	—	—	346,922	10.040	12.05.2020	12.05.2025–11.05.2030
	480,615	—	—	—	—	480,615	10.160	24.07.2020	24.07.2025–23.07.2030
	379,388	—	—	—	—	379,388	10.332	03.12.2020	03.12.2025–02.12.2030
	644,397	—	—	—	—	644,397	9.730	26.03.2021	26.03.2026–25.03.2031
Sub-total	9,088,654	—	—	—	—	9,088,654			
Total	12,148,780	—	—	—	—	12,148,780			

Notes:

- During the six months ended 30 June 2025, no share options were granted by the Company to eligible person in accordance with the terms of the 2017 Share Option Scheme. Therefore, the total number of Shares which may be issued in respect of share options granted under the 2017 Share Option Scheme during the period divided by the weighted average of Shares in issue during the period is zero and the total number of Shares which may be issued in respect of share options granted under all the Share Option Schemes divided by the weighted average of Shares in issue during the period is also zero.
- The “Other participants” are former Directors.
- As at 1 January 2025 and 30 June 2025, the number of Shares available for grant under the 2017 Share Option Scheme was 2,048,830,798 Shares.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Board will continue to monitor the Share Option Schemes and the Share Award Scheme for motivating the eligible persons, the senior management and employees of the Group and consider when it may be appropriate and/or desirable to modify or replace the schemes with and/or adopt any other incentive scheme.

CONVERTIBLE BONDS

On 21 November 2018, the Company, Smart Insight International Limited (the “**Issuer**”, a wholly-owned subsidiary of the Company), J.P. Morgan Securities plc, Goldman Sachs (Asia) L.L.C and The Hongkong and Shanghai Banking Corporation Limited (the “**Joint Lead Managers**”) entered into an agreement, under which the Joint Lead Managers agreed to subscribe for the 4.50% secured guaranteed convertible bonds due 2023 to be issued by the Issuer in the aggregate principal amount of HKD7,830 million (the “**2023 Convertible Bonds**”). On 5 December 2018, the Issuer issued the 2023 Convertible Bonds in the principal amount of HKD7,830 million. The 2023 Convertible Bonds are listed on SGX. The 2023 Convertible Bonds have matured on 5 December 2023 and were defaulted. The conversion period under the terms of the 2023 Convertible Bonds has expired. As at the date of this report, the total outstanding principal amount of the 2023 Convertible Bonds is HKD3 billion.

On 20 January 2022, the Company, the Issuer and UBS AG Hong Kong Branch (the “**Sole Bookrunner**”) entered into an agreement, under which the Sole Bookrunner agreed to subscribe for the 4.95% secured guaranteed convertible bonds due 2026 to be issued by the Issuer in the aggregate principal amount of HKD3,900 million (the “**2026 Convertible Bonds**”). On 28 January 2022, the Issuer issued the 2026 Convertible Bonds in the principal amount of HKD3,900 million. The 2026 Convertible Bonds are listed on SGX. There was no change to the conversion price of the 2026 Convertible Bonds since 13 June 2022. Accordingly, as at the date of this report, based on the total outstanding principal amount of the 2026 Convertible Bonds of HKD3,900 million, the 2026 Convertible Bonds may be converted into the maximum number of 492,424,242 Shares at the latest modified conversion price of HKD7.92 per Share (as last adjusted on 13 June 2022) during the conversion period under the terms of the 2026 Convertible Bonds. No bondholders have exercised their conversion right under the 2026 Convertible Bonds during the six months ended 30 June 2025. As at 30 June 2025, the 2026 Convertible Bonds were cross-defaulted.

The Company intends to compromise the outstanding indebtedness under the 2023 Convertible Bonds and the 2026 Convertible Bonds as part of its holistic debt restructuring. Please refer to section headed “Significant Events during and after the Financial Period” in this report for more information on the progress of the holistic debt restructuring.

Details of convertible bonds are set out in note 13 to the “NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION” in this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, bought back, sold or redeemed any of its Shares or listed securities during the six months ended 30 June 2025.

For details of redemption by the Company or any of its subsidiaries of its corporate bonds during the six months ended 30 June 2025, please also refer to note 12 to the “NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION” in this report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

On 21 October 2020, the Company, as the borrower, entered into a facility agreement (the **“2020 Facility Agreement”**) with various financial institutions as original lenders (the **“2020 Original Lenders”**) and Bank of China (Hong Kong) Limited as the facility agent, pursuant to which the 2020 Original Lenders have agreed to make available a dual tranche term loan facilities with a lender accession option denominated in HKD and USD in an amount of HKD8,133.3 million and USD453 million, respectively (collectively, the **“2020 Loans”**) to the Company for a term of 48 months commencing from the date of the 2020 Facility Agreement. The 2020 Loans obtained under the 2020 Facility Agreement were to be applied by the Company for refinancing in full the loan made available to the Company pursuant to a facility agreement dated 8 December 2016 and refinancing any other existing offshore financial indebtedness of the Group and financing costs and expenses incurred under the 2020 Facility Agreement. Pursuant to the terms of the 2020 Facility Agreement, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2020 Facility Agreement.

On 22 July 2021, the Company, as the borrower, entered into a facility agreement (the **“2021 Facility Agreement”**) with various financial institutions as the original lenders (the **“2021 Original Lenders”**), pursuant to which the 2021 Original Lenders have agreed to make available a dual tranche term loan facilities denominated in HKD and USD in an amount of HKD6,076 million and USD559 million, respectively (collectively, the **“2021 Loans”**) to the Company for a term of 48 months commencing from the date of the 2021 Facility Agreement. The 2021 Loans obtained under the 2021 Facility Agreement were to be applied by the Company for refinancing in full the loan made available to the Company pursuant to a facility agreement dated 17 October 2017 and refinancing any other existing offshore financial indebtedness of the Group and financing costs and expenses incurred under the 2021 Facility Agreement. Pursuant to the terms of the 2021 Facility Agreement, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2021 Facility Agreement.

On 26 December 2022, the Company, as the borrower, entered into a facility agreement (the **“2022 Facility Agreement”**) with various financial institutions as the original lenders (the **“2022 Original Lenders”**) and Industrial and Commercial Bank of China (Asia) Limited as the facility agent, pursuant to which the 2022 Original Lenders have agreed to make available a dual tranche term loan facilities denominated in HKD and USD in a total amount of USD280 million (collectively, the **“2022 Loans”**) to the Company for a term of 36 months commencing from the date of the 2022 Facility Agreement. The 2022 Loans obtained under the 2022 Facility Agreement were to be applied by the Company for refinancing in full the HKD and USD dual tranche term loan facilities made available to the Company pursuant to a facility agreement dated 28 December 2018 and thereafter for financing costs and expenses incurred under the 2022 Facility Agreement. Pursuant to the terms of the 2022 Facility Agreement, among others, (i) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung, in aggregate, shall beneficially own (whether directly or indirectly) at least 40% of the entire issued share capital of the Company; (iii) Ms. YANG Huiyan and Mr. YEUNG Kwok Keung shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2022 Facility Agreement.

CORPORATE GOVERNANCE AND OTHER INFORMATION

On 31 March 2023, the Company, as the borrower, entered into a facility agreement (the **“2023 Second Facility Agreement”**) with Tai Fung Bank Limited as the lender (the **“2023 Second Original Lender”**), pursuant to which the 2023 Second Original Lender has agreed to make available a term loan facility in the amount of HKD950 million (the **“2023 Second Loan”**) to the Company for a term of 36 months commencing from the date of first drawing of the 2023 Second Loan. The 2023 Second Loan obtained under the 2023 Second Facility Agreement was to be applied by the Company for financing general working capital requirements of the Group, including financing the development of the real estate development projects of the Group in the PRC. Pursuant to the terms of the 2023 Second Facility Agreement, among others, (i) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, directly or indirectly, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, directly or indirectly, shall beneficially own 40% or more of the entire issued share capital of the Company; (iii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, acting jointly, shall have control over the Company; or (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2023 Second Facility Agreement.

On 14 July 2023, the Company, as the borrower, entered into a facility agreement (the **“2023 Third Facility Agreement”**) with Chong Hing Bank Limited as the lender (the **“2023 Third Original Lender”**), pursuant to which the 2023 Third Original Lender has agreed to make available a term loan facility in the equivalent amount of USD35 million (the **“2023 Third Loan”**) to the Company for a term of 36 months commencing from the date on which the 2023 Third Loan was made. The 2023 Third Loan obtained under the 2023 Third Facility Agreement was to be applied by the Company for financing general working capital requirements of the Group, including financing the development of real estate developments or projects of the Group in the PRC. Pursuant to the terms of the 2023 Third Facility Agreement, among others, (i) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, shall be the single largest shareholder of the Company; (ii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, directly or indirectly, shall hold the beneficiary interest in not less than 40% of the issued share capital of the Company; (iii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, shall have the power to decide the management and policies of the Company (whether through the ownership of voting capital, by contract or otherwise); or (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairman of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2023 Third Facility Agreement.

On 20 July 2023, the Company, as the borrower, entered into a facility agreement (the **“2023 Fourth Facility Agreement”**) with various financial institutions as the original lenders (the **“2023 Fourth Original Lenders”**) and Bank of China (Hong Kong) Limited as the facility agent, pursuant to which the 2023 Fourth Original Lenders have agreed to make available a dual-tranche term loan facilities (with a lender accession option in the amount of USD11,200,000) denominated in HKD and USD in an amount of HKD3,583,020,000 and USD388,660,000, respectively (the **“2023 Fourth Loans”**) to the Company for a term of 30 months commencing from the date of the 2023 Fourth Facility Agreement. The 2023 Fourth Loans obtained under the 2023 Fourth Facility Agreement was to be applied by the Company for refinancing in full the HKD and USD dual-tranche term loan facilities made available to the Company pursuant to a facility agreement dated 23 July 2019; and thereafter for reimbursing the Company of part or all of the amount funded by the Company’s own source for the repayment of the said facility agreement. Pursuant to the terms of the 2023 Fourth Facility Agreement, among others, (i) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, shall be the largest beneficial owner of the entire issued share capital of the Company; (ii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan, in aggregate, shall beneficially own (whether directly or indirectly) at least 40% of the entire issued share capital of the Company; (iii) Mr. YEUNG Kwok Keung and Ms. YANG Huiyan shall have control over the Company; and (iv) either Mr. YEUNG Kwok Keung or Ms. YANG Huiyan shall be the chairperson of the Board. Failure to comply with any of the above requirements will constitute a prepayment event under the 2023 Fourth Facility Agreement.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE UNDER RULE 13.19 OF THE LISTING RULES

Offshore liability

As disclosed in the announcement of the Company dated 10 October 2023, the Group has been facing phased liquidity pressure and expected that it would not be able to meet all of its offshore payment obligations when due or within the relevant grace periods. Such non-payment might lead to relevant creditors of the Group demanding acceleration of payment of the relevant indebtedness owed to them or pursuing enforcement action. Since then, the Company has actively pursued offshore liability management measures and is in the process of developing a holistic solution in a fair and equitable manner to achieve a sustainable capital structure, while respecting the existing legal status and ranking in right of payment of all creditors.

As disclosed in the announcement of the Company dated 9 January 2025, as of 31 December 2023, in relation to offshore debts, the Group had total attributable interest-bearing liabilities (excluding accrued interest) of approximately USD16.4 billion, which comprise of (i) outstanding principal amount of USD senior notes and HKD convertible notes issued by the Group of approximately USD10.3 billion; (ii) outstanding principal amount of three syndicated loans of the Company of approximately USD3.6 billion (the **“Existing Syndicated Loan Debts”**); (iii) outstanding principal amount of shareholder loans advanced to the Company by its controlling Shareholder over the period of December 2021 to September 2023 of approximately USD1.1 billion (the **“Shareholder Loans”**); and (iv) outstanding principal amount of other secured and unsecured debts of approximately USD1.4 billion. The key terms of the Company’s restructuring proposal (the **“Restructuring Proposal”**) were first disclosed in the announcement of the Company dated 9 January 2025. Such proposal formed the framework for further negotiations aimed at implementing a successful restructuring of the Group’s offshore indebtedness. If successfully implemented, the Restructuring Proposal will enable the Group to achieve significant deleveraging, with a targeted reduction of indebtedness of more than USD11 billion (if the relevant restructuring consideration options are fully subscribed by scheme creditors and after the mandatory convertible bonds are fully converted into Shares of the Company and shareholder loans advanced by the controlling Shareholder are equitized in accordance with the terms of the Restructuring Proposal), a maturity extension of up to 11.5 years and a targeted decrease in the weighted average borrowing cost from approximately 6% per annum before the restructuring to approximately 2% per annum post-restructuring. As a result, the Group will have a more sustainable capital structure, allowing it to focus on delivering housing units, continuing its business operations, preserving asset value, and implementing a business and asset disposal strategy which it believes has the best potential to maximise value for all stakeholders. Further, the controlling Shareholder of the Company is also considering converting the Shareholder Loans into Shares of the Company, subject to the terms of the Restructuring Proposal.

CORPORATE GOVERNANCE AND OTHER INFORMATION

As disclosed in the announcements of the Company dated 11 April 2025, 9 May 2025, 23 May 2025, 6 June 2025 and 18 August 2025, on 11 April 2025, the Company has entered into the RSA (as amended and supplemented by an amendment agreement dated 18 August 2025) (the “**RSA**”) with holders who collectively hold or control approximately 29.9% of the outstanding principal amount of USD senior notes and HKD convertible notes issued by the Group (the “**AHG**”), under which the principal terms of the Restructuring Proposal were agreed. As of 18 August 2025, seven eminent banks that are long-term lenders of the Group, representing 49% of the aggregate principal amount of the Existing Syndicated Loan Debts (Class 1 Indebtedness) (as defined in the RSA) (the “**CoCom**”) either have acceded to the RSA or are undergoing internal procedures to obtain the relevant approvals to accede to the RSA; holders representing over 77% of the aggregate principal amount of the Class 2 Indebtedness (as defined in the RSA) have acceded to the RSA. The Group is working closely with the AHG and the CoCom on the long-form documentation for the Proposed Restructuring and remains committed to completing the Proposed Restructuring by the end of 2025.

For further details of the offshore indebtedness of the Group and the Restructuring Proposal, please refer to the announcements of the Company dated 10 October 2023, 16 January 2024, 28 February 2024, 4 March 2024, 28 March 2024, 7 April 2024, 17 May 2024, 6 June 2024, 27 June 2024, 29 July 2024, 30 September 2024, 31 December 2024, 9 January 2025, 20 January 2025, 21 January 2025, 11 April 2025, 9 May 2025, 23 May 2025, 6 June 2025, 30 June 2025 and 18 August 2025 (together, the “**Announcements**”). Capitalised terms used in this section headed “Offshore liability” shall have the same meanings as ascribed to them in the Announcements or the RSA unless otherwise stated or the context otherwise requires.

Onshore liability

As disclosed in the announcement of the Company dated 21 January 2025, the Group is negotiating with relevant financial institutions in respect of defaulted or cross-defaulted onshore loans. A vast majority of the onshore loans are backed by assets as security which made such negotiations possible.

Significant Events during and after the Financial Period

Debt restructuring

For details of debt restructuring of the Company, please refer to the section headed “DISCLOSURE UNDER RULE 13.19 OF THE LISTING RULES — Offshore liability” above.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Winding-up petition

A winding-up petition dated 27 February 2024 was filed by Ever Credit Limited (the “**Petitioner**”) at the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) against the Company, in relation to the non-payment of a term loan facility between the Petitioner as lender and the Company as borrower in the principal amount of approximately HK\$1.6 billion, plus accrued interest. The Company has been opposing the petition vigorously and proactively communicating with the Petitioner in respect of its debt restructuring plan. The hearing of the petition has been adjourned several times and is now adjourned to 5 January 2026. No winding-up order has been granted by the High Court to wind up the Company as at the date of this report. The Petitioner has indicated to the High Court that it intends to support the Proposed Restructuring and has acceded to the RSA.

For further details of the winding-up petition, please refer to the announcements of the Company dated 28 February 2024, 4 March 2024, 17 May 2024, 6 June 2024, 29 July 2024, 9 January 2025, 20 January 2025, 26 May 2025 and 7 August 2025.

INFORMATION FOR SHAREHOLDERS

INTERIM DIVIDEND

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited 30 June 2025 RMB million	Audited 31 December 2024 RMB million
ASSETS			
Non-current assets			
Property, plant and equipment	7	20,198	21,077
Investment properties	7	15,555	15,687
Intangible assets		695	776
Right-of-use assets		6,012	6,317
Properties under development		9,656	9,751
Investments in joint ventures		27,631	29,621
Investments in associates		17,439	15,910
Financial assets at fair value through other comprehensive income		4,536	4,627
Trade and other receivables	8	—	783
Deferred income tax assets		12,579	14,409
		114,301	118,958
Current assets			
Properties under development		422,579	465,996
Completed properties held for sale		103,711	112,271
Inventories		4,775	4,996
Trade and other receivables	8	215,444	267,649
Contract assets and contract acquisition costs		6,698	10,137
Prepaid income tax		11,014	17,238
Financial assets at fair value through profit or loss		6,744	8,701
Restricted cash	9	17,780	23,535
Cash and cash equivalents	9	6,282	6,362
		795,027	916,885
Total assets		909,328	1,035,843
EQUITY			
Equity attributable to owners of the Company			
Share capital and premium	15	50,783	50,783
Other reserves	16	28,001	27,933
Accumulated losses	16	(104,856)	(85,901)
		(26,072)	(7,185)
Non-controlling interests		49,990	58,439
Total equity		23,918	51,254

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited 30 June 2025 RMB million	Audited 31 December 2024 RMB million
LIABILITIES			
Non-current liabilities			
Corporate bonds	12	6,849	10,152
Bank and other borrowings	14	25,380	16,541
Lease liabilities		2,234	2,324
Deferred government grants		129	136
Deferred income tax liabilities		12,134	12,686
		46,726	41,839
Current liabilities			
Contract liabilities		221,985	281,988
Trade and other payables	10	358,346	394,857
Current income tax liabilities		35,810	38,918
Senior notes	11	74,570	73,084
Corporate bonds	12	10,874	9,607
Convertible bonds	13	6,780	6,691
Bank and other borrowings	14	130,130	137,413
Lease liabilities		189	192
		838,684	942,750
Total liabilities		885,410	984,589
Total equity and liabilities		909,328	1,035,843

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

		Unaudited Six months ended 30 June	
	Note	2025 RMB million	2024 RMB million
Revenue	6	72,570	102,102
Cost of sales	18	(79,027)	(103,806)
Gross loss		(6,457)	(1,704)
Other income and losses — net	17	(2,278)	(1,721)
Losses arising from changes in fair value of and transfers to investment properties	7	(62)	(374)
Selling and marketing costs	18	(2,052)	(2,447)
Administrative expenses	18	(1,884)	(2,404)
Research and development expenses	18	(43)	(253)
Net impairment losses on financial assets and guarantees	5.2	(447)	(122)
Operating loss		(13,223)	(9,025)
Finance income	19	166	387
Finance costs	19	(1,811)	(2,699)
Finance costs — net	19	(1,645)	(2,312)
Share of results of joint ventures and associates		(485)	506
Loss before income tax		(15,353)	(10,831)
Income tax expenses	20	(4,300)	(4,233)
Loss for the period		(19,653)	(15,064)
Loss attributable to:			
— Owners of the Company		(19,078)	(12,842)
— Non-controlling interests		(575)	(2,222)
		(19,653)	(15,064)
Losses per share attributable to owners of the Company (expressed in RMB yuan per share)			
Basic	22	(0.69)	(0.46)
Diluted	22	(0.69)	(0.46)

The above interim condensed consolidated income statement should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Unaudited Six months ended 30 June	
	Note	2025 RMB million	2024 RMB million
Loss for the period		(19,653)	(15,064)
Other comprehensive (loss)/income			
<i>Item that will not be reclassified to profit or loss:</i>			
— Changes in fair value of financial assets at fair value through other comprehensive income	16	(31)	180
<i>Item that may be reclassified to profit or loss:</i>			
— Currency translation differences		(76)	(46)
Total other comprehensive (loss)/income for the period, net of tax		(107)	134
Total comprehensive loss for the period		(19,760)	(14,930)
Total comprehensive loss attributable to:			
— Owners of the Company		(19,079)	(12,718)
— Non-controlling interests		(681)	(2,212)
		(19,760)	(14,930)

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited					
	Attributable to owners of the Company				Non-controlling interests RMB million	Total equity RMB million
	Share capital and premium RMB million (note 15)	Other reserves RMB million (note 16)	Accumulated losses RMB million (note 16)	Total RMB million		
Balance at 1 January 2025 (audited)	50,783	27,933	(85,901)	(7,185)	58,439	51,254
Comprehensive loss for the six months ended 30 June 2025						
Loss for the period	—	—	(19,078)	(19,078)	(575)	(19,653)
Other comprehensive loss	—	(1)	—	(1)	(106)	(107)
Total comprehensive loss for the six months ended 30 June 2025	—	(1)	(19,078)	(19,079)	(681)	(19,760)
Transactions with owners in their capacity as owners						
Capital injections from non-controlling interests	—	—	—	—	678	678
Transfer from statutory reserve	—	(63)	63	—	—	—
Dividends (note 25(b))	—	—	—	—	(7,655)	(7,655)
Employee share schemes						
— Value of employee services	—	84	—	84	—	84
Non-controlling interests arising from business combinations (note 27)	—	—	—	—	207	207
Disposals of subsidiaries (note 26)	—	(60)	60	—	(503)	(503)
Changes in ownership interests in subsidiaries without change of control (note 25(a))	—	108	—	108	(495)	(387)
Total transactions with owners	—	69	123	192	(7,768)	(7,576)
Balance at 30 June 2025	50,783	28,001	(104,856)	(26,072)	49,990	23,918

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited					
	Attributable to owners of the Company				Non-controlling interests RMB million	Total equity RMB million
	Share capital and premium RMB million (note 15)	Other reserves RMB million (note 16)	Accumulated losses RMB million (note 16)	Total RMB million		
Balance at 1 January 2024 (audited)	50,783	25,373	(50,209)	25,947	62,662	88,609
Comprehensive (loss)/income for the six months ended 30 June 2024						
Loss for the period	—	—	(12,842)	(12,842)	(2,222)	(15,064)
Other comprehensive income	—	8	116	124	10	134
Total comprehensive income/(loss) for the six months ended 30 June 2024	—	8	(12,726)	(12,718)	(2,212)	(14,930)
Transactions with owners in their capacity as owners						
Capital injections from non-controlling interests	—	—	—	—	2,181	2,181
Transfer from statutory reserve	—	(18)	18	—	—	—
Dividends	—	—	—	—	(558)	(558)
Employee share schemes						
— Value of employee services	—	147	—	147	—	147
Non-controlling interests arising from business combinations	—	—	—	—	146	146
Disposals of subsidiaries	—	(9)	9	—	(1,072)	(1,072)
Changes in ownership interests in subsidiaries without change of control	—	535	—	535	(1,002)	(467)
Total transactions with owners	—	655	27	682	(305)	377
Balance at 30 June 2024	50,783	26,036	(62,908)	13,911	60,145	74,056

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		Unaudited Six months ended 30 June	
	Note	2025 RMB million	2024 RMB million
Cash flows from operating activities			
Cash generated from operations		3,839	4,425
Income tax paid		(1,417)	(1,491)
Interest paid		(2,866)	(3,119)
Net cash used in operating activities		(444)	(185)
Cash flows from investing activities			
Net cash (outflow)/inflow on business combinations	27	(167)	6
Proceeds from disposals of property, plant and equipment		106	158
Net cash inflow on disposals of subsidiaries	26	23	253
Purchases of property, plant and equipment		—	(24)
Proceeds from disposals of investment properties		—	5
Net payments for investments in joint ventures		(43)	—
Net proceeds for investments in associates		3	126
Dividend income from joint ventures and associates		5	602
Proceeds from disposals of financial assets at fair value through other comprehensive income		31	400
Payments for financial assets at fair value through profit or loss		(119)	(54)
Proceeds from disposals of financial assets at fair value through profit or loss		1,305	573
Interest received	19	166	387
Net cash generated from investing activities		1,310	2,432

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		Unaudited Six months ended 30 June	
	Note	2025 RMB million	2024 RMB million
Cash flows from financing activities			
Net cash outflow on transactions with non-controlling interests	25(a)	(387)	(154)
Issue of corporate bonds	12	—	242
Repayment and early redemption of corporate bonds	12	(2,431)	(220)
Payments for principal portion of leases		(75)	(82)
Dividends to non-controlling interests		—	(558)
Proceeds from bank and other borrowings		3,744	2,197
Repayments of bank and other borrowings		(1,842)	(4,095)
Net cash used in financing activities		(991)	(2,670)
Net decrease in cash and cash equivalents		(125)	(423)
Cash and cash equivalents at the beginning of the period	9	6,362	7,130
Exchange gains/(losses) on cash and cash equivalents		45	(9)
Cash and cash equivalents at the end of the period	9	6,282	6,698

The above interim condensed consolidated cash flow statement should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

1 General information

Country Garden Holdings Company Limited (the “**Company**”) was incorporated in the Cayman Islands on 10 November 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111 Cayman Islands. The Company is engaged in investment holding and its subsidiaries (collectively, the “**Group**”) are principally engaged in the property development, construction, interior decoration, property investment, and the development and management of hotels.

The parent undertaking of the Company is Concrete Win Limited, whose registered office address is Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands.

The shares of the Company are listed on Stock Exchange.

This interim financial information is presented in Renminbi (“**RMB**”), unless otherwise stated, and was approved by the Board of Directors of the Company for issue on 29 August 2025. This interim financial information has not been audited.

2 Basis of preparation

This interim financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34, ‘Interim Financial Reporting’. This interim financial information should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2024 (“**2024 Financial Statements**”), which have been prepared in accordance with HKFRS Accounting Standards and the disclosure requirements under the Hong Kong Companies Ordinance, and any public announcements made by the Company during the interim reporting period.

2.1 Going concern basis

For the six months ended 30 June 2025, the Group recorded a loss of RMB19,653 million and a loss attributable to owners of the Company of RMB19,078 million. As at 30 June 2025, the Group had net current liabilities of RMB43,657 million and borrowings in the forms of senior notes, convertible bonds, corporate bonds and bank and other borrowings amounted to RMB254,583 million in aggregate, of which RMB222,354 million were current liabilities, while the Group’s cash and cash equivalents amounted to RMB6,282 million and restricted cash amounted to RMB17,780 million.

As at 30 June 2025, an aggregate amount of RMB186,184 million of the Group’s indebtedness was defaulted or cross-defaulted. In addition, a winding-up petition dated 27 February 2024 was filed by one of the Group’s creditors (the “**Petitioner**”) at the High Court of the Hong Kong Special Administrative Region against the Company, in relation to the non-payment of a term loan facility between the Petitioner as lender and the Company as borrower in the principal amount of approximately HK\$1.6 billion, plus accrued interest. The hearing of the Petition is adjourned to 5 January 2026.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

2 Basis of preparation *(Continued)*

2.1 Going concern basis *(Continued)*

All of the above events and conditions indicated the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern for at least 12 months from 30 June 2025, taking into account the following plans and measures:

- (i) The Group will actively resolve its phased liquidity pressure by adopting various debt management measures, including:
 - during the period and up to the date of these condensed consolidated financial statements, following the extension made in 2024 to defer part of the principal and interest payments originally due in 2024 under the existing arrangement for the onshore bonds to the period from March 2025 to June 2025, the Group successfully negotiated again with the bondholders of certain domestic corporate bonds in April 2025 to further defer part of the principal and interest payments due from March 2025 to June 2025 to the period from September 2025 to December 2025. The Group will continue to communicate with the bondholders to advance a comprehensive and long-term solution for domestic corporate bonds;
 - the Group, together with its financial advisers, has been actively advancing a proposed restructuring of its offshore liabilities and announced the key terms of the restructuring proposal on 9 January 2025. On 11 April 2025, the Group entered into a restructuring support agreement (“RSA”) with the holders of approximately 29.9% of the outstanding principal amount of its USD senior notes and HKD convertible notes. On 18 August 2025, the principal terms of the restructuring proposal have been agreed with the creditor groups, representing 49% in aggregate principal amount of the existing syndicated loans class one indebtedness. Members of the creditor groups either have acceded to the restructuring support RSA or are undergoing internal procedures to obtain the relevant approvals to accede to such RSA; further, holders representing over 77% of the aggregate principal amount of the Class 2 Indebtedness have acceded to the RSA. Under this agreement, the principal terms of the offshore liabilities restructuring proposal were agreed upon. Details of the progress of the Group's offshore liabilities restructuring, please refer to the Company's announcement dated 18 August 2025;
- (ii) The Group will continue to actively adjust its sales activities to respond to market changes and capture demands. The Group believes after undergoing adjustments, the PRC real estate market is expected to usher in new development opportunities. Therefore, the Group will adhere to the refined control of “one strategy for one real estate project”, and formulate reasonable sales prices and supply plans by taking into account the actual situation of the local market and each project, in order to achieve its budgeted sales volume and cash collection;

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

2 Basis of preparation *(Continued)*

2.1 Going concern basis *(Continued)*

- (iii) The Group will closely monitor the progress of construction of its property development projects according to the delivery plans, maintain continuous communication with major contractors and suppliers, and negotiate payment arrangements to ensure construction progress is completed as planned;
- (iv) The Group will actively respond to various supportive policies of the national and local governments, revitalise resources through all kinds of acquisition and reserve policies, and consider disposing of assets when necessary to generate more cash inflows; and
- (v) The Group will adapt to current market changes and operational focus, continue to optimise its organisational structure and strictly control various non-core and non-essential operating expenses, to improve operational efficiency continuously.

The directors of the Company have reviewed the Group's cash flow projections, which covers a period of not less than 12 months from 30 June 2025. The directors of the Company are of the opinion that, considering the anticipated cash inflows to be generated from the Group's operations taking into account reasonably possible changes in operation performance, its cost control measures, as well as the above-mentioned plans and measures, the Group will be able to meet its financial obligations as and when they fall due within twelve months from 30 June 2025. Accordingly, these condensed consolidated financial statements have been prepared on a going concern basis.

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

- (a) Successful progression and completion of the above-mentioned debt management measures, which will be subject to various external conditions that are beyond the Group's control, including but not limited to the proposed restructuring of the offshore liabilities of the Group, possible material adverse changes in the market during the process and fulfilment of legal or regulatory requirements;
- (b) Successful implementation of the plans and measures to achieve its budgeted sales volume and timely collection of the relevant sales proceeds;
- (c) Successful monitoring of the progress of construction of its property development projects according to the delivery plans, conducting commercial negotiations with major contractors and suppliers under acceptable commercial and credit terms, and completing products for delivery to customers as planned;
- (d) Successful activating resources and disposing of assets; and

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

2 Basis of preparation *(Continued)*

2.1 Going concern basis *(Continued)*

- (e) Successful implementation of various measures to further streamline organisational structures and to strictly control various non-core and non-essential operating expenses, to improve operational efficiency.

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

3 Adoption of new and revised HKFRS Accounting Standards

In the current period, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 January 2025. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the condensed consolidated financial statements and amounts reported for the current period and prior periods.

4 Judgements and estimates

The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the 2024 Financial Statements.

5 Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (mainly included foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the 2024 Financial Statements.

There have been no significant changes in any risk management policies since the last year end.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.2 Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, contract assets, wealth management products and cash deposits with banks.

The carrying amounts of trade and other receivables, contract assets, wealth management products, restricted cash and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

As at 30 June 2025, the loss allowance provision for contract assets was not material.

As at 30 June 2025, the aging of trade receivables and the loss allowance provision based on dates of delivery of goods and dates of rendering of services are as follow:

Trade receivables	30 June 2025			Total
	Within 180 days	More than 180 days	More than 365 days	
Expected loss rate	0.43%	4.95%	32.97%	
Gross carrying amount (RMB million)	20,983	4,607	2,912	28,502
Loss allowance provision (RMB million)	91	228	960	1,279

Other receivables (excluding deposits for acquisitions of companies and prepayments)	Gross carrying amount (RMB million)	Loss allowance provision (RMB million)	Expected loss rate
Stage 1 (12-month expected credit losses ("ECL"))	107,123	921	0.86%
Stage 2 (Lifetime ECL)	55,350	7,471	13.50%
Stage 3 (Lifetime ECL)	47,563	35,100	73.80%
Total	210,036	43,492	

Trade receivables	31 December 2024			Total
	Within 180 days	More than 180 days	More than 365 days	
Expected loss rate	0.29%	3.98%	32.56%	
Gross carrying amount (RMB million)	21,453	4,954	2,936	29,343
Loss allowance provision (RMB million)	63	197	956	1,216

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.2 Credit risk (Continued)

Other receivables (excluding deposits for acquisitions of companies and prepayments)	Gross carrying amount (RMB million)	Loss allowance provision (RMB million)	Expected loss rate
Stage 1 (12-month ECL)	155,095	1,507	0.97%
Stage 2 (Lifetime ECL)	58,774	9,120	15.52%
Stage 3 (Lifetime ECL)	46,123	32,562	70.60%
Total	259,992	43,189	

As at 30 June 2025, the loss allowance provision for trade and other receivables (excluding deposits for acquisitions of companies and prepayments) and financial guarantees reconciles to the opening loss allowance for that provision as follows:

	Trade receivables RMB million	Other receivables (excluding deposits for acquisitions of companies and prepayments) RMB million	Financial guarantees RMB million	Total RMB million
Loss allowance as at 1 January 2024	1,084	41,514	879	43,477
Provision/(reversal of provision) for loss allowance recognised in profit or loss during the period	35	88	(1)	122
Loss allowance as at 30 June 2024	1,119	41,602	878	43,599
Loss allowance as at 1 January 2025	1,216	43,189	974	45,379
Provision for loss allowance recognised in profit or loss during the period	63	303	81	447
Loss allowance as at 30 June 2025	1,279	43,492	1,055	45,826

As at 30 June 2025, the gross carrying amount of trade and other receivables (excluding deposits for acquisitions of companies and prepayments) was RMB238,538 million (31 December 2024: RMB289,335 million) and the maximum exposure to loss was RMB193,767 million (31 December 2024: RMB244,930 million). The Group made no write-off of trade and other receivables (excluding deposits for acquisitions of companies and prepayments) and contract assets during the period (30 June 2024: nil).

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.3 Liquidity risk

The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity grouping based on the remaining period at the date of the statement of financial position to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows and included interest (based on the earliest date on which the Group is required to pay, if applicable).

	Less than 1 year RMB million	Between 1 and 2 years RMB million	Between 2 and 5 years RMB million	Over 5 years RMB million	Total RMB million
Unaudited					
At 30 June 2025					
Senior notes	78,174	—	—	—	78,174
Corporate bonds	11,064	7,511	—	—	18,575
Convertible bonds	7,080	—	—	—	7,080
Bank and other borrowings	137,092	16,897	9,560	512	164,061
Trade and other payables (excluding other taxes payable and salaries payable)	339,282	—	—	—	339,282
Lease liabilities	482	446	941	2,181	4,050
	573,174	24,854	10,501	2,693	611,222
Audited					
At 31 December 2024					
Senior notes	76,688	—	—	—	76,688
Corporate bonds	10,231	9,304	1,391	—	20,926
Convertible bonds	6,935	—	—	—	6,935
Bank and other borrowings	145,064	12,146	5,476	—	162,686
Trade and other payables (excluding other taxes payable and salaries payable)	370,618	—	—	—	370,618
Lease liabilities	484	445	999	2,181	4,109
	610,020	21,895	7,866	2,181	641,962

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.4 Fair value estimation

The table below analyses financial instruments carried or presented at fair value, by level of the inputs to valuation techniques used to measure fair value. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs) (level 3).

	Level 1 RMB million	Level 2 RMB million	Level 3 RMB million	Total RMB million
At 30 June 2025				
Assets				
Financial assets at fair value through other comprehensive income ("FVOCI")	14	—	4,522	4,536
Financial assets at fair value through profit or loss ("FVTPL")	133	1,919	4,692	6,744
Total	147	1,919	9,214	11,280
	Level 1 RMB million	Level 2 RMB million	Level 3 RMB million	Total RMB million
At 31 December 2024				
Assets				
Financial assets at FVOCI	6	—	4,621	4,627
Financial assets at FVTPL	135	2,214	6,352	8,701
Total	141	2,214	10,973	13,328

For Level 2 financial assets at FVTPL, fair values are generally obtained through the use of valuation methodologies with observable market inputs.

For Level 3 financial assets at FVOCI and FVTPL, the investments mainly represent unlisted equity investments in various industries. The fair values of these investments were determined mainly based on direct comparison approach by making reference to recent transaction prices of similar deals or valuation reports.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.4 Fair value estimation (Continued)

The following table presents the changes in level 3 financial instruments for the period ended 30 June 2025 and 2024:

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
At 1 January	10,973	16,583
Total gains or losses recognised		
in profit or loss	(374)	(560)
in other comprehensive (loss)/income	(67)	254
Disposals	(1,318)	(900)
At 30 June	9,214	15,377

- (a) There is no material unrealised gain or loss recognised in profit or loss in the current period (2024: no material unrealised gain or loss) attributable to balances held at the end of the reporting period.

There were no changes in valuation techniques during the period.

6 Revenue and segment information

The executive directors of the Company review the Group's internal reporting in order to assess segment performance and allocate resources. The executive directors of the Company have determined the operating segments based on these reports.

During the period, the executive directors of the Company concluded that the Group only has two reportable segments — Property development and Technology-enabled construction. The Others segment mainly includes property investment and hotel operation, which are individually and collectively insignificant for segment reporting purposes.

The executive directors of the Company assess the performance of the operating segments based on a measure of segment results, adjusted by excluding fair value changes on derivative financial instruments and including share of results of joint ventures and associates.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information (Continued)

Segment assets consist primarily of property, plant and equipment, intangible assets, right-of-use assets, investment properties, financial assets at FVOCI, financial assets at FVTPL, properties under development, completed properties held for sale, inventories, investments in joint ventures, investments in associates, trade and other receivables, prepaid income tax, contract assets and contract acquisition costs and operating cash. They exclude deferred income tax assets. Segment liabilities consist primarily of operating liabilities. They exclude current income tax liabilities, senior notes, corporate bonds, convertible bonds, bank and other borrowings and deferred income tax liabilities.

Capital expenditure mainly comprises additions to property, plant and equipment, intangible assets and right-of-use assets, excluding those arising from business combinations.

Revenue consists of the following:

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
Sales of properties	70,028	98,829
Rendering of technology-enabled construction services	1,466	2,464
Rental income	472	402
Others	604	407
	72,570	102,102

Sales between segments are carried out according to the terms and conditions agreed by the respective segments' management.

The Group's revenue is mainly attributable to the market in Mainland China and over 90% of the Group's non-current assets are located in Mainland China. Geographical information is therefore not presented.

The Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information (Continued)

The segment information provided to the executive directors of the Company for the reportable segments is as follows:

	Property development RMB million	Technology- enabled construction RMB million	Others RMB million	Total RMB million
Six months ended 30 June 2025				
Revenue from contracts with customers	70,028	3,125	703	73,856
Revenue from other source: rental income	—	—	472	472
Segment revenue	70,028	3,125	1,175	74,328
Inter-segment revenue	—	(1,659)	(99)	(1,758)
Revenue from external customers	70,028	1,466	1,076	72,570
Share of results of joint ventures and associates	(486)	—	1	(485)
Losses arising from changes in fair value of and transfers to investment properties	—	—	(62)	(62)
Depreciation and amortisation expenses of property, plant and equipment, intangible assets and right-of-use assets	(364)	(288)	(354)	(1,006)
Net impairment losses on financial assets and guarantees	(447)	—	—	(447)
Net write-down of properties under development and completed properties held for sale	(7,282)	—	—	(7,282)
Segment results	(12,502)	(625)	(581)	(13,708)
At 30 June 2025				
Total segment assets after elimination of inter-segment balances	797,950	16,540	82,259	896,749
Investments in joint ventures and associates	44,216	—	854	45,070
Capital expenditure	107	2	3	112
Total segment liabilities after elimination of inter-segment balances	510,551	29,631	42,701	582,883

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information (Continued)

	Property development RMB million	Technology- enabled construction RMB million	Others RMB million	Total RMB million
Six months ended 30 June 2024				
Revenue from contracts with customers	98,829	5,087	2,797	106,713
Revenue from other source: rental income	—	—	402	402
Segment revenue	98,829	5,087	3,199	107,115
Inter-segment revenue	—	(2,623)	(2,390)	(5,013)
Revenue from external customers	98,829	2,464	809	102,102
Share of results of joint ventures and associates	505	—	1	506
Losses arising from changes in fair value of and transfers to investment properties	—	—	(374)	(374)
Depreciation and amortisation expenses of property, plant and equipment, intangible assets and right-of-use assets	(431)	(267)	(347)	(1,045)
Net impairment losses on financial assets and guarantees	(110)	(2)	(10)	(122)
Net write-down of properties under development and completed properties held for sale	(2,698)	—	—	(2,698)
Segment results	(7,294)	200	(1,425)	(8,519)
At 31 December 2024				
Total segment assets after elimination of inter-segment balances	914,748	21,683	85,003	1,021,434
Investments in joint ventures and associates	44,606	—	925	45,531
Capital expenditure	1,361	111	48	1,520
Total segment liabilities after elimination of inter-segment balances	604,878	25,695	48,924	679,497

- (a) During the period ended 30 June 2025, substantially all of the Group's revenue from property development is recognised at a point in time.
- (b) During the period ended 30 June 2025, all of the revenue from technology-enabled construction is recognised over time.
- (c) During the period ended 30 June 2025, the amount of revenue from others recognised at a point in time and recognised over time are RMB74 million (30 June 2024: RMB2,117 million) and RMB629 million (30 June 2024: RMB680 million) respectively.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information *(Continued)*

Reportable segment results are reconciled to loss before income tax as follows:

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
Total segment results	(13,708)	(8,519)
Finance costs — net	(1,645)	(2,312)
Loss before income tax	(15,353)	(10,831)

Reportable segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

	30 June 2025 RMB million	31 December 2024 RMB million
Total segment assets after elimination of inter-segment balances	896,749	1,021,434
Deferred income tax assets	12,579	14,409
Total assets	909,328	1,035,843
Total segment liabilities after elimination of inter-segment balances	582,883	679,497
Current income tax liabilities	35,810	38,918
Senior notes	74,570	73,084
Corporate bonds	17,723	19,759
Convertible bonds	6,780	6,691
Bank and other borrowings	155,510	153,954
Deferred income tax liabilities	12,134	12,686
Total liabilities	885,410	984,589

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

7 Property, plant and equipment and investment properties

	Property, plant and equipment RMB million	Investment properties RMB million
Six months ended 30 June 2025		
Opening net book amount at 1 January 2025	21,077	15,687
Other additions	45	—
Fair value changes	—	(62)
Other disposals	(150)	(70)
Depreciation	(823)	—
Exchange differences	54	—
Impairment	(5)	—
Closing net book amount at 30 June 2025	20,198	15,555
Losses arising from changes in fair value of and transfer to investment properties recognised in profit or loss:		
— fair value changes		(62)

There were no changes to the valuation techniques during the period.

The Group's policy is to recognise change of fair value hierarchy levels as of the date of event or change in circumstances that caused the change. At 30 June 2025 and 31 December 2024, the Group only had investment properties measured at level 3 valuation.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

8 Trade and other receivables

	30 June 2025 RMB million	31 December 2024 RMB million
Included in current assets		
— Trade receivables — net (note (a))	27,223	28,127
— Other receivables — net (note (b))	166,544	216,803
— Other prepayments (note (c))	21,677	22,719
	215,444	267,649
Included in non-current assets		
— Deposits for acquisitions of companies (note (d))	—	783
	215,444	268,432

(a) Details of trade receivables are as follows:

	30 June 2025 RMB million	31 December 2024 RMB million
Trade receivables	28,502	29,343
Less: allowance for impairment (note 5.2)	(1,279)	(1,216)
Trade receivables — net	27,223	28,127

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

8 Trade and other receivables *(Continued)*

Trade receivables mainly arise from sales of properties and the provision of technology-enabled construction services. Property buyers are generally granted credit terms of 1 to 6 months. The ageing analysis of trade receivables based on dates of delivery of goods and dates of rendering of services is as follows:

	30 June 2025 RMB million	31 December 2024 RMB million
Within 90 days	19,497	19,861
Over 90 days and within 180 days	1,486	1,592
Over 180 days and within 365 days	4,607	4,954
Over 365 days	2,912	2,936
	28,502	29,343

As at 30 June 2025 and 31 December 2024, trade receivables were mainly denominated in RMB.

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of buyers. Trade receivables were mainly collateralised by the titles of the properties sold.

(b) Details of other receivables are as follows:

	30 June 2025 RMB million	31 December 2024 RMB million
Amounts due from joint ventures, associates and other related parties	48,141	54,112
Deposits	16,233	20,145
Others (i)	145,662	185,735
	210,036	259,992
Less: allowance for impairment (note 5.2)	(43,492)	(43,189)
Other receivables — net	166,544	216,803

(i) These receivables mainly included current accounts due from the other shareholders of certain subsidiaries of the Group, which are mainly interest-free, unsecured and repayable according to contract terms.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

8 Trade and other receivables *(Continued)*

- (c) Other prepayments mainly included prepaid value-added taxes and prepayments for purchases of construction materials and services.
- (d) Amounts represent deposits paid for acquisitions of certain property development companies which have not been completed as at the end of the reporting period.

9 Cash and cash equivalents

	30 June 2025 RMB million	31 December 2024 RMB million
Cash at banks and in hand (note (b))	24,062	29,897
Less: restricted cash (note (a))	(17,780)	(23,535)
	6,282	6,362

- (a) The balance mainly included unreleased guarantee deposits for construction of pre-sale properties, guarantee deposits for workers' wages and funds frozen as a result of litigations.
- (b) Cash and deposits are denominated in the following currencies:

	30 June 2025 RMB million	31 December 2024 RMB million
RMB	21,462	26,105
HKD	314	278
USD	956	1,461
RM	685	1,081
Other currencies	645	972
	24,062	29,897

The conversion of RMB and RM denominated balances into other currencies and the remittance of bank balances and cash out of the PRC and Malaysia are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC and Malaysian governments.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

10 Trade and other payables

	30 June 2025 RMB million	31 December 2024 RMB million
Trade payables (note (a))	198,128	203,978
Other payables (note (b))	141,154	166,640
Other taxes payable (note (c))	17,416	21,725
Salaries payable	1,648	2,514
	358,346	394,857

(a) The ageing analysis of trade payables is as follows:

	30 June 2025 RMB million	31 December 2024 RMB million
Within 365 days	195,276	201,041
Over 365 days	2,852	2,937
	198,128	203,978

(b) Other payables mainly included deposits from property buyers and current accounts due to certain joint ventures, associates and other shareholders of certain subsidiaries of the Group and outstanding considerations to acquire certain subsidiaries, joint ventures and associates. These amounts are mainly interest-free, unsecured and repayable according to contract terms.

(c) Other taxes payable mainly included output value-added taxes related to receipt in advance from customers amounted to approximately RMB26,629 million (31 December 2024: RMB32,466 million), value-added taxes payable and other taxes.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

11 Senior notes

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
At 1 January	73,084	68,367
Interest expenses	1,793	1,803
Exchange differences	(307)	431
At 30 June	74,570	70,601

- (a) As at 30 June 2025, all senior notes are listed on the SGX, and contain various early redemption options.

Early redemption options exercisable by the Group are regarded as embedded derivatives not closely related to the host contract. The directors of the Company consider that the fair value of the above early redemption options was insignificant at 30 June 2025 and 31 December 2024.

12 Corporate bonds

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
At 1 January	19,759	19,359
Additions	—	242
Early redemption (note (a))	(231)	(220)
Repayment upon maturity	(2,200)	—
Interest expenses	452	407
Coupon interest paid	(114)	(384)
Exchange differences	57	(38)
At 30 June	17,723	19,366
Less: current portion included in current liabilities	(10,874)	(4,762)
Included in non-current liabilities	6,849	14,604

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

12 Corporate bonds *(Continued)*

- (a) During the period, corporate bonds early redeemed by the Group were listed as follows:

Name of bonds	Par value RMB million	Interest rate	Issue date	Term of the bonds
Early redeemed during the period:				
Callable and Secured Debentures of Risland (Thailand) Company Limited. No. 2/2566 Due B.E. 2567	172	7.50%	20 October 2023	1.75 years
Callable and Secured Debentures of Risland (Thailand) Company Limited issued in 2024 — tranche I	59	7.50%	2 February 2024	1.75 years

- (b) The Group's corporate bonds as at 30 June 2025 of RMB11,135 million (31 December 2024: RMB11,587 million) were secured by the Group's certain properties with total carrying values of RMB4,501 million (31 December 2024: RMB5,316 million) and/or secured by the pledge of certain equity interests in the Group's subsidiaries.
- (c) The Group's corporate bonds as at 30 June 2025 of RMB2,554 million (31 December 2024: RMB4,239 million) were guaranteed by an independent third party.

13 Convertible bonds

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
Liability component as at 1 January	6,691	6,171
Interest expenses	193	203
Exchange differences	(104)	(43)
Liability component as at 30 June	6,780	6,331

During the period ended 30 June 2025, there had been no conversion of the 2023 Convertible Bonds and no conversion or redemption of the 2026 Convertible Bonds. As at 30 June 2025, the 2023 Convertible Bonds were defaulted and 2026 Convertible Bonds were cross-defaulted.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

14 Bank and other borrowings

	30 June 2025 RMB million	31 December 2024 RMB million
Included in non-current liabilities:		
— secured	131,302	131,394
— unsecured	16,681	15,578
Less: current portion of non-current liabilities	(122,603)	(130,431)
	25,380	16,541
Included in current liabilities:		
— secured	3,393	2,483
— unsecured	4,134	4,499
Current portion of non-current liabilities	122,603	130,431
	130,130	137,413
Total bank and other borrowings	155,510	153,954

The Group's borrowings as at 30 June 2025 of RMB134,695 million (31 December 2024: RMB133,877 million) were secured by the Group's certain property, plant and equipment, investment properties, properties under development, completed properties held for sale and financial assets with total carrying values of RMB132,052 million (31 December 2024: RMB139,566 million), and/or secured by the pledge of certain equity interests in the Group's subsidiaries.

The weighted average effective interest rate was 5.64% per annum for the six months ended 30 June 2025 (six months ended 30 June 2024: 5.86% per annum).

The carrying amounts of the bank and other borrowings approximated their fair values as these borrowings are mainly floating-rate borrowings.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

14 Bank and other borrowings (Continued)

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

	30 June 2025 RMB million	31 December 2024 RMB million
RMB	117,018	114,928
HKD	22,443	22,573
USD	15,025	15,088
RM	530	798
Others	494	567
	155,510	153,954

15 Share capital and premium

	Number of ordinary shares million	Nominal value of ordinary shares HKD million	Equivalent nominal value of ordinary shares RMB million	Share premium RMB million	Total RMB million	Treasury shares RMB million	Group total RMB million
Authorised							
At 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025, HKD0.10 per share	100,000	10,000					
Issued and fully paid							
At 1 January 2024 and 30 June 2024	27,988	2,798	2,592	50,416	53,008	(2,225)	50,783
Issued and fully paid							
At 1 January 2025 and 30 June 2025	27,988	2,798	2,592	50,416	53,008	(2,225)	50,783

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

16 Other reserves and accumulated losses

	Merger reserve RMB million	Statutory reserve RMB million	Share option reserve RMB million	FVOCI reserve RMB million	Currency translation reserve RMB million	Revaluation reserve RMB million	Others RMB million	Total other reserves RMB million	Accumulated losses RMB million	Total RMB million
Balance at 1 January 2025	(150)	28,819	2,929	(1,273)	(2,257)	902	(1,037)	27,933	(85,901)	(57,968)
Loss for the period	—	—	—	—	—	—	—	—	(19,078)	(19,078)
Transfer from statutory reserve	—	(63)	—	—	—	—	—	(63)	63	—
Employee share schemes										
— Value of employee services	—	—	84	—	—	—	—	84	—	84
Changes in fair value of financial assets at FVOCI	—	—	—	(31)	—	—	—	(31)	—	(31)
Changes in ownership interests in subsidiaries without change of control (note 25)	—	—	—	—	—	—	108	108	—	108
Currency translation differences	—	—	—	—	30	—	—	30	—	30
Disposals of subsidiaries	—	(60)	—	—	—	—	—	(60)	60	—
Balance at 30 June 2025	(150)	28,696	3,013	(1,304)	(2,227)	902	(929)	28,001	(104,856)	(76,855)

	Merger reserve RMB million	Statutory reserve RMB million	Share option reserve RMB million	FVOCI reserve RMB million	Currency translation reserve RMB million	Revaluation reserve RMB million	Others RMB million	Total other reserves RMB million	Accumulated losses RMB million	Total RMB million
Balance at 1 January 2024	(150)	26,096	2,688	(1,446)	(1,976)	902	(741)	25,373	(50,209)	(24,836)
Loss for the period	—	—	—	—	—	—	—	—	(12,842)	(12,842)
Transfer from statutory reserve	—	(18)	—	—	—	—	—	(18)	18	—
Employee share schemes										
— Value of employee services	—	—	147	—	—	—	—	147	—	147
Changes in fair value of financial assets at FVOCI	—	—	—	180	—	—	—	180	—	180
Disposals of financial assets at FVOCI	—	—	—	(116)	—	—	—	(116)	116	—
Changes in ownership interests in subsidiaries without change of control	—	—	—	—	—	—	535	535	—	535
Currency translation differences	—	—	—	—	(56)	—	—	(56)	—	(56)
Disposals of subsidiaries	—	(9)	—	—	—	—	—	(9)	9	—
Balance at 30 June 2024	(150)	26,069	2,835	(1,382)	(2,032)	902	(206)	26,036	(62,908)	(36,872)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

17 Other income and losses — net

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
Other income		
— Government subsidy income	54	114
— Forfeiture income	75	49
— Management and other related service income	—	3
	129	166
Other (losses)/gains		
— Changes in fair value of financial assets at FVTPL	(1,308)	(676)
— Losses on disposals of subsidiaries (note 26)	(659)	(281)
— Losses on disposals of investment properties	(16)	(38)
— (Losses)/gains on disposals of property, plant and equipment	(45)	41
— Gains on disposals of joint ventures and associates	1	249
— Others	(380)	(1,182)
	(2,407)	(1,887)
Total other income and losses — net	(2,278)	(1,721)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

18 Expenses by nature

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
Cost of properties sold, technology-enabled construction services and others	71,088	100,441
Net write-down of properties under development and completed properties held for sale	7,282	2,698
Employee benefit expenses	1,592	2,152
Sales commission to agents	1,088	1,341
Depreciation of property, plant and equipment	822	864
Property management and other services expenses	215	306
Advertising and promotion costs	64	118
Other taxes and levies	375	295
Depreciation of right-of-use assets	106	119
Amortisation of intangible assets	78	62
Others	296	514
Total cost of sales, selling and marketing costs, administrative expenses and research and development expenses	83,006	108,910

19 Finance costs — net

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
Finance income:		
— Interest income on bank deposits and others	166	387
Finance costs:		
— Interest expenses on bank borrowings, senior notes, corporate bonds and convertible bonds	(6,614)	(6,680)
— Interest expenses on lease liabilities	(51)	(33)
	(6,665)	(6,713)
Less: amounts capitalised on qualifying assets	4,094	4,231
	(2,571)	(2,482)
Net foreign exchange gains/(losses)	760	(217)
Finance costs — net	(1,645)	(2,312)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

20 Income tax expenses

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
Current income tax		
— Corporate income tax	539	1,866
— Land appreciation tax	3,070	3,446
Deferred income tax	3,609 691	5,312 (1,079)
	4,300	4,233

- (a) Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits of the Group's subsidiaries in Hong Kong.
- (b) The Mainland China corporate income tax is 25%.
- (c) Mainland China land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land and all property development expenditures.

21 Dividend

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2025 (2024 interim dividend: nil).

22 Losses per share

(a) Basic

Basic losses per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held as treasury shares.

	Six months ended 30 June	
	2025	2024
Loss attributable to owners of the Company (RMB million)	(19,078)	(12,842)
Weighted average number of ordinary shares in issue (million)	27,705	27,705
Losses per share — Basic (RMB yuan per share)	(0.69)	(0.46)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

22 Losses per share *(Continued)*

(b) Diluted

For the period ended 30 June 2024 and 2025, the share options, awarded share, written call options and convertible bonds were excluded from the computation of diluted losses per share as they are anti-dilutive.

23 Guarantees

	30 June 2025 RMB million	31 December 2024 RMB million
Guarantees in respect of mortgage facilities for certain property buyers (note (a))	241,427	259,095
Guarantees to joint ventures, associates and other parties in respect of liabilities	6,088	6,185
	247,515	265,280

(a) These represented the guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain property buyers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks and the Group is entitled to take over the legal title and the possession of the related properties. The above guarantees are to be discharged upon the earlier of: (i) issuance of the real estate ownership certificates which are generally available within three months after the buyers take possession of the relevant properties; and (ii) the satisfaction of mortgage loans by the property buyers.

(b) As at 30 June 2025, the Group provided loss allowance for financial guarantees of approximately RMB1,055 million (31 December 2024: RMB974 million).

24 Contingencies

From time to time, the Group may become involved in litigations relating to claims arising from the ordinary course of business. The Group believes that there are currently no claims or actions pending against the Group which the ultimate disposition of which could have a material adverse effect on the Group's financial position, results of operations or cash flows. However, litigations are subject to inherent uncertainties and the Group's view of these matters may change in the future. When an unfavorable outcome occurs, there exists the possibility of a material adverse impact on the Group's financial position, results of operations or cash flows for the periods in which the unfavorable outcome occurs, and potentially in future periods.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

25 Transactions with non-controlling interests

The aggregate effects of transactions with non-controlling interests on the equity attributable to owners of the Company for the six months ended 30 June 2025 are as follows:

	Six months ended 30 June 2025 RMB million
Changes in equity attributable to owners of the Company arising from:	
— Acquisitions of additional interests in subsidiaries (note (a))	108

- (a) The Group acquired additional equity interests of certain subsidiaries from the respective non-controlling interests for a total cash consideration of RMB387 million.

The following table summarises the effect of these acquisitions:

	Six months ended 30 June 2025 RMB million
Total carrying amounts of non-controlling interests acquired	495
Total consideration	(387)
Total difference recognised within equity	108

- (b) During the six months ended 30 June 2025, the Group made distributions of approximately RMB7,655 million to the non-controlling shareholders of its subsidiaries. These distributions were settled against other receivables due from the non-controlling shareholders.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

26 Disposals of subsidiaries

During the period, the Group disposed of interests in a number of subsidiaries to certain third parties. Details of the disposals are as follows:

	RMB million
Disposal considerations	
— Cash received	84
— Outstanding and included in other receivables	41
	125
Less :	
— Total net assets of subsidiaries disposed of	(1,287)
— Non-controlling interests disposed of	503
Losses on disposals (note 17)	(659)
Cash proceeds from disposals, net of cash disposed of	
— Cash considerations received	84
— Less: cash and cash equivalents in the subsidiaries disposed of	(61)
Net cash inflow on disposals	23

27 Business combinations

Business combinations during the period mainly included the acquisitions of interest in various property development companies and acquisitions of additional interests in certain joint ventures and associates which were accounted for as the Group's subsidiaries after the acquisitions. The directors of the Company consider that none of these subsidiaries acquired during the period was significant to the Group and thus the individual financial information of these subsidiaries on the acquisition dates was not disclosed.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

27 Business combinations (Continued)

The acquired companies' principal activities are mainly property development. The combined financial information of these acquired companies on the acquisition dates is summarised as follows:

	RMB million
Total consideration	
— Cash	184
— Fair value of investments in joint ventures and associates held before business combinations	155
	339
Total recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	17
Restricted cash	40
Properties under development and completed properties held for sale	1,756
Prepaid income tax	186
Contract assets and contract acquisition costs	38
Trade and other receivables	1,316
Deferred income tax assets	18
Trade and other payables	(1,464)
Contract liabilities	(518)
Current income tax liabilities	(785)
Deferred income tax liabilities	(58)
Total identifiable net assets	546
Non-controlling interests	(207)
	339
Outflow of cash to acquire business, net of cash acquired	
— Cash considerations	(184)
— Cash and cash equivalents in the subsidiaries acquired	17
Net cash outflow on business combinations	(167)

The acquired businesses contributed total revenues of RMB73 million and net loss of RMB342 million to the Group for the period from their respective acquisition dates to 30 June 2025. Had these companies been consolidated from 1 January 2025, the interim condensed consolidated income statement of the Group for the six months ended 30 June 2025 would show pro-forma revenue of RMB72,584 million and loss for the period of RMB19,581 million.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

28 Related party transactions**(a) Ultimate controlling shareholder**

The Company is ultimately controlled by Ms. YANG Huiyan (the “**Ultimate Controlling Shareholder**”) as to 51.94% as at 30 June 2025.

(b) Transactions with related parties

Apart from those related party transactions disclosed elsewhere in the interim condensed consolidated financial statements, the following transactions were carried out with related parties:

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
(i) Entities controlled, jointly controlled or significantly influenced by certain shareholders, certain directors and/or their close family members:		
Purchase of design service	31	190
Construction service income	22	11
Purchase of property management and related services	215	306
Property lease income	8	11
Other transactions	70	108
(ii) Joint ventures:		
Provision of guarantee in respect of borrowings	4,135	4,413
Construction service income	224	637
Other transactions	28	164
(iii) Associates:		
Provision of guarantee in respect of borrowings	1,450	1,650
Construction service income	52	75
Other transactions	38	29

The prices for the above transactions were determined in accordance with the terms of the underlying agreements.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

28 Related party transactions (Continued)**(c) Key management compensation**

Key management includes directors and chief executive officer of the Company.

	Six months ended 30 June	
	2025 RMB million	2024 RMB million
Salaries, bonus, share-based compensation expenses and other employee benefits	2	3

(d) Balances with related parties

Saved as disclosed in other notes above, the Group had the following significant balances with its related parties:

	30 June 2025 RMB million	31 December 2024 RMB million
(i) Entities controlled, jointly controlled or significantly influenced by certain shareholders, certain directors and/or their close family members:		
Trade and other receivables	1,147	1,171
Contract assets and contract acquisition costs	55	22
Trade and other payables	3,839	4,382
Other borrowings	7,938	7,877
(ii) Joint ventures:		
Trade and other receivables	38,352	42,173
Contract assets and contract acquisition costs	1,417	1,179
Trade and other payables	35,342	41,396
(iii) Associates:		
Trade and other receivables	12,202	14,497
Contract assets and contract acquisition costs	414	202
Trade and other payables	21,226	23,080

The above balances due from/to related parties are mainly interest-free or at interest rate agreed by both parties, unsecured and to be settled according to the contract terms.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

28 Related party transactions *(Continued)*

(e) Senior notes

As at 30 June 2025, senior notes with principal amount of USD575 million (equivalent to approximately RMB4,116 million) (31 December 2024: USD575 million, equivalent to approximately RMB4,133 million) and USD30 million (equivalent to approximately RMB215 million) (31 December 2024: USD30 million, equivalent to approximately RMB216 million), USD18 million (equivalent to approximately RMB129 million) (31 December 2024: USD18 million, equivalent to approximately RMB129 million) and USD0.5 million (equivalent to approximately RMB3.6 million) (31 December 2024: USD0.5 million, equivalent to approximately RMB3.6 million) were held by Mr. YEUNG Kwok Keung, Mr. MO Bin, Ms. YANG Ziying and Ms. WU Bijun respectively.

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Ms. YANG Huiyan (*Chairman*)
Mr. MO Bin (*President*)
Ms. YANG Ziyang
Dr. CHENG Guangyu
Ms. WU Bijun

Non-executive Director

Mr. CHEN Chong

Independent Non-executive Directors

Dr. HAN Qinchun
Mr. WANG Zhijian
Mr. TUO Tuo

CHIEF FINANCIAL OFFICER

Ms. WU Bijun

JOINT COMPANY SECRETARIES

Mr. LEUNG Chong Shun
Mr. LUO Jie

AUTHORIZED REPRESENTATIVES

Ms. YANG Huiyan
Mr. MO Bin
Mr. LUO Jie (*alternate to Mr. MO Bin*)

AUDIT COMMITTEE

Mr. WANG Zhijian (*Chairman*)
Dr. HAN Qinchun
Mr. TUO Tuo

REMUNERATION COMMITTEE

Mr. TUO Tuo (*Chairman*)
Ms. YANG Huiyan
Mr. MO Bin
Dr. HAN Qinchun
Mr. WANG Zhijian

NOMINATION COMMITTEE

Ms. YANG Huiyan (*Chairman*)
Mr. WANG Zhijian
Mr. TUO Tuo

CORPORATE GOVERNANCE COMMITTEE

Ms. YANG Huiyan (*Chairman*)
Mr. MO Bin
Dr. CHENG Guangyu

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Ms. YANG Huiyan (*Chairman*)
Mr. MO Bin
Dr. CHENG Guangyu
Dr. HAN Qinchun
Mr. WANG Zhijian
Mr. TUO Tuo

EXECUTIVE COMMITTEE

Ms. YANG Huiyan (*Chairman*)
Mr. MO Bin
Ms. YANG Ziyang
Dr. CHENG Guangyu

FINANCE COMMITTEE*

Ms. WU Bijun (*Chairman*)
Ms. YANG Huiyan
Mr. MO Bin
Ms. YANG Ziyang
Dr. CHENG Guangyu

* Other two members are senior management of the finance centre of the Company

CORPORATE INFORMATION

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN THE PRC

Country Garden Centre
No. 1 Country Garden Road
Beijiao Town, Shunde District, Foshan
Guangdong Province 528312
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 1702, 17/F.
Dina House, Ruttonjee Centre
11 Duddell Street
Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

(In Alphabetical Order)

Agricultural Bank of China Limited
Bank of Beijing Co., Ltd.
Bank of China (Hong Kong) Limited
Bank of China Limited
China CITIC Bank Corporation Limited
China Construction Bank Corporation
China Development Bank Corporation
China Everbright Bank Company Limited
China Guangfa Bank Co., Ltd.

China Merchants Bank Co., Ltd.
China Minsheng Banking Corp., Ltd.
China Zheshang Bank Co., Ltd.
Chong Hing Bank Limited
CIMB Bank Berhad
CMB Wing Lung Bank Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of China Limited
Industrial Bank Co., Ltd.
Malayan Banking Berhad
Ping An Bank Company Limited
Postal Savings Bank of China
Shanghai Pudong Development Bank Co., Ltd.
Standard Chartered Bank (Hong Kong) Limited
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited

AUDITOR

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

LEGAL ADVISORS

As to Hong Kong law:

Woo Kwan Lee & Lo
Lu, Lai & Li

As to PRC law:

King & Wood Mallesons
Guangdong GuoDing Law Firm
DeHeng Law Offices
Dentons Law Firm
Grandall Law Firm

STOCK CODES

Stock Exchange	2007
Reuters	2007.HK
Bloomberg	2007 HK Equity

WEBSITE

<http://www.countrygarden.com.cn>

GLOSSARY

“2007 Share Option Scheme”	the share option scheme of the Company adopted on 20 March 2007 and which had expired on 19 March 2017
“2017 AGM”	the annual general meeting of the Company held on 18 May 2017
“2017 Share Option Scheme”	the share option scheme of the Company adopted on 18 May 2017
“attributable contracted sales”	the contracted sales of the Group’s subsidiaries, joint ventures and associates attributable to shareholders of the Company
“Audit Committee”	audit committee of the Company
“Board”	the board of Directors
“Bright Dream Robotics”	Guangdong Bright Dream Robotics Co., Ltd., a wholly-owned subsidiary of the Company
“Chairman” or “Chairman of the Board”	the chairman of the Board
“Chief Financial Officer”	chief financial officer of the Company
“Company” or “Country Garden”	Country Garden Holdings Company Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 2007)
“Corporate Governance Code”	Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Corporate Governance Committee”	corporate governance committee of the Company
“Director(s)”	director(s) of the Company
“Environmental, Social and Governance Committee”	environmental, social and governance committee of the Company
“Executive Committee”	executive committee of the Company
“Finance Committee”	finance committee of the Company
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollar, the lawful currency of Hong Kong

GLOSSARY

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Mainland China”	the People’s Republic of China, for the purpose of this interim report, excluding Hong Kong, Macau and Taiwan
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Nomination Committee”	nomination committee of the Company
“PRC” or “China”	the People’s Republic of China
“President”	president of the Company
“Remuneration Committee”	remuneration committee of the Company
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGX”	Singapore Exchange Securities Trading Limited
“Share Option Schemes”	2007 Share Option Scheme and 2017 Share Option Scheme
“Share(s)”	ordinary share(s) in the capital of the Company with a par value of HKD0.10 each
“Shareholder(s)”	shareholder(s) of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“total cash”	the sum of cash and cash equivalents and restricted cash
“USD”	US dollar, the lawful currency of the United States of America
“%”	per cent



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