



紅星美凱龍家居集團股份有限公司
Red Star Macalline Group Corporation Ltd.

(A SINO-FOREIGN JOINT STOCK COMPANY INCORPORATED IN THE PEOPLE'S REPUBLIC OF CHINA WITH LIMITED LIABILITY)

STOCK CODE: 1528



2025 INTERIM REPORT



Contents

Corporate Information	2
Financial and Operational Highlights	4
Management Discussion and Analysis	7
Corporate Governance and Other Information	28
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	46
Condensed Consolidated Statement of Financial Position	48
Condensed Consolidated Statement of Changes in Equity	51
Condensed Consolidated Statement of Cash Flows	53
Notes to the Condensed Consolidated Financial Statements	56

Corporate Information

BOARD OF DIRECTORS

As at the date of this report, the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company comprises the following Directors:

Executive Directors

Mr. LI Yupeng (*Chairman*)

Mr. CHE Jianxing

Mr. SHI Yaofeng

Mr. YANG Yingwu

Non-executive Directors

Ms. YE Yanliu

Mr. ZOU Shaorong

Mr. XU Guofeng

Independent Non-executive Directors

Mr. XUE Wei

Mr. HUANG Jianzhong

Mr. CHEN Shanang

Mr. WONG Chi Wai

Mr. CAI Qinghui

Employee Director

Mr. ZHENG Jianjie

AUDIT COMMITTEE

Mr. XUE Wei (*Chairman*)

Mr. HUANG Jianzhong

Mr. ZOU Shaorong

REMUNERATION AND EVALUATION COMMITTEE

Mr. HUANG Jianzhong (*Chairman*)

Mr. WONG Chi Wai

Ms. YE Yanliu

NOMINATION COMMITTEE

Mr. CHEN Shanang (*Chairman*)

Mr. CAI Qinghui

Mr. HUANG Jianzhong

Ms. YE Yanliu

Mr. CHE Jianxing

STRATEGY AND INVESTMENT COMMITTEE

Mr. LI Yupeng (*Chairman*)

Ms. YE Yanliu

Mr. ZOU Shaorong

Mr. CHE Jianxing

Mr. SHI Yaofeng

Mr. XU Guofeng

Mr. HUANG Jianzhong

COMPANY SECRETARY

Ms. AU Ching (*ACG; HKACG*)

AUTHORIZED REPRESENTATIVES

Mr. LI Yupeng

Mr. YANG Yingwu

REGISTERED OFFICE

Suite F801, 6/F

No. 518, Linyu Road

Pudong New District

Shanghai

The PRC

HEADQUARTERS IN THE PRC

Macalline Global Center

No. 2/5, Lane 1466, Shenchang Road

Minhang District

Shanghai

The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F, Tower 2
Times Square
1 Matheson Street
Causeway Bay, Hong Kong

H SHARE REGISTRAR

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

LEGAL ADVISORS

As to the PRC law

King & Wood Mallesons
17th Floor, One ICC
999 Middle Huai Hai Road
Xuhui District
Shanghai
The PRC

AUDITOR

RSM China
901-22 to 901-26, Waijingmao Mansion
No. 22 Fuwaida Street
Xicheng District
Beijing
China

Rongcheng (Hong Kong) CPA Limited
3203A-5, Tower 2, Lippo Centre
89 Queensway
Central
Hong Kong

PRINCIPAL BANKS

Industrial and Commercial Bank of China

Shanghai Branch Banking Department
No. 24 Zhongshan Dongyi Road
Shanghai
The PRC

China Minsheng Bank Corp., Ltd.

Shanghai Xuhui Branch
No. 1033 Zhaojiabang Road, Xujiahui
Shanghai
The PRC

Bank of Communications

Shanghai Putuo Branch
No. 2000 Zhongshan North Road
Shanghai
The PRC

STOCK CODES

Hong Kong Stock Exchange: 1528
Shanghai Stock Exchange: 601828

COMPANY'S WEBSITE

www.chinaredstar.com

Financial and Operational Highlights

FINANCIAL HIGHLIGHTS

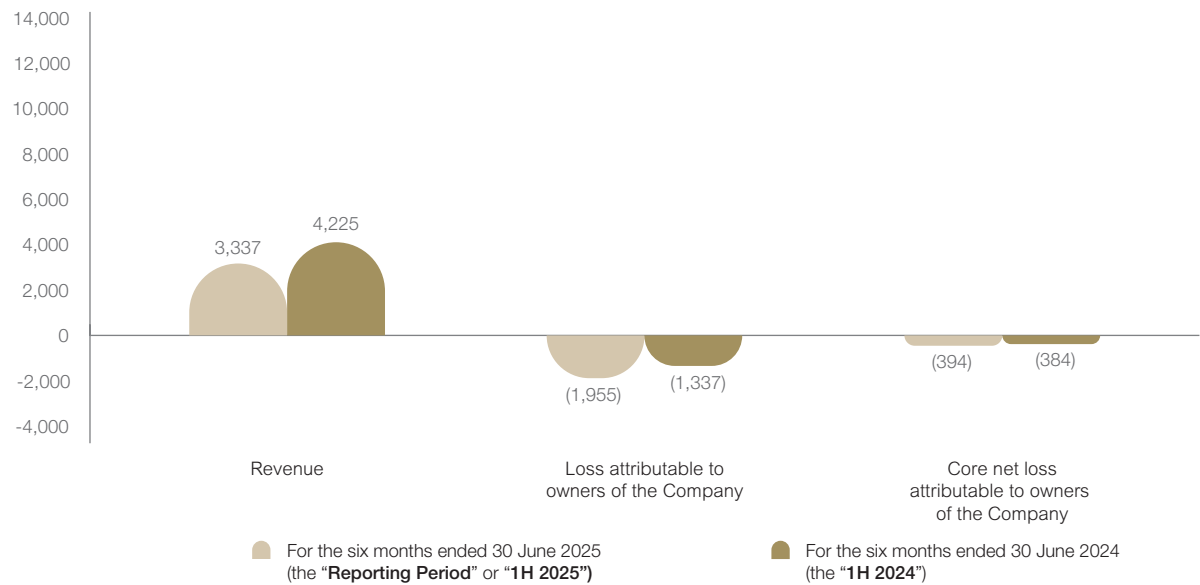
	Six months ended 30 June	
	2025	2024
	(RMB'000, except otherwise stated) (Unaudited)	(Unaudited)
Revenue	3,337,076	4,224,862
Gross profit	2,210,002	2,797,379
Gross profit margin	66.2%	66.2%
Loss for the period	(2,108,206)	(1,423,256)
Loss attributable to owners of the Company	(1,954,786)	(1,336,774)
Loss margin attributable to owners of the Company	-58.6%	-31.6%
Core net loss attributable to owners of the Company ⁽²⁾	(393,939)	(383,784)
Core net loss margin attributable to owners of the Company ⁽³⁾	-11.8%	-9.1%
Loss per share (Basic and diluted)	RMB(0.45)	RMB(0.31)

- Notes:
- (1) In the event of any inconsistency between the Chinese version and the English version of this report, the Chinese version shall prevail.
 - (2) Core net loss attributable to owners of the Company represents the loss attributable to owners of the Company after deducting the after-tax effects of changes in fair values of investment properties, other income, other gains and losses or other expenses etc., which are not related to daily operating activities.
 - (3) Core net loss margin attributable to owners of the Company represents the ratio of core net loss attributable to owners of the Company divided by revenue.

Financial and Operational Highlights

Key Financial Performance Indicators

RMB in million



Financial and Operational Highlights

OPERATIONAL HIGHLIGHTS

The following table sets forth certain operating statistics of Portfolio Shopping Malls⁽¹⁾ and Managed Shopping Malls⁽¹⁾ in operation as at the dates indicated:

	As at 30 June 2025	As at 30 June 2024
Number of shopping malls	311	352
Operating area of shopping malls (<i>sq.m.</i>)	19,361,762	21,201,448
Number of cities covered	189	210
Number of Portfolio Shopping Malls	76	85
Operating area of Portfolio Shopping Malls (<i>sq.m.</i>)	7,490,428	7,885,050
Average occupancy rate of Portfolio Shopping Malls	84.2%	81.6%
Number of Managed Shopping Malls	235	267
Operating area of Managed Shopping Malls (<i>sq.m.</i>)	11,871,334	13,316,398
Average occupancy rate of Managed Shopping Malls	81.3%	82.8%

Note: (1) See definitions in the 2024 annual report of the Company.

Management Discussion and Analysis

I. INDUSTRY REVIEW

According to relevant data from the National Bureau of Statistics of China, China's gross domestic product (GDP) increased by 5.3% year-on-year in the 1H 2025, with growth accelerating by 0.3 percentage point compared to the same period last year and the full year of 2024, indicating steady and progressive economic performance. In the 1H 2025, the national per capita disposable income of all residents rose by 5.3% in nominal terms over the same period of the previous year and 5.4% in real terms after deducting price factors impact. Meanwhile, the national per capita consumption expenditure of all residents increased by 5.2% in nominal terms over the same period of the previous year and 5.3% in real terms after deducting price factors impact. Against the backdrop of effective macroeconomic policies, both household income and consumption expenditure achieved stable growth in the 1H 2025.

In the 1H 2025, the total retail sales of consumer goods ("**total retail sales**") grew by 5.0% year-on-year. Among the total retail sales, the retail sales of goods increased by 5.1% year-on-year, furniture sales rose by 22.9% year-on-year, sales of household electrical and audio-visual appliances grew by 30.7% year-on-year, and building and decoration materials sales increased by 2.6% year-on-year. Categories related to the post-real estate cycle benefited from consumer goods trade-in policies, delivering outstanding performance. Overall, driven by a series of policies aimed at expanding domestic demand and stimulating consumption, China's consumer market became more active in the 1H 2025, showing a positive development trend and further enhancing its role in driving economic growth. In the 1H 2025, the final consumption expenditure contributed 52.0% to economic growth, pulling GDP up by 2.8 percentage points. In the second half of the year, with the gradual introduction of additional consumer subsidy policies and ongoing measures to promote consumption across regions, the consumer market is expected to maintain a steady growth trajectory.

Real estate is closely linked to economic development and the improvement of people's livelihoods, exerting a significant impact on the national economy. Since the beginning of this year, various regions have implemented city-specific policies to stabilize the real estate market and halt its decline. In terms of statistical data, these policy measures have yielded notable results. Although the real estate market experienced some fluctuations in the 1H 2025, it generally moved toward stabilization and a recovery in demand. This was mainly reflected in: first, improved market transaction volumes, with relatively active commercial housing transactions and a year-on-year narrowing decline in sales, particularly for second-hand houses, which saw a year-on-year increase in transactions; second, an overall narrowing decline in market prices, with some cities experiencing price increases; third, improved funding sources for the real estate market. Currently, the real estate market is in a phase of bottoming out and transformation, with related indicators showing some volatility. The effective implementation of existing and incremental policies will further contribute to stabilizing the market and halting its decline. In the medium to long term, as China's new urbanization is still underway, demand for rigid and improved housing remains potential, and the demand for more safe, comfortable, green, and smart homes will continue to grow. A new development model for the real estate market will be gradually established, all of which will contribute to the stable and healthy development of the real estate market.

Management Discussion and Analysis

I. INDUSTRY REVIEW (continued)

With rising residents' income level, increasing demand for quality, growing awareness of green and environmental protection, ongoing urbanization process, the continued development of a healthier real estate market, and increasing demand for renovation of existing houses, the home decoration and furniture industry is poised for sustained and steady growth. The Company will leverage its advantages as a leading enterprise to actively seize the opportunities presented by the industry's development.

II. FINANCIAL REVIEW

The key financial performance indicators of the Company can generally be categorized into revenue, loss attributable to owners of the Company and core net loss attributable to owners of the Company. These indicators provide a measurement of our performance against the key drivers of the Company. For details of the financial performance indicators, please refer to "Revenue" and "Total Loss for the Period Attributable to Owners of the Company, Core Net Loss Attributable to Owners of the Company and Loss per Share" on page 8 and page 10, respectively.

1. Revenue

During the Reporting Period, the Group's revenue amounted to RMB3,337.1 million, representing a decrease of 21.0% from RMB4,224.9 million in the same period in 2024. During the Reporting Period, the rental and related income of our Portfolio Shopping Malls decreased by 15.6%, which was mainly due to the increase in the number of the preferential treatments provided by the Company for stabilizing and retaining tenants in order to support the continued operation of the tenants. During the Reporting Period, the revenue from our Managed Shopping Malls decreased by 26.4% as compared to the same period in 2024, mainly due to the decrease in the number of Managed Shopping Malls. Meanwhile, the revenue from construction and decoration services and other revenue have declined by varying degrees as compared to the same period in 2024.

The following table sets forth our revenue by segments:

	Six months ended 30 June			
	2025 (Unaudited)		2024 (Unaudited)	
	RMB'000	%	RMB'000	%
Owned/Leased Portfolio Shopping Malls	2,450,706	73.4	2,903,166	68.7
Managed Shopping Malls	609,371	18.3	827,466	19.6
Construction and decoration services	103,613	3.1	212,098	5.0
Others	173,386	5.2	282,132	6.7
Total	3,337,076	100.0	4,224,862	100.0

II. FINANCIAL REVIEW (continued)

2. Cost of sales

The cost of sales of the Group mainly included the cost of operation and management of Owned/Leased Portfolio Shopping Malls, the cost of project consulting and management service, the cost of construction and decoration service. The cost of sales of the Group was RMB1,127.1 million, representing a decrease of 21.0% from RMB1,427.5 million for the same period in 2024, mainly due to a decrease in the cost of construction and decoration services, as well as the Company's efforts to reduce costs and improve efficiency, resulting in lower labour cost.

The following table sets forth our cost by segments:

	Six months ended 30 June			
	2025 (Unaudited)		2024 (Unaudited)	
	RMB'000	%	RMB'000	%
Owned/Leased Portfolio Shopping Malls	599,334	53.2	641,727	45.0
Managed Shopping Malls	345,862	30.7	492,072	34.5
Construction and decoration services	98,068	8.7	167,820	11.7
Others	83,810	7.4	125,864	8.8
Total	1,127,074	100.0	1,427,483	100.0

3. Gross profit and gross profit margin

During the Reporting Period, the Group's gross profit was RMB2,210.0 million, representing a decrease of 21.0% from RMB2,797.4 million in the same period in 2024; the Group's integrated gross profit margin was 66.2%, which is same as that of the period in 2024.

The following table sets forth our gross profit margin by business segments:

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Owned/Leased Portfolio Shopping Malls	75.5%	77.9%
Managed Shopping Malls	43.2%	40.5%
Construction and decoration services	5.4%	20.9%
Others	51.7%	55.4%
Total	66.2%	66.2%

II. FINANCIAL REVIEW (continued)

4. Selling and distribution expenses

During the Reporting Period, the Group's selling and distribution expenses amounted to RMB366.3 million (accounting for 11.0% of the revenue), representing a decrease of 20.9% from RMB463.2 million (accounting for 11.0% of the revenue) for the same period in 2024, which was primarily due to the decrease in advertising and promotional expenses, energy and maintenance expenses and staff cost in the 1H 2025.

5. Administrative expenses

During the Reporting Period, the Group's administrative expenses amounted to RMB596.2 million (accounting for 17.9% of the revenue), representing a decrease of 14.9% from RMB700.4 million (accounting for 16.6% of the revenue) in the same period in 2024, which was primarily due to the decrease in staff cost and office expenses in the 1H 2025.

6. Finance cost

During the Reporting Period, the Group's finance cost amounted to RMB1,095.3 million, representing a decrease of 15.8% from RMB1,300.5 million in the same period in 2024, which was primarily due to the further decrease in relevant financing costs during the Reporting Period.

7. Income tax

During the Reporting Period, the income tax expenses of the Group amounted to RMB37.6 million, representing an increase of 133.2% from income tax credit RMB113.2 million in the same period in 2024, which was mainly due to the increase in deferred tax during the Reporting Period.

8. Total loss for the period attributable to owners of the Company, core net loss attributable to owners of the Company and loss per share

During the Reporting Period, total loss for the period attributable to owners of the Company amounted to RMB1,954.8 million, representing an increase of 46.2% from the total loss for the period attributable to owners of the Company of RMB1,336.8 million in the same period in 2024; the core net loss attributable to owners of the Company amounted to RMB393.9 million, representing an increase of 2.6% from the core net loss attributable to owners of the Company amounted to RMB383.8 million in the same period in 2024.

II. FINANCIAL REVIEW (continued)

8. Total loss for the period attributable to owners of the Company, core net loss attributable to owners of the Company and loss per share (continued)

	Six months ended 30 June		Increase/Decrease
	2025	2024	
	RMB'000 (Unaudited)	RMB'000 (Unaudited)	
Total loss for the period attributable to owners of the Company	(1,954,786)	(1,336,774)	46.2%
Loss margin for the period attributable to owners of the Company	-58.6%	-31.6%	an increase of 27 percentage points
Core net loss attributable to owners of the Company	(393,939)	(383,784)	2.6%
Core net loss margin attributable to owners of the Company	-11.8%	-9.1%	an increase of 2.7 percentage points

During the Reporting Period, the Group's loss per share was RMB0.45, as compared to loss per share of RMB0.31 in the same period of 2024.

9. Accounts receivable

As of the end of the Reporting Period, the book value of accounts receivable of the Group amounted to RMB556.8 million (including the balance of accounts receivable of RMB2,145.2 million and the bad debt allowance of RMB1,588.4 million), representing a decrease of RMB28.4 million from RMB585.2 million as at the end of 2024.

10. Investment properties and loss on fair value changes

As of the end of the Reporting Period, the book value of the Group's investment properties amounted to RMB95,609.2 million, representing an increase of RMB505.0 million from RMB95,104.2 million as at the end of 2024. During the Reporting Period, the Group acquired new properties of RMB2,454.7 million and incurred fair value change losses of RMB2,274.0 million. This was mainly due to the Group's merchant retention and support incentives aimed at sustaining their operations during the Reporting Period.

II. FINANCIAL REVIEW (continued)

11. Capital expenditure

During the Reporting Period, the Group's capital expenditure amounted to RMB137.9 million (the same period in 2024: RMB194.9 million), which mainly includes purchase expenditure of investment properties and construction development expenditure. The expenditure in 2025 decreased by 29.2% as compared with the same period in 2024, mainly because the Group has effectively controlled capital expenditures during the Reporting Period.

12. Bank Balances and Cash and Cash Flow

As of the end of the Reporting Period, the cash and bank balances of the Group amounted to RMB3,222.0 million (of which, the balance of cash and cash equivalents amounted to RMB3,181.9 million), representing an increase of RMB68.0 million from RMB3,154.0 million (of which, the balance of cash and cash equivalents amounted to RMB3,111.8 million) as at the end of 2024 (of which, the balance of cash and cash equivalents representing an increase of RMB70.1 million).

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Net cash flow generated from/(used in) operating activities	201,887	(821,266)
Net cash flow used in investment activities	(946,418)	(113,067)
Net cash flow generated from financing activities	814,594	780,991
Impact of exchange rate changes on cash and cash equivalents	(32)	(218)
Net increase/(decrease) in cash and cash equivalents	70,031	(153,560)

During the Reporting Period, the Group's net cash inflow from operating activities amounted to RMB201.9 million, representing an increase in net inflow of RMB1,023.2 million from a net cash outflow of RMB821.3 million in the same period of 2024, mainly due to the decrease in operating cash outflow during the Reporting Period.

During the Reporting Period, the Group's net cash outflow from investment activities amounted to RMB946.4 million, representing an increase in net outflow of RMB833.3 million from a net cash outflow of RMB113.1 million in the same period of 2024. It was primarily due to an increase payment for acquisition of subsidiaries during the Reporting Period as compared with the same period of the previous year.

II. FINANCIAL REVIEW (continued)

12. Bank Balances and Cash and Cash Flow (continued)

During the Reporting Period, the Group's net cash inflow from financing activities amounted to RMB814.6 million, representing an increase in net inflow of RMB33.6 million from a net cash inflow of RMB781.0 million in the same period of 2024, mainly due to the decrease in cash paid for interest during the Reporting Period.

13. Debt Profile and Debt Ratio

As of the end of the Reporting Period, the total amount of debt of the Group was RMB31,960.9 million, of which banks and other borrowings were RMB30,174.4 million, and bonds were RMB1,786.5 million.

The following table sets out our profile debt:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Bank and other borrowings:		
Secured	24,039,281	23,594,412
Unsecured	10,011	67,185
Commercial mortgage-backed securities	6,125,103	3,601,956
Total	30,174,395	27,263,553
Fixed-rate borrowings	16,095,038	13,680,480
Floating-rate borrowings	14,079,357	13,583,073
Total	30,174,395	27,263,553
The borrowings are repayable:		
Within one year or on demand	5,371,952	6,016,153
More than one year, but not exceeding two years	7,748,165	6,705,318
More than two years, but not exceeding five years	12,213,592	9,181,876
More than five years	4,840,686	5,360,206
Total	30,174,395	27,263,553

II. FINANCIAL REVIEW (continued)

13. Debt Profile and Debt Ratio (continued)

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Actual interest rate range		
Fixed-rate borrowings	3.70-10.00	3.10-10.00
Floating-rate borrowings	3.50-6.80	3.55-6.80
USD Bonds:		
USD Bonds of 2022 (3-year)	1,786,477	1,790,841
Total	1,786,477	1,790,841

Among the total debts of the Group, the portion repayable within one year or on demand amounted to RMB7,158.4 million, the portion repayable over one year but less than two years amounted to RMB7,748.2 million, the portion repayable over two years but less than five years amounted to RMB12,213.6 million and the portion repayable over five years amounted to RMB4,840.7 million. The Group will promptly repay the above debts at the time of maturity.

The following table sets out our major debt ratios:

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Asset-liability ratio ⁽¹⁾	58.3%	56.8%
Net gearing ratio ⁽²⁾	62.7%	54.8%
	Six months ended 30 June 2025 (Unaudited)	2024 (Unaudited)
Interest expenses coverage ratio ⁽³⁾	1.11	0.98

II. FINANCIAL REVIEW (continued)

13. Debt Profile and Debt Ratio (continued)

Notes:

- (1) Asset-liability ratio is calculated as the total liabilities divided by total assets as at the end of each period.
- (2) Net gearing ratio means interest-bearing liabilities (including short-term borrowings, long-term borrowings, bond payables, financial lease payables, and commercial mortgage-backed securities payables) less cash and bank balances and then divided by the total equity at the end of each period.
- (3) Interest expense coverage ratio is our adjusted EBITDA divided by our interest expenses before capitalization for each period. Adjusted EBITDA represents profit before tax, adding back finance costs, depreciation, amortisation and impairment, further adjusted to exclude loss on fair value changes, share of results of associates, share of results of joint ventures, other gains and losses, other expenses and other income.

14. Collateralized and pledged assets

As of the end of the Reporting Period, the Group had collateralized/pledged investment properties, fixed assets with a total book value of RMB82,618.9 million, and interests in joint ventures and restricted cash and bank balances with a total book balance of RMB507.1 million for obtaining loans, the balance of such loans is RMB31,950.9 million; the Group holds restricted cash and bank with a balance of RMB410.6 million for deposit reserve placed with the central bank, etc.

15. Contingent liabilities

There is no contingent liability at the end of the Reporting Period.

16. Financial resources

In the future, the main sources of capital of the Group will be from cash generated from our operating activities, bank borrowings, issuance of bonds and share capital contributions from shareholders. To ensure that the capital of the Group is effectively utilized, the Group will continue to regularly monitor its liquidity needs, comply with its financing agreements and maintain sufficient cash reserves and appropriate credit limits so as to meet its liquidity demand.

17. Material acquisitions and disposals of subsidiary, associates and joint ventures

There is no material acquisitions and disposals of subsidiary, associates and joint ventures during the Reporting Period.

II. FINANCIAL REVIEW (continued)

18. Capital commitment

As of the end of the Reporting Period, the amount of capital expenditure in respect of the acquisition and development of investment properties which the Group has contracted for but not recognized in the financial statements was RMB720.5 million. In addition, the Group has entered into agreements with its partners, pursuant to which the Group's commitment to contributing funds for development of investment properties jointly with the partners amounted to RMB69.2 million.

19. Foreign exchange risk

As at the end of the Reporting Period, financial assets and liabilities denominated in currencies other than the functional currency of the Group mainly included USD-denominated note, and certain deposits denominated in other currencies. To manage these additional foreign exchange risk exposures, the management of the Group has actively adopted relevant risk control measures, including selecting appropriate forward contracts and currency swaps and other foreign debt hedging instruments, enhancing internal control awareness and strategies, increasing discussion with international banks and closely monitoring and anticipating trends of foreign exchange market, in order to be prepared to hedge our risk in a timely manner. We believe that foreign exchange risks related to such assets and liabilities denominated in other currencies will not have material impacts on operating results of the Group.

20. Significant investment

During the Reporting Period, the Group did not have any significant investment. As of the date of this report, the Group does not have any plan for material investments.

21. Human resources

As of the end of the Reporting Period, the Group had 10,037 employees (the same period in 2024: 13,145 employees). The Group entered into labor contracts with employees according to the Labor Law of the People's Republic of China and the relevant provisions of the employee's locality. The Group will determine the employees' basic wage and bonus level according to the employees' performance, work experience and the market wage standard, and shall pay social insurance and housing provident fund for the employees. During the Reporting Period, the Group paid a total of RMB858.6 million for salary expenditure (the same period in 2024: RMB1,116.6 million). Meanwhile, the Group also kept investing resources to provide various education and training opportunities for its employees, aiming to standardize the management work and improve the operation performance, and continuously improved the knowledge and technical competence as well as professional practice competence of the employees.

II. FINANCIAL REVIEW (continued)

22 A Share Employee Stock Ownership Plan

In order to establish and improve the benefit-sharing mechanism between employees and the Shareholders to further improve the corporate governance of the Company, enhance the cohesion of employees and corporate competitiveness, and promote the Company's long-term, sustainable and healthy development, and in order to help enhance the employees' sense of responsibility towards the Company effectively, attract and retain outstanding management talents and core calibers, thus further enhancing employees' cohesion and the vitality of the Company, the Company formulated the Third Phase of the Employee Stock Ownership Plan of Red Star Macalline Group Corporation Ltd. (the "**Employee Stock Ownership Plan**") in accordance with the relevant laws and regulations and the Articles of Association. The relevant resolutions of the Employee Stock Ownership Plan have been approved by the Board and the general meeting of the Company by resolutions on 6 February 2021 and 19 March 2021, respectively.

The Employee Stock Ownership Plan does not involve granting the Company the option to issue new shares or any other new securities. The participants of the Employee Stock Ownership Plan are Directors, Supervisors, senior management of the Company and management and core personnel of its subsidiaries, the total number of which shall not be more than 800.

The source of the funds for the Employee Stock Ownership Plan only includes the participant's self-raised funds. The Company did not invest any fund into the Employee Stock Ownership Plan. The funds raised by the Employee Stock Ownership Plan shall not exceed RMB300 million in total, divided into "units" for subscription and each unit is equal to RMB1.00. The total number of Shares of the Company held by any Holder according to the number of units he/she subscribed for in the plan shall not exceed 0.1% of the total share capital of the Company.

The Employee Stock Ownership Plan will be managed by an appointed professional agency with asset management qualifications through the establishment of the Directional Plan. The source of shares of the Employee Stock Ownership Plan is the shares of the Company obtained and held through purchases on the secondary market or other means as permitted under the laws and regulations within six months after consideration and approval of the plan at the shareholders' general meeting. As of 13 May 2021, all purchases of stocks had been completed under the Employee Stock Ownership Plan, among which, 15,780,000 shares of the Company had been bought through "Shaanxi International Investment – Macalline Phase III Employee Shareholding Single Fund Trust Plan" (the "**Trust Plan**"), accounting for approximately 0.36% of the Company's total share capital as at the date of this report, with an average transaction price of RMB9.50 per share and a total transaction amount of RMB149.943 million.

II. FINANCIAL REVIEW (continued)

22 A Share Employee Stock Ownership Plan (continued)

The lock-up period of the Employee Stock Ownership Plan shall be 12 months, commencing from the date when the Company announces the registration of the last tranche of the Underlying Shares under the Trust Scheme, i.e. 13 May 2021 to 12 May 2022. As at 12 May 2022, the lock-up period already expired. The Management Committee will, within 12 months after the expiry of the lock-up period, be entitled to authorize the Asset Management Agency to sell or transfer the purchased Shares of the Company in accordance with the arrangements of the Employee Stock Ownership Plan and the prevailing market conditions.

Having been approved by the second Employee Stock Ownership Plan holders' meeting and the Board, the term of the Employee Stock Ownership Plan was extended to 28 January 2024 and the Management Committee was authorized to determine, at its discretion, matters in relation to the temporary extension of the term of the Employee Stock Ownership Plan and the disposal of equities, if not all the shares held under the Employee Stock Ownership Plan can be sold before the expiry of the term due to objective reasons or special circumstances, provided that the Management Committee shall continue to promote the sale and disposal of shares held under the Employee Stock Ownership Plan as soon as the above impact disappears. Having been approved by the third Employee Stock Ownership Plan holders' meeting, the fourth Employee Stock Ownership Plan holders' meeting and the Board, the term of the Employee Stock Ownership Plan was further extended to 26 September 2025.

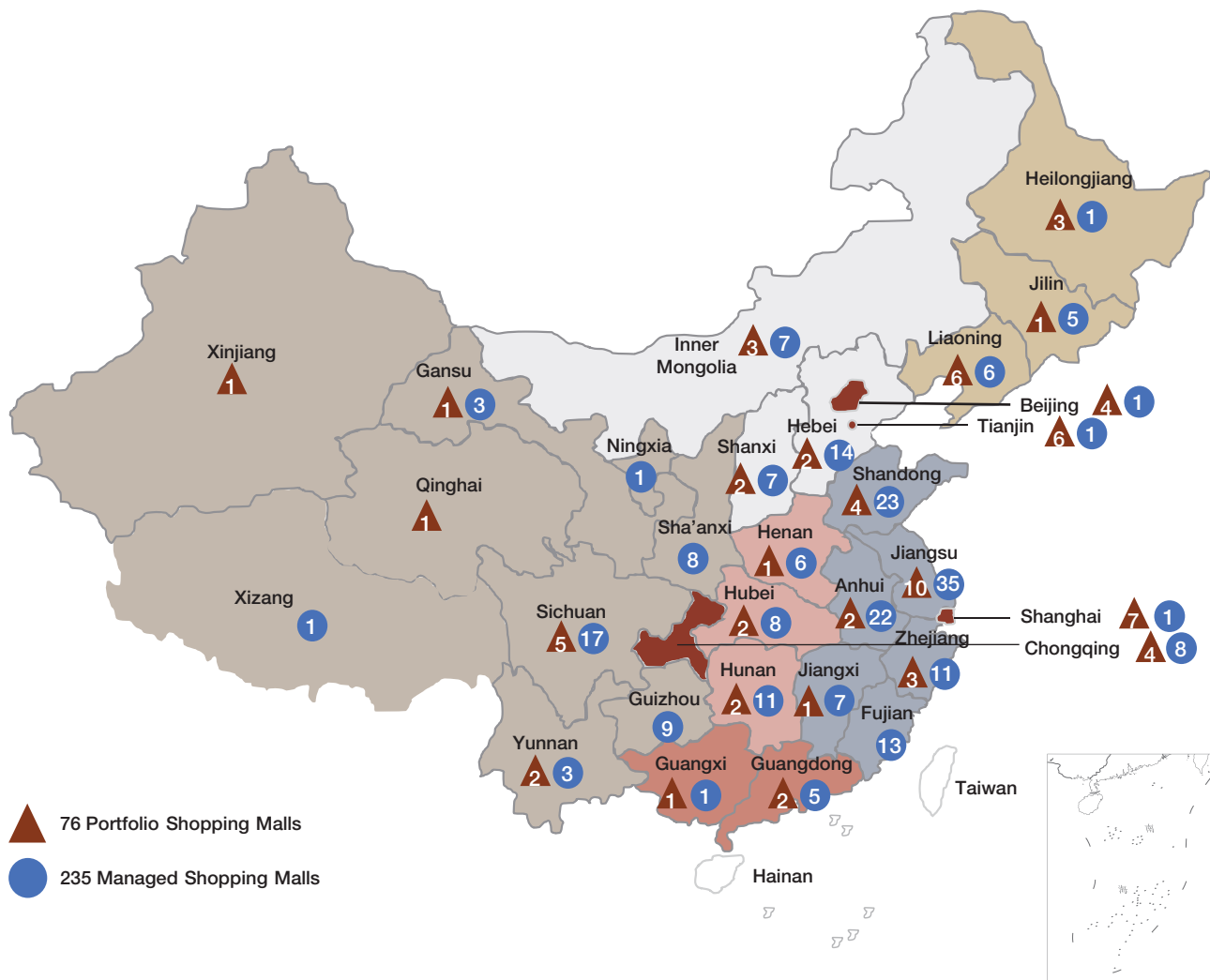
Given that some holders of the Employee Stock Ownership Plan have indicated to the Employee Stock Ownership Plan Management Committee ("**Management Committee**") their intention not to continue to hold the units under the Employee Stock Ownership Plan during the extended term of the Employee Stock Ownership Plan and have issued in writing the confirmation letter of disposal of the units under the third phase of the Employee Stock Ownership Plan of Red Star Macalline Group Corporation Ltd. in advance during the extended term, after the expiration of the lock-up period of the Employee Stock Ownership Plan, the Management Committee, in order to exercise its rights to manage the distribution of benefits under the Employee Stock Ownership Plan and to decide on the dispose and distribution of the Underlying Shares, had entrusted Shaanxi International Trust Co., Ltd. to dispose a total of 9,963,800 A Shares of the Company held through the Trust Scheme, during the period between 8 May 2023 to 29 December 2023 and the period between 18 September 2024 to 30 September 2024. As at the date of this report, all 5,816,200 A Shares of the Company held under the Employee Stock Ownership Plan have been disposed. Pursuant to the relevant provisions of the Management Measure of the Employee Stock Ownership Plan, the Employee Stock Ownership Plan shall be terminated upon completion of the asset liquidation and distribution process.

III. BUSINESS REVIEW

1. Business Development and Layout

A mature omni-channel commercial network covering the whole country, continuously improving the refined management of rents

The following map sets forth the geographical distribution of our shopping malls as at the end of the Reporting Period:



Note: Geographically, Northeast China includes Heilongjiang Province, Jilin Province, Liaoning Province; North China (excluding Beijing and Tianjin) includes Shanxi Province, Hebei Province, Inner Mongolia Autonomous Region; East China (excluding Shanghai) includes Shandong Province, Jiangsu Province, Zhejiang Province, Anhui Province, Jiangxi Province, Fujian Province; Central China includes Hunan Province, Hubei Province, Henan Province; South China includes Hainan Province, Guangdong Province, Guangxi Zhuang Autonomous Region; West China (excluding Chongqing) includes Shaanxi Province, Gansu Province, Qinghai Province, Ningxia Hui Autonomous Region, Xinjiang Uygur Autonomous Region, Yunnan Province, Sichuan Province, Guizhou Province, Xizang Autonomous Region

III. BUSINESS REVIEW (continued)

1. Business Development and Layout (continued)

Color	Region	Portfolio Shopping Malls		Managed Shopping Malls	
		Number of shopping malls	Sub-total Operating Area (sq.m.)	Number of shopping malls	Sub-total Operating Area (sq.m.)
	Beijing	4	347,828	1	112,179
	Shanghai	7	904,513	1	11,799
	Tianjin	6	611,881	1	40,996
	Chongqing	4	324,256	8	244,491
	Northeast China	10	1,102,189	12	660,012
	North China	7	448,091	28	1,497,758
	East China	20	2,104,813	111	5,775,337
	Central China	5	644,683	25	1,287,545
	South China	3	181,892	6	323,199
	West China	10	820,283	42	1,918,019
	Total	76	7,490,428	235	11,871,334

III. BUSINESS REVIEW (continued)

1. Business Development and Layout (continued)

In the first half of 2025, affected by multiple reasons, the home furnishing and building materials industry has faced the dual challenges of supply fluctuations and declining demand, resulting in weakened demand in the home furnishings retail market. Therefore, the current operations of shopping malls have been impacted on a temporary basis. As a leading enterprise in the home furnishing retail sector, the Company implemented partial rent and management fee reductions for small and medium-sized enterprises to support their stable development. Concurrently, the Company proactively adjusted its strategies and the layout of mall categories, attracting high-quality brands such as designers, home decoration companies, and new energy vehicle brands with favorable commercial terms. These combined factors have led to a certain degree of decline in current mall occupancy rates and rental levels compared to historical averages of the Company, affecting the value of the Company's investment properties.

With the solid implementation of a series of stimulus policies introduced by multiple national ministries and commissions – such as lowering mortgage rates, further expanding the rollout of large-scale equipment upgrades, and promoting the consumer goods trade-in policy, the high-quality development of the industry in which the Company operates will receive new round of support, and relevant consumption demand is expected to rebound from the bottom. The Company will seize the opportunities arising from industry development, strive to improve operational efficiency, and enhance business performance.

As of June 30, 2025, the Company operated 76 Portfolio Shopping Malls with an average occupancy rate of 84.2%, and 235 Managed Shopping Malls with varying degrees management depth with an average occupancy rate of 81.3%, and 7 home furnishing malls through strategic cooperation. In addition, the Company has opened 23 franchised home improvement materials projects encompassing 369 home improvement material stores/industry streets. Its operations span 189 cities across 30 provinces, municipalities and autonomous regions in China, with a total operating area of shopping malls of 19,361,762 sq.m.

During the Reporting Period, the Company actively responded to market changes and leveraged favorable policies to promote strategic planning.

III. BUSINESS REVIEW (continued)

2. Steadily advancing the “3+ Star Ecosystem” strategy to accelerate the integration of business formats

With “home” at its core, the Company extends beyond home furnishings to home appliances and home improvements. These three sectors are interconnected as extensions, entry points, and growth drivers for jointly creating quality products, excellent services, and innovative scenario values. During the Reporting Period, the Company upgraded its high-end electrical appliance strategy to accelerate the development of its M+ High-end Design Center, attract automotive brands to its premises, and expand its reach into the catering sector. Furthermore, the Company encouraged the introduction of lifestyle businesses such as leisure and entertainment, supermarkets, and education and training to release potential operating areas for these categories, improving the product portfolio within these formats, and enhancing the overall competitiveness of its malls.

High-end electrical appliances have become one of the Company’s fastest-growing business segments. As of the end of June 2025, the Company’s electrical appliance operating area accounted for 9.4% of the total operating area. The Company plans to establish 40 high-end electrical appliance ecosystem benchmarks nationwide over the next three years, aiming for “Mega-E Smart Electricity Green Oasis” of one benchmark per city. Faced with industry shifts such as stratified consumption demand and the release of trade-in dividends in lower-tier markets, the Company’s strategic focus is shifting from single-point breakthroughs in the high-end market to collaborative and win-win development across the ecosystem. By expanding product categories, enriching brands, and improving services, the Company aims to meet the needs of diverse markets and demographics, leveraging a “high-end leadership + tiered coverage” strategy to drive market growth across all dimensions. The first “Mega-E Smart Electricity Green Oasis” opened in the 1H 2025. The upgraded “Mega-E Smart Electricity Green Oasis” features innovative scenarios such as Fashion Appliances Store (Chaodianhui), customer service center, and Zero Carbon Life Home. The “Zero Carbon Life Home” showroom focuses on home energy management, presenting “zero-carbon home solutions” as a tangible and experiential consumer experience for the first time.

III. BUSINESS REVIEW (continued)

2. Steadily advancing the “3+ Star Ecosystem” strategy to accelerate the integration of business formats (continued)

For the home improvement business, as of the end of June 2025, Red Star Macalline’s M+ Design Centers have developed 731,000 sq.m. of space, introduced over 1,000 design studios, and collaborated with nearly 5,000 outstanding designers, demonstrating significant scale effects in the design ecosystem. The three strategic pillars of the M+ ecosystem promote strategic execution. First, the “533 Preferential Rental Policy” builds an entry moat: 50% off rent, 3-year long-term lease, 3 months of rent-free period, plus hardware privileges such as direct elevator access and exclusive space facilities, which greatly lowers the threshold for designers to start their own businesses. Second, the operational philosophy of “focusing on preparation rather than impulsive action”: we deeply integrate investment promotion and operation, build an ecological community of brands, consumers and designers through dedicated personnel and systematic operation to realize the two-way empowerment of commercial value and personal growth. Third, the “Omni-channel Traffic Integration” project: by integrating multiple channels such as offline community cultivation (trade-in/real estate cooperation/model rooms), online digital marketing matrix (Xiaohongshu/Douyin/Haohaozhu), brand linkage (brand day/alliance), etc., we create an online and offline traffic closed loop, injecting continuous growth momentum into the M+ Home Improvement Design Center.

In the emerging business sector of new energy vehicles, the Company established Shanghai Jianmei Smart Auto Service Co., Ltd., which is responsible for the investment promotion and operation of the new energy vehicle sector. The Company also released its “3100 Plan” for the automotive sector, aiming to incubate new sectors within three years and expand the total operating area of the automotive sector to over 1 million sq.m. As of the end of the Reporting Period, the vehicle business has expanded to 50 malls across 44 cities, collaborating with over 30 brands and occupying an operating area of 261,000 sq.m., representing an increase in operating area of 97,000 sq.m. as compared to that at as the end of 2024.

III. BUSINESS REVIEW (continued)

3. Actively responding to the trade-in policy to leverage existing inventory to release consumption momentum

The Company actively responded to and deeply aligned with the national “trade-in” policy. Leveraging the localized service capabilities of 11 pre-deployed regional subsidiaries in cities including Shenyang, Wuhan, Chongqing, and Xiamen, the Company was enabled to effectively implemented the “dual-subsidy model (government subsidies + corporate discounts)” nationwide. During the Reporting Period, the Company’s national shopping malls processed 743,000 trade-in orders and generated a sales amount of RMB7.31 billion, of which the central government subsidies of RMB1.17 billion, accounting for approximately 16% of total sales, demonstrating significant industry leader effects.

4. Focusing on digital empowerment to improve management efficiency

In the 1H 2025, the Company’s digital-intelligent transformation focuses on four key domains: “strategic business support”, “process efficiency enhancement”, “model-driven approaches”, and “intelligent applications.” Through system delivery, process optimization, data modeling, and AI technology applications, the transformation comprehensively empowers business growth and improves management effectiveness.

In terms of strategic business support, multi-platform collaborative optimization is being implemented to strengthen business resilience. On the business development management side, new features have been added, including assisted comparison of promotion details, automatic calculation of average rent prices, and comparison of data on the same floor/category, improving review quality and efficiency. Rent reimbursement functionality has been enhanced, with automatic calculation and verification of reimbursement amounts, strengthening rent compliance management. On the consumer side, upgrades have been made to the Red Star Macalline mini-program, including the Huanxin mini-program (which integrates ordering, payment, and promotions close loop for “trade-in”) and the Yingchuang Huixuan mini-program (which bundles products/packages/designs), providing commodity retail services to users. The second phase of the SCRM system has been implemented, enabling customer channel expansion, information aggregation, and Enterprise WeChat integration, and achieving unified customer operations across all channels. As of the end of June 2025, the Company had accumulated 1.47 million active customers, received over 36,000 outbound calls, and achieved a 65% connection rate, effectively reducing customer acquisition costs.

III. BUSINESS REVIEW (continued)

4. Focusing on digital empowerment to improve management efficiency (continued)

In terms of model-driven data empowerment, we have built merchant evaluation models and occupancy rate improvement incentive models to provide a basis for shopping mall management decisions; launched certain data models, covering areas such as basic financial data analysis, product models, traffic models and customer portraits; developed a marketing input-output ratio model to calculate ROI and analyze the effectiveness of marketing activities, and optimize resource allocation; promoted the talent dashboard project, completed the employee base market, interface development and dashboard design, and facilitated talent management.

In terms of intelligent applications, AI technology is accelerating the development of AI platforms and foundations for business innovation. The technical architecture department has built an AI service platform, integrating with major models such as Alibaba Cloud Model Studio and VolcEngine, providing a unified API and ChatBot-H5 components to support rapid business integration. An internal trial of the OA portal AI assistant has been completed, supporting internal data search and Q&A for employees. Regarding AI scenario applications, the Company is promoting the use of the Red Star Macalline mini-program intelligent customer service, providing 24/7 real-time response. The Company is also promoting the AI training assistant, supporting knowledge recommendation and testing and evaluation. We have developed the inventory sharing AI shopping assistant to optimize product recommendations and interactive experiences. We have also launched the Shufang AI assistant, integrating reports, metrics, and a data warehouse knowledge base to facilitate efficient data application.

5. Deepening the integration of online and offline channels to adopt holistic user traffic management

The Company upgraded its online traffic matrix to engage young consumers. By leveraging Douyin (TikTok)'s local lifestyle channel with billions of traffic, distributing Xiaohongshu traffic vouchers, and collaborating with platforms like Meituan, Amap, and Tmall's "Local Station," the Company combined large-scale livestreaming events featuring top streamer and 10,000 Top Shopping Guides Live Streaming to build a closed-loop system of "online engagement – offline experience".

III. BUSINESS REVIEW (continued)

5. Deepening the integration of online and offline channels to adopt holistic user traffic management (continued)

Offline initiatives strengthened the trade-in program through joint brand marketing campaigns with government-enterprise dual subsidies. To better align with national and municipal subsidy policies, we have completed the registration of 11 subsidiaries in Beijing, Tianjin, Shenyang, Hangzhou, and Chongqing, enabling brands, merchants, and consumers to share policy benefits via localized services. The Company launched an “Extensive Property Service Program”, integrating upstream and downstream resources to penetrate the “last mile” of service. By targeting residential projects through grid-based expansions, such as partnerships with developers like C&D Real Estate and Lianfa Group, and integrating M+ Center design services, the Company created tailored home improvement packages and benefits, offering one-stop exclusive home improvement services for homeowners. It also co-build a home service system and brought “Hassle-Free Renewal” experience by expanding after-sales services, including a series of home services such as home appliance cleaning, home maintenance, and air quality treatments, while deepening community engagement through reputation-driven repeat purchases.

IV. OUTLOOK AND PROSPECTS

The Group consistently assumes the responsibility of “building cozy and harmonious homes and improving quality of consumption and home life”. The Group will continue to follow the operational management mode of “market-oriented operation and shopping mall-based management” to provide consumers with better and more professional services. The Group will consolidate our leading position in the market as well as the professional status of “Red Star Macalline” as an expert of home life in our consumers’ minds, to pursue our enterprise development goal of growing into China’s most advanced and professional “omni-channel platform service provider for home decoration and furnishing industry”.

IV.OUTLOOK AND PROSPECTS (continued)

Our future development plans are as follows:

1. We will continue our transformation towards an “asset-light and operation-heavy” model, and further strengthen the market leadership;
2. We will carry out home decoration track, and build up consumers’ image;
3. We will promote the development of new retail and empower shopping mall operations;
4. We will strengthen financial management to achieve high-quality development;
5. We will continue to improve corporate governance of the Company, standardize our operation and implement social responsibilities.

Corporate Governance and Other Information

The Company is a sino-foreign joint stock company incorporated in the PRC with limited liability under the Company Law of the PRC on 6 January 2011. The Company's H shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") on 26 June 2015. The Company's A shares were listed on the Shanghai Stock Exchange on 17 January 2018.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group is committed to maintaining a high standard of corporate governance to safeguard the interests of its shareholders. The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the "**Corporate Governance Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The Company has complied with the principle and code provisions of the Corporate Governance Code during the Reporting Period.

COMPLIANCE WITH MODEL CODE

The Company has adopted a code of conduct regarding securities transactions by Directors and the supervisors of the Company (the "**Supervisors**") on terms as required under the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. The Company has conducted specific enquiries to all Directors and Supervisors and all Directors and Supervisors have confirmed that they had complied with all the provisions and standards set out in the Model Code during the six months ended 30 June 2025.

AUDIT COMMITTEE AND REVIEWING INTERIM REPORT

The Company have established an audit committee ("**Audit Committee**") with written terms of reference in compliance with the Listing Rules, the primary duties of which are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, managing internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board. As of the date of this report, the Audit Committee consisted of two independent non-executive Directors, namely Mr. XUE Wei and Mr. HUANG Jianzhong, and a non-executive Director, namely Mr. ZOU Shaorong. Mr. XUE Wei, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules, serves as the chairman of the Audit Committee.

The Audit Committee has reviewed and confirmed the Group's 2025 interim report and the unaudited condensed consolidated financial statements for the six months ended 30 June 2025.

CHANGES IN INFORMATION OF DIRECTOR, SUPERVISORS AND CHIEF EXECUTIVE

Pursuant to Rule 13.51B of the Listing Rules, the changes in information of Directors, Supervisors and chief executive of the Company during the Reporting Period are set out below:

Name	Position	Details of Change	Reasons of Change
Mr. WANG Wenhui	Non-executive Director	Resigned from his positions as a non-executive Director and as a member of the strategy and investment committee of the Board on 19 February 2025	work arrangements
Mr. LI Yupeng	Non-executive Director	Appointed as the non-executive Director and a member of the strategy and investment committee of the Board on 19 February 2025	–
Mr. ZHENG Yongda	Non-executive Director and chairman of the Board	Resigned from his positions as the chairman of the Board and the chairman of the strategy and investment committee of the Board on 21 March 2025	work adjustments
Mr. LI Yupeng	Executive Director and chairman of the Board	Re-designated from a non-executive Director to an executive Director and appointed as the chairman of the Board and the chairman of the strategy and investment committee of the Board on 21 March 2025	–
Mr. ZHENG Yongda	Non-executive Director	Resigned from his positions as a non-executive Director and a member of the each of the strategy and investment committee, nomination committee and remuneration and evaluation committee of the Board on 16 May 2025	work adjustments

For details, please refer to the announcements disclosed by the Company dated 27 January 2025, 20 February 2025, 22 March 2025 and 17 May 2025, respectively, in designated domestic media as well as on the Hong Kong Stock Exchange website <http://www.hkexnews.hk> dated 26 January 2025, 19 February 2025, 21 March 2025 and 16 May 2025.

Save as disclosed above, during the Reporting Period, no other changes in the information of any Directors, Supervisors and chief executive of the Company were required to be disclosed according to Rule 13.51B of the Listing Rules.

Corporate Governance and Other Information

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Group did not purchase, sell or redeem any listed securities of the Company (including any sales of treasury shares) during the six months ended 30 June 2025. As at 30 June 2025, the Company held 1,044,800 treasury shares in A Shares (the “**Treasury A Shares**”). The Treasury A Shares will be reserved exclusively for the employee stock ownership plan or share incentive plan of the Company. If the Company fails to implement the aforementioned purposes within the period prescribed by laws and regulations, the Treasury A Shares will be cancelled.

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

As at the end of the Reporting Period, the interests and short positions of the Directors, Supervisors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code, were as follows:

SHARES AND UNDERLYING SHARES OF THE COMPANY AND ASSOCIATED CORPORATIONS

(i) The Company

Name of Shareholders	Title	Class of Shares	Nature of interest	Number of	Approximate	Approximate
				Shares/Underlying Shares held	Percentage of the Relevant Class of Shares ⁽¹⁾	Percentage of Total Shares ⁽¹⁾
CHE Jianxing (車建興) ⁽²⁾ (resigned as the Chief Executive Officer on 18 July 2025)	Chief Executive Officer and Executive Director	A Shares	Interest of controlled corporation	1,023,348,353 (Long position)	28.32%	23.50%
			Beneficial owner	435,600 (Long position)	0.01%	0.01%
			Interest of spouse	48,620 (Long position)	0.00%	0.00%
LI Jianhong (李建宏) (resigned on 18 July 2025)	Non-executive Director	A Shares	Beneficial owner	1,134,330 (Long position)	0.03%	0.03%

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

SHARES AND UNDERLYING SHARES OF THE COMPANY AND ASSOCIATED CORPORATIONS (continued)

(i) The Company (continued)

Notes:

- (1) As at 30 June 2025, the Company had a total of 4,354,732,673 issued shares, including 3,613,447,039 A Shares and 741,285,634 H Shares.
- (2) Mr. CHE Jianxing indirectly holds 23.50% of the total issued Shares of the Company through his 92.00% direct interest in Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) ("**RSM Holding**"), a limited liability company incorporated in the PRC, and is deemed to be interested in the 1,023,348,353 A Shares held by RSM Holding for the purpose of the SFO.

(ii) Associated Corporation

Name of Director	Name of Associated Corporation	Nature of interest	Equity Interest in the Associated Corporation Held	Approximate Percentage of the Relevant Class of Shares ⁽¹⁾
CHE Jianxing (車建興)	RSM Holding ⁽¹⁾	Beneficial interest	184,000,000 (Long position)	92%

Note:

- (1) RSM Holding is the substantial shareholder of the Company, which is held as to 92% by Mr. CHE Jianxing and therefore an "associated corporation" of the Company within the meaning of Part XV of the SFO. As at 30 June 2025, RSM Holding held 1,023,348,353 A Shares of the Company which accounted for approximately 23.50% of the total issued Shares of the Company.

Save as disclosed above, as at the end of the Reporting Period, none of the Directors, Supervisors or chief executive of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or associated corporations (a) which will have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); (b) which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) which will be required to be further notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at the end of the Reporting Period, the interests or short positions in the shares or underlying shares of the Company which will have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, and which will be required, pursuant to Section 336 of the SFO, to be recorded in the register referred to therein, as well as persons (other than the Directors, Supervisors or chief executive of the Company), or corporations deemed, directly and/or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at our general meetings were as follows:

Name of Shareholders	Class of Shares	Capacity/Nature of Interest	Number of Shares/ Underlying Shares Held	Approximate Percentage of the Relevant Class of Shares ⁽¹⁾	Approximate Percentage of Total Share Capital ⁽¹⁾
The State-owned Assets Supervision and Administration Commission of the Xiamen Municipal People's Government	A Shares	Interest of controlled corporation	1,304,242,436 (Long position)	36.09%	29.95%
RSM Holding	A Shares	Beneficial owner	980,325,353 (Long position)	27.13%	22.51%
		Interest of controlled corporation	43,023,000 (Long position)	1.19%	0.99%
CHEN Shuhong ⁽²⁾	A Shares	Interest of spouse	1,023,783,953 (Long position)	28.33%	23.51%
		Beneficial owner	48,620 (Long position)	0.00%	0.00%
Alibaba Group Holding Limited ⁽³⁾	A Shares	Interest of controlled corporation	290,747,243 (Long position)	8.05%	6.68%
	H Shares	Interest of controlled corporation	114,622,963 (Long position)	15.46%	2.63%
Taobao China Holding Limited ⁽³⁾	A Shares	Interest of controlled corporation	290,747,243 (Long position)	8.05%	6.68%
	H Shares	Beneficial owner	72,311,482 (Long position)	9.75%	1.66%
Taobao Holding Limited ⁽³⁾	A Shares	Interest of controlled corporation	290,747,243 (Long position)	8.05%	6.68%
	H Shares	Interest of controlled corporation	72,311,482 (Long position)	9.75%	1.66%
Zhejiang Tmall Technology Co., Ltd. (浙江天猫技术有限公司) ⁽⁴⁾	A Shares	Interest of controlled corporation	290,747,243 (Long position)	8.05%	6.68%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Name of Shareholders	Class of Shares	Capacity/Nature of Interest	Number of Shares/ Underlying Shares Held	Approximate Percentage of the Relevant Class of Shares ⁽¹⁾	Approximate Percentage of Total Share Capital ⁽¹⁾
Tao Bao (China) Software Co., Ltd. (淘寶(中國)軟件有限公司) ⁽⁴⁾	A Shares	Interest of controlled corporation	290,747,243 (Long position)	8.05%	6.68%
Hangzhou Haoyue Enterprise Management Co., Ltd. (杭州灝月企業管理有限公司) ⁽⁴⁾	A Shares	Beneficial owner	290,747,243 (Long position)	8.05%	6.68%
Alibaba Investment Limited ⁽³⁾	H Shares	Interest of controlled corporation	42,311,481 (Long position)	5.71%	0.97%
New Retail Strategic Opportunities Fund GP, L.P. ⁽³⁾	H Shares	Interest of controlled corporation	42,311,481 (Long position)	5.71%	0.97%
New Retail Strategic Opportunities Fund, L.P. ⁽³⁾	H Shares	Interest of controlled corporation	42,311,481 (Long position)	5.71%	0.97%
New Retail Strategic Opportunities GP Limited ⁽³⁾	H Shares	Interest of controlled corporation	42,311,481 (Long position)	5.71%	0.97%
New Retail Strategic Opportunities Investments 4 Limited ⁽³⁾	H Shares	Beneficial owner	42,311,481 (Long position)	5.71%	0.97%
WONG Man Li ⁽⁵⁾	H Shares	Interest of controlled corporation	47,904,600 (Long position)	6.46%	1.10%
Man Wah Investments Limited ⁽⁵⁾	H Shares	Beneficial owner	47,904,600 (Long position)	6.46%	1.10%
HUI Wai Hing ⁽⁵⁾	H Shares	Interest of the spouse	47,904,600 (Long position)	6.46%	1.10%
WONG Luen Hei ⁽⁶⁾	H Shares	Interest of controlled corporation	60,442,281 (Long position)	8.15%	1.39%
UBS Trustees (B.V.I.) Limited ⁽⁶⁾	H Shares	Interest of controlled corporation	60,442,281 (Long position)	8.15%	1.39%
New Fortune Star Limited ⁽⁶⁾	H Shares	Interest of controlled corporation	60,442,281 (Long position)	8.15%	1.39%
Fuhui Capital Investment Limited ⁽⁶⁾	H Shares	Interest of controlled corporation	60,442,281 (Long position)	8.15%	1.39%
China Lesso Group Holdings Limited ⁽⁶⁾	H Shares	Interest of controlled corporation	60,442,281 (Long position)	8.15%	1.39%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Notes:

- (1) As at 30 June 2025, the Company had 4,354,732,673 issued Shares in total, comprised of 3,613,447,039 A Shares and 741,285,634 H Shares.
- (2) Ms. CHEN Shuhong is the spouse of Mr. CHE Jianxing. Under the SFO, Ms. CHEN Shuhong is deemed to be interested in the same number of Shares in which Mr. CHE Jianxing is interested.
- (3) New Retail Strategic Opportunities Investments 4 Limited is directly interested in the 42,311,481 H shares of the Company.

New Retail Strategic Opportunities Investments 4 Limited is directly 100% controlled by New Retail Strategic Opportunities Fund, L.P.

New Retail Strategic Opportunities Fund GP, L.P. is the general partner of New Retail Strategic Opportunities Fund, L.P. and New Retail Strategic Opportunities GP Limited is the general partner of New Retail Strategic Opportunities Fund GP, L.P.

New Retail Strategic Opportunities Fund GP, L.P. is directly 100% controlled by Alibaba Investment Limited, the limited partner of New Retail Strategic Opportunities Fund GP, L.P. Meanwhile, New Retail Strategic Opportunities GP Limited is directly 100% controlled by Alibaba Investment Limited. Alibaba Investment Limited is directly 100% controlled by Alibaba Group Holding Limited. Therefore, Alibaba Group Holding Limited is deemed to be interested in the 42,311,481 H shares.

Taobao China Holding Limited is directly interested in the 72,311,482 H shares of the Company.

Taobao China Holding Limited is directly 100% controlled by Taobao Holding Limited. Taobao Holding Limited is directly 100% controlled by Alibaba Group Holding Limited. Therefore, Alibaba Group Holding Limited is deemed to be interested in the 72,311,482 H shares.

Alibaba Group Holding Limited is deemed to be interested in the 114,622,963 H shares.

- (4) Hangzhou Haoyue Enterprise Management Co., Ltd. was 57.59% and 35.75% controlled by Tao Bao (China) Software Co., Ltd. and Zhejiang Tmall Technology Co., Ltd. respectively. Therefore, Tao Bao (China) Software Co., Ltd. and Zhejiang Tmall Technology Co., Ltd. are deemed to be interested in the 290,747,243 A shares through Hangzhou Haoyue Enterprise Management Co., Ltd.
- (5) Man Wah Investments Limited is directly 80% controlled by Mr. WONG Man Li and Man Wah Investments Limited is directly interested in the 47,904,600 H Shares of the Company. Therefore, Mr. WONG Man Li is deemed to be interested in the 47,904,600 H shares through Man Wah Investments Limited.

Ms. HUI Wai Hing is the spouse of Mr. WONG Man Li. Under the SFO, Ms. HUI Wai Hing is deemed to be interested in the same number of shares in which Mr. WONG Man Li is or deemed to be interested.
- (6) UBS Trustees (B.V.I.) Limited who is the trustee and sole shareholder of Xi Xi Development Limited ("**Xi Xi Development**") which in turn is the sole shareholder of New Fortune Star Limited ("**New Fortune Star**") which in turn holds 68.28% of China Lesso Group Holdings Limited ("**China Lesso**") which in turn is the sole shareholder of Fuhui Capital Investment Limited ("**Fuhui Capital**"). The trust was established by Mr. WONG Luen Hei on 22 March 2017.

Accordingly, UBS Trustees (B.V.I.) Limited is deemed to be interested in the shareholding interest of each of Xi Xi Development, New Fortune Star, China Lesso and Fuhui Capital in the Company pursuant to the disclosure requirements under the SFO.

Save as disclosed above, as at the end of the Reporting Period, the Directors, Supervisors or chief executive of the Company were not aware of any persons (other than the Directors, Supervisors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which were required to be disclosed to the Company and the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, or to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the 2025 Interim Report, at no time during the Reporting Period was the Company or any of its subsidiaries or holding company or any subsidiary of the Company's holding company, a party to any arrangement that would enable the Directors or the Supervisors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or the Supervisors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

INTERIM DIVIDEND

The Board does not recommend payment of dividend for the six months ended 30 June 2025.

PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS

A shares of the Company were listed and traded on the Shanghai Stock Exchange on 17 January 2018 (Stock Code: 601828) at the issue price of RMB10.23 per share with an issuance size of 315,000,000 shares. The total proceeds raised from this offering was RMB3,222,450,000.00, and the net proceeds raised (after deducting the issuing expenses of A shares of RMB172,442,150.37) was RMB3,050,007,849.63. The net amount raised per subscribed share is RMB9.68 per share, and the closing price per share on the date of listing was RMB14.42. For details, please refer to the announcements of the Company dated 2 January 2018, 16 January 2018, 7 February 2018, 7 September 2018 and 1 April 2024 and the circular of the Company dated 29 April 2024, the Company has utilized the net proceeds in accordance with the purposes as disclosed.

Analysis of the use of proceeds from issuance of A shares as of 30 June 2025 is as follows:

Unit: RMB'000

Total amount of funds raised	3,222,450
Issuance expense	172,442
Net funds raised	3,050,008

Corporate Governance and Other Information

PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS (continued)

Proposed investment projects		Total planned investment	adjusted investment amount	Balance of the investment amount as at the beginning of the Reporting Period	Investment amount utilized during the Reporting Period	Total investment amount utilized as at the end of the Reporting Period	Balance of the investment amount as at the end of the Reporting Period	Remarks
				(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	
Home furnishing shopping mall construction project	Tianjin Beichen Shopping Mall Project	245,137	245,137	-	-	245,137	-	Fully invested
	Hohhot Yuquan Shopping Mall Project	76,825	76,825	-	-	76,825	-	Fully invested
	Dongguan Wanjia Shopping Mall Project	164,145	164,145	-	-	164,145	-	Fully invested
	Harbin Songbei Shopping Mall Project	294,809	294,809	-	-	294,809	-	Fully invested
	Urumqi Convention and Exhibition Mall Project ⁽²⁾⁽³⁾	669,084	666,733	-	-	666,733	-	Fully invested
	Changsha Jinxia Shopping Mall Project ⁽²⁾⁽³⁾	190,000	163,181	16,943	-	146,238	16,943	Concluded. The Company is expected to fully utilize the aforesaid outstanding amounts by 31 December 2026 in accordance with the requirements of the Listing Rules.
	Xining Expo Shopping Mall Project	110,000	110,000	-	-	110,013 ⁽¹⁾	-	

PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS (continued)

Proposed investment projects	Total planned investment (RMB'000)	Total adjusted investment amount (RMB'000)	Balance of the investment amount as at the beginning of the Reporting Period (RMB'000)	Investment amount utilized during the Reporting Period (RMB'000)	Total investment amount utilized as at the end of the Reporting Period (RMB'000)	Balance of the investment amount as at the end of the Reporting Period (RMB'000)	Remarks
New Intelligent Home Furnishing Shopping Mall Project ^{(2) (3)}	400,000	117,276	124	-	117,152	124	Terminated. The Company is expected to fully utilize the aforesaid outstanding amounts by 31 December 2026 in accordance with the requirements of the Listing Rules.
Repayment of bank loans	400,000	400,000	-	-	400,000	-	Fully invested
Supplement of liquidity	150,008	150,008	-	-	150,008	-	Fully invested
Repayment of interest-bearing debts	350,000	350,000	-	-	350,000	-	Fully invested
Permanent working capital replenishment ⁽³⁾	-	311,893	271,893	333,000	373,000	-	Fully invested
Total	3,050,008	3,050,008	288,960	333,000	3,084,060	17,067	

PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS (continued)

Notes:

- (1) Including the interest generated from the proceeds account and used for the project.
- (2) References are made to the announcements of the Company dated 1 April 2024, 23 May 2024 and the circular of the Company dated 29 April 2024. The resolution concerning the conclusion, extension, suspension and termination of investment projects with partial proceeds of the Company's A shares (the "**Resolution**") was considered and approved at the third meeting of the fifth session of the Board, the third meeting of the fifth session of the Supervisory Committee and the 2023 annual general meeting of the Company. Pursuant to the Resolution, Changsha Jinxia Shopping Mall Project had been concluded after the approval of the shareholders at the 2023 annual general meeting and the New Intelligent Home Furnishing Shopping Mall Project had been terminated after the approval of the shareholders at the 2023 annual general meeting, and the remaining proceeds from the aforesaid projects are used as general working capital (the actual amount is subject to the balance of the raised fund account on the day the funds are transferred out), the subsequent difference between interest income and handling fees generated by this part of the funds will also be used to as general working capital. As the construction of the Urumqi Convention and Exhibition Mall Project had been completed and opened for business operation, the remaining proceeds from the project are used as general working capital (the actual amount is subject to the balance of the raised fund account on the day the funds are transferred out), the subsequent difference between interest income and handling fees generated by this part of the funds will also be used to as general working capital.
- (3) As of 30 June 2025, the proceeds for permanent working capital replenishment from the initial public offering of A shares have been fully utilized. The total amount used for permanent working capital replenishment was RMB373,000 thousand, which included original investment amount for permanent working capital replenishment (i.e. RMB311,893 thousand) and the amount of unreplaced issuance expenses, accumulated bank deposit interest and the amount mistakenly transferred (i.e. RMB61,107 thousand). In addition, the amount to be paid for Changsha Jinxia Shopping Mall project is approximately RMB16,943 thousand and the amount to be paid for New Intelligent Home Furnishing Shopping Mall Project is RMB124 thousand.
- (4) The difference between the totals in the above table is due to rounding.
- (5) The expected timetable for use of the balance of the investment amount is based on the Board's best estimate of the market conditions of business and is subject to change in the light of market conditions. The Company will publicly disclose changes in the timetable, if any, as and when appropriate in accordance with the requirements of the relevant rules in order to update its Shareholders and potential investors.

NON-PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS

In September 2021, the Company issued 449,732,673 A shares to specific investors in the non-public issuance, at an issue price of RMB8.23 per share, with the total proceeds of RMB3,701,299,898.79. After deducting issuance expenses (exclusive of tax) of RMB22,936,099.50, the actual net proceeds were RMB3,678,363,799.29. For details, please refer to the announcements of the Company dated 3 May 2020, 3 June 2020, 23 June 2020, 19 April 2021, 18 May 2021, 21 October 2021 and 1 April 2024 and the circulars of the Company dated 3 June 2020, 26 April 2021 and 29 April 2024, the Company has utilized the net proceeds in accordance with the purposes as disclosed.

An analysis of the use of the proceeds from the non-public issuance of A shares as of 30 June 2025 is set out below:

Unit: RMB'000

Total Proceeds	3,701,299.9
Issuance expenses	22,936.1
Net proceeds	3,678,363.8

NON-PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS (continued)

Proposed investment projects		Total planned investment (RMB'000)	Total adjusted investment amount (RMB'000)	Balance of the investment amount as at the beginning of the Reporting Period (RMB'000)	Investment amount utilized during the Reporting Period (RMB'000)	Investment amount utilized as at the end of the Reporting Period (RMB'000)	Balance of the investment amount as at the end of the Reporting Period (RMB'000)	Remarks				
Tmall "Home Decoration Tongcheng Station" Project ⁽¹⁾⁽⁴⁾		220,000.0	–	0	–	–	0 ⁽⁴⁾	Terminated. In accordance with the requirements of the Listing Rules, the proceeds have been fully utilized.				
3D Shejiyun Platform Construction Project ⁽¹⁾⁽⁴⁾		283,944.7	6,996.1	0	–	6,996.1	0 ⁽⁴⁾	Terminated. In accordance with the requirements of the Listing Rules, the proceeds have been fully utilized.				
Construction Project for New Generation Home Improvement Platform System ⁽¹⁾⁽⁴⁾		350,000.0	1,581.6	0	–	1,581.6	0 ⁽⁴⁾	Terminated. In accordance with the requirements of the Listing Rules, the proceeds have been fully utilized.				
Home Furnishing Shopping Mall Construction Project	Foshan Lecong Shopping Mall Project ⁽²⁾	1,000,000.0	1,000,000.0	800,000.0	–	200,000.0	800,000.0 ⁽²⁾	Discontinued (suspended), due to the relatively early stage of the construction of Foshan Lecong Shopping Mall Project, as considered at the 2023 annual general meeting, the Company discontinued (suspend) the construction of Foshan Lecong Shopping Mall Project, taking into account the fact that the Company completed the change of control and management in 2023, and coupled with that adjustments to the Company's strategic plan for its existing operations are still subject to uncertainty.				

Corporate Governance and Other Information

NON-PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS (continued)

Proposed investment projects	Total planned investment (RMB'000)	Total adjusted investment amount (RMB'000)	Balance of the investment amount as at the beginning of the Reporting Period (RMB'000)	Investment amount utilized during the Reporting Period (RMB'000)	Investment amount utilized as at the end of the Reporting Period (RMB'000)	Balance of the investment amount as at the end of the Reporting Period (RMB'000)	Remarks
Nanning Dingqiu Shopping Mall Project	560,000.0	560,000.0	199,651.4	–	360,348.6	199,651.4	Postponed. This project is expected to extend to December 2026
Nanchang Chaoyang Xincheng Shopping Mall Project	160,910.0	160,910.0	–	–	160,910.0	–	Fully invested
Repayment of interest-bearing debts	1,103,509.1	1,103,509.1	–	–	1,103,509.1	–	Fully invested
Permanent working capital replenishment ⁽¹⁾⁽⁴⁾	–	845,367.0	–	–	845,367.0	–	Fully invested
Total	3,678,363.8	3,678,363.8	999,651.4	–	2,678,712.4	999,651.4	

NON-PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS (continued)

Notes:

- (1) Reference is made to the announcements of the Company dated 1 April 2024, 23 May 2024 and the circular of the Company dated 29 April 2024, it was considered and approved the resolution concerning the conclusion, extension, suspension and termination of investment projects with partial proceeds of the Company's A shares (the "**Resolution**") at the third meeting of the fifth session of the Board, the third meeting of the fifth session of the Supervisory Committee and the 2023 annual general meeting of the Company. Pursuant to the Resolution, Tmall "Home Decoration Tongcheng Station" Project, 3D Shejiyun Platform Construction Project and Construction Project for New Generation Home Improvement Platform System had been terminated after the approval of the shareholders at the 2023 annual general meeting, and the remaining proceeds from the aforesaid project are used as general working capital.
- (2) In accordance with the requirements of the Listing Rules and the management of the Company currently expects the balance of the proceeds to be finalized by the end of 2030. The foregoing expected time assumes the Company has obtained the necessary approval for the Company's redevelopment of the overall planning proposal by the Board and the shareholders at a general meeting of the Company in accordance with the requirements of the Procedures for the Administration of Proceeds.
- (3) The difference between the totals in the above table is due to rounding.
- (4) As at 30 June 2025, the remaining amount of proceeds of RMB845,367,000 from the 2020 non-public issuance shall be used for the general working capital purpose. During the Reporting Period, the Company has fully utilized the aforementioned proceeds.
- (5) The expected timetable for use of the balance of the investment amount is based on the Board's best estimate of the market conditions of business and is subject to change in the light of market conditions. The Company will publicly disclose changes in the timetable, if any, as and when appropriate in accordance with the requirements of the relevant rules in order to update its Shareholders and potential investors.

MATERIAL LEGAL PROCEEDINGS

For the six months ended 30 June 2025, the Group did not have any material legal or arbitral proceedings. The Directors also are not aware of any material legal proceedings or claims which are pending or threatened against the Group.

EVENTS AFTER THE REPORTING PERIOD

Changes in Directors and Senior Management

On 11 June 2025, upon the recommendation of Xiamen C&D Inc., a shareholder of the Company, and the approval of the nomination committee of the Board, the Company convened the 39th extraordinary meeting of the fifth session of the Board, and considered and approved the Resolution on the Appointment of Ms. YE Yanliu as a Non-executive Director of the Fifth Session of the Board. Ms. YE Yanliu was nominated as a non-executive Director of the fifth session of the Board. Following her election as a non-executive Director, Ms. YE Yanliu will serve as a member of each of the strategy and investment committee, nomination committee and remuneration and evaluation committee of the Board. Her term of office shall commence from the date of approval by the general meeting until the expiration of the term of the fifth session of the Board. Such matter was considered and approved at the 2025 fourth extraordinary general meeting held on 4 July 2025.

EVENTS AFTER THE REPORTING PERIOD (continued)

Changes in Directors and Senior Management (continued)

Mr. CHE Jianxing, the executive Director and general manager of the Company, has applied to the Board to resign from his position as general manager on 18 July 2025 due to personal reasons. He will continue to serve as executive Director and a member of the strategy and investment committee and the nomination committee of the Board. Based on the Company's actual operational needs, and upon nomination by the chairman and approval by the nomination committee of the Board, the Company convened the 41st extraordinary meeting of the fifth session of the Board on 18 July 2025, and considered and approved the Resolution on the Appointment of the Company's General Manager, agreed to appoint Mr. SHI Yaofeng, the executive Director and deputy general manager of the Company, as the general manager of the Company. His term of office shall commence from the date of approval by the Board until the expiration of the term of the fifth session of the Board.

Mr. LI Jianhong, the Company's non-executive Director, has applied to the Board to resign from his positions as a non-executive Director and as a member of the strategy and investment committee of the Board on 18 July 2025 due to personal reasons. Following the recommendation of RSM Holding, a shareholder of the Company, and approval of the nomination committee of the Board, Mr. XU Guofeng was nominated as a non-executive Director of the fifth session of the Board. Upon his election as a non-executive Director, Mr. XU will serve as a member of the strategy and investment committee of the Board. His term of office shall commence from the date of approval by the general meeting until the expiration of the term of the fifth session of the Board. Such matter was considered and approved at the 41st extraordinary meeting of the fifth session of the Board and the 2025 fifth extraordinary general meeting held on 15 August 2025.

Pursuant to the relevant provisions of the Company Law and the Articles of Association, the Company is required to appoint an employee Director. On 21 August 2025, the Company convened an employee representative meeting and elected Mr. ZHENG Jianjie as an employee Director of the fifth session of the Board. His term of office shall commence from the date of approval by the employee representative meeting until the expiration of the term of the fifth session of the Board.

Mr. CHE Guoxing, the deputy general manager of the Company, has resigned from his position as the deputy general manager of the Company on 31 August 2025, as he intends to devote more time on his personal affairs.

Ms. XU Di and Mr. SONG Guangbin, the Company's non-executive Directors, has resigned from their positions as the non-executive Directors on 3 September 2025 due to work reassignments. The Company will initiate the process of appointing new directors at a later date in accordance with the relevant statutory procedures, and will make further announcement(s) on relevant appointment(s) in due course.

EVENTS AFTER THE REPORTING PERIOD (continued)

Changes in Directors and Senior Management (continued)

For details, please refer to the announcements dated 12 June, 5 July, 19 July, 16 August, 22 August and 5 September 2025 and dated 11 June, 4 July, 18 July, 24 July, 15 August, 21 August and 4 September 2025 disclosed by the Company in designated domestic media and on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>), respectively, and the circulars dated 13 June and 28 July 2025 disclosed by the Company on the website of the Hong Kong Stock Exchange.

Abolishment of the Supervisory Committee and Amendments to the Articles of Association and Certain Governance Policies

In accordance with the Company Law, the Guidelines for the Articles of Association of Listed Companies (2025 Revision), and other relevant laws, regulations, and guidelines, and taking into account actual circumstances, the Company intends to abolish the Supervisory Committee. The audit committee of the Board will exercise the duties and functions of the Supervisory Committee as stipulated in the Company Law. The Company also intends to repeal the Rules of Procedure for Supervisory Committee of Red Star Macalline Group Corporation Ltd. and other related Supervisory Committee regulations. Furthermore, the Company intends to amend certain provisions of the Articles of Association, the Procedure Rules of the General Meetings (formerly the Procedure Rules of the Shareholders' General Meetings), the Procedure Rules for the Board, the Working System for Independent Non-executive Director, and the Rules for Management for External Guarantees. These Resolutions were considered and approved at the 42nd extraordinary meeting of the fifth session of the Board and the 2025 fifth extraordinary general meeting held on 25 July 2025 and 15 August 2025, respectively.

For details, please refer to the announcements dated 26 July and 16 August and dated 25 July and 15 August disclosed by the Company in designated domestic media and on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>), respectively, and the circular dated 28 July 2025 disclosed by the Company on the website of the Hong Kong Stock Exchange.

EVENTS AFTER THE REPORTING PERIOD (continued)

Share Reduction Plan by Shareholders and Senior Management

On 26 July 2025, the Company disclosed an announcement regarding the share reduction plan by its shareholder, Hangzhou Haoyue Enterprise Management Co., Ltd. (杭州灝月企業管理有限公司) and Ms. QIU Zhe, the secretary to the Board. The reduction period is from 1 September 2025, to 30 November 2025. On 10 September 2025, Ms. QIU Zhe completed the implementation of such share reduction plan. For details, please refer to the announcements published by the Company in designated domestic media dated 26 July and 11 September 2025 and on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) dated 25 July and 10 September 2025.

Compulsory Judicial Enforcement to the Shareholders Holding More than 5% of the Company's Shares

The Company received the enforcement ruling ((2025) Hu 0115 Zhi No. 18930) forwarded by RSM Holding from the Shanghai Pudong New Area People's Court. According to the ruling, after the 43,023,000 A shares of the Company held by the enforced party, Changzhou Meikai Information Technology Co., Ltd. (常州美開信息科技有限公司), become eligible for sale, such shares shall be sold at market price through centralized bidding within 45 trading days based on the instructions of Changzhou Meikai Information Technology Co., Ltd. The proceeds from the sale of such shares shall be transferred to the account of the Shanghai Pudong New Area People's Court. For details, please refer to the announcements published by the Company in designated domestic media dated 22 August 2025 and on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) dated 21 August 2025.

Based on the legally effective restructuring case of RSM Holding, all of the 155,493,495 A shares of the Company held by RSM Holding (representing approximately 3.57% of total share capital of the Company) will be distributed to the ordinary creditors directly in the form of debt settlement. RSM Holding has transferred 17,329,143 A shares of the Company to the creditors of RSM Holding and their designated securities accounts; it has also transferred 137,788,613 A shares of the Company to the dedicated account for bankrupt enterprise property disposal of Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司). A total of 155,117,756 A shares has been transferred in this instance, with 375,739 A shares remaining to be transferred subsequently.

For details, please refer to the announcements published by the Company in designated domestic media dated 11 June and 5 September 2025 and on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) dated 10 June and 4 September 2025.

EVENTS AFTER THE REPORTING PERIOD (continued)

Resignation of Secretary of the Board, Joint Company Secretary, Deputy General Manager, Authorized Representative and Process Agent, Appointment of Authorized Representative, and Appointment of Company Secretary and Process Agent

On 15 September 2025, the Company has received a written resignation report from Ms. QIU Zhe. Ms. QIU has resigned from her positions as the secretary of the Board, a joint company secretary of the Company (the “**Joint Company Secretary**”), the deputy general manager of the Company and the authorized representative of the Company (the “**Authorized Representative**”) under Rule 3.05 of the Listing Rules due to personal career planning reasons. On the same day, Ms. NG Sau Mei has resigned from her positions as a Joint Company Secretary and the agent under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and Rule 19A.13(2) of the Listing Rules for accepting service of process and notices on behalf of the Company in Hong Kong (the “**Process Agent**”) due to work adjustments.

On 15 September 2025, the Company convened the 44th extraordinary meeting of the fifth session of the Board, agreed that Mr. YANG Yingwu will temporarily assume the powers and responsibilities of the secretary of the Board until such time as the Board appoints a new secretary of the Board. The Board has also agreed to appoint Mr. YANG as the authorized person for the e-Submission System (ESS) of the Hong Kong Stock Exchange. The Company will complete the appointment of the secretary of the Board as soon as practicable in accordance with the relevant requirements, and will make further announcement(s) on relevant appointment(s) in due course.

The Board has also appointed Mr. LI Yupeng, the chairman of the Board and an executive Director, as an Authorized Representative in accordance with Rule 3.05 of the Listing Rules; and appointed Ms. AU Ching as the sole company secretary of the Company and the Process Agent.

For details, please refer to the announcements published by the Company in designated domestic media dated 16 September 2025 and on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) dated 15 September 2025.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

		For the six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
	Notes	(Unaudited)	(Unaudited)
Revenue	4	3,337,076	4,224,862
Cost of sales and services		(1,127,074)	(1,427,483)
Gross profit		2,210,002	2,797,379
Other income	5	72,575	99,943
Other gains or losses, net	6	9,011	(273,992)
Selling and distribution expenses		(366,320)	(463,150)
Administrative expenses		(596,225)	(700,373)
Research and development expenses		(3,247)	(7,339)
Change in fair value of investment properties, net		(2,274,001)	(1,177,523)
Impairment losses under expected credit loss model, net of reversal		(116,365)	(474,770)
Share of results of associates, net		70,911	1,515
Share of results of joint ventures, net		18,298	(37,689)
Finance cost	7	(1,095,295)	(1,300,450)
Loss before tax		(2,070,656)	(1,536,449)
Income tax (expenses)/credit	8	(37,550)	113,193
Loss for the period	9	(2,108,206)	(1,423,256)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

		For the six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
	Notes	(Unaudited)	(Unaudited)
Other comprehensive (loss)/income			
<i>Item that will not be reclassified to profit or loss:</i>			
Changes in fair value of other equity instrument investments		(186,018)	(82,110)
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences from translation of financial statements		(189)	280
Other comprehensive loss, net of tax		(186,207)	(81,830)
Total comprehensive loss for the period		(2,294,413)	(1,505,086)
Loss for the period attributable to:			
Owners of the Company		(1,954,786)	(1,336,774)
Non-controlling interests		(153,420)	(86,482)
		(2,108,206)	(1,423,256)
Total comprehensive loss attributable to:			
Owners of the Company		(2,140,993)	(1,416,133)
Non-controlling interests		(153,420)	(88,953)
		(2,294,413)	(1,505,086)
Loss per share			
Basic and diluted loss (RMB per share)	11	(0.45)	(0.31)

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

		As at 30 June 2025 RMB'000 (Unaudited)	As at December 2024 RMB'000 (Audited)
	Notes		
Non-current assets			
Investment properties	12	95,609,200	95,104,200
Property, plant and equipment	13	2,238,057	2,673,532
Right-of-use assets	13	3,355	4,792
Intangible assets	13	54,055	64,171
Goodwill		97,597	97,597
Interests in associates		2,346,909	2,334,650
Interests in joint ventures		1,012,855	994,557
Financial instruments at fair value through profit or loss ("FVTPL")		98,938	160,879
Financial instruments at fair value through other comprehensive income ("FVTOCI")		722,804	1,230,892
Deferred tax assets		3,667,019	3,909,149
Loan receivables		228,888	243,921
Restricted bank deposits	16	752,808	640,670
Deposits, prepayment and other receivables	15	2,793,379	2,841,274
Total non-current assets		109,625,864	110,300,284
Current assets			
Inventories		46,421	53,065
Loan receivables		1,741,784	1,818,274
Financial instruments at FVTPL		7,205	144,634
Account receivables	14	556,764	585,204
Note receivables	14	8,356	14,126
Contract assets		877,487	1,008,634
Deposits, prepayment and other receivables	15	1,558,435	1,557,162
Bank balances and cash	17	3,221,962	3,153,986
Total current assets		8,018,414	8,335,085
Total assets		117,644,278	118,635,369

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

		As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at December 2024 <i>RMB'000</i> (Audited)
	Notes		
Current liabilities			
Trade and other payables	18	18,123,235	18,791,802
Rental and service fee received in advance		553,838	730,600
Contract liabilities		674,661	749,289
Tax payables		171,954	178,161
Lease liabilities		516,175	601,377
Bank and other borrowings	19	5,371,952	6,016,153
Other current liabilities	21	72,724	72,908
Bonds	20	1,786,477	1,790,841
Total current liabilities		27,271,016	28,931,131
Net current liabilities		(19,252,602)	(20,596,046)
Total assets less current liabilities		90,373,262	89,704,238
Non-current liabilities			
Deferred tax liabilities		13,389,476	13,774,518
Bank and other borrowings	19	24,802,443	21,247,400
Lease liabilities		1,493,272	1,624,283
Other payables	18	466,399	472,937
Deferred income		157,650	160,612
Contract liabilities		373,037	414,245
Other non-current liabilities	21	669,422	705,692
Total non-current liabilities		41,351,699	38,399,687
Net assets		49,021,563	51,304,551

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

		As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at December 2024 <i>RMB'000</i> (Audited)
	Notes		
Equity			
Share capital	22	4,354,733	4,354,733
Reserves		41,702,524	43,843,517
Equity attributable to owners of the Company		46,057,257	48,198,250
Non-controlling interests	24	2,964,306	3,106,301
Total equity		49,021,563	51,304,551

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Share capital	Capital reserve	Fair value through other comprehensive income reserve	Investment properties reserves	Exchange difference	Surplus reserve	Retained earnings	Sub-total	Non-controlling interest	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			(note a)	(note b)	(note c)	(note d)				
As at 31 December 2024 and 1 January 2025 (audited)	4,354,733	7,230,563	279,212	81,398	820	2,293,731	33,957,793	48,198,250	3,106,301	51,304,551
Loss for the period	-	-	-	-	-	-	(1,954,786)	(1,954,786)	(153,420)	(2,108,206)
Fair value change	-	-	(186,018)	-	-	-	-	(186,018)	-	(186,018)
Exchange differences on translating foreign operations	-	-	-	-	(189)	-	-	(189)	-	(189)
Total comprehensive loss for the period	-	-	(186,018)	-	(189)	-	(1,954,786)	(2,140,993)	(153,420)	(2,294,413)
Contributions from shareholders of subsidiaries	-	-	-	-	-	-	-	-	1,685	1,685
Distributions to shareholders	-	-	-	-	-	-	-	-	(2,400)	(2,400)
Disposal of financial instruments at fair value through other comprehensive income	-	-	(57,163)	-	-	-	57,163	-	-	-
Others	-	-	-	-	-	-	-	-	12,140	12,140
As at 30 June 2025 (unaudited)	4,354,733	7,230,563	36,031	81,398	631	2,293,731	32,060,170	46,057,257	2,964,306	49,021,563

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Share capital	Capital reserve	Fair value through other comprehensive income reserve	Investment properties reserves	Exchange difference	Surplus reserve	Retained earnings	Sub-total	Non-controlling interest	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			(note a)	(note b)	(note c)	(note d)				
As at 31 December 2023 and										
1 January 2024 (audited)	4,354,733	7,250,298	542,728	81,398	149	2,293,731	37,309,357	51,832,394	3,310,741	55,143,135
Loss for the period	-	-	-	-	-	-	(1,336,774)	(1,336,774)	(86,482)	(1,423,256)
Fair value change	-	-	(79,639)	-	-	-	-	(79,639)	(2,471)	(82,110)
Exchange differences on translating foreign operations	-	-	-	-	280	-	-	280	-	280
Total comprehensive loss for the period	-	-	(79,639)	-	280	-	(1,336,774)	(1,416,133)	(88,953)	(1,505,086)
Acquisition of non-controlling interests	-	296	-	-	-	-	-	296	(296)	-
Contributions from shareholders of subsidiaries	-	-	-	-	-	-	-	-	2,988	2,988
Distributions to shareholders	-	-	-	-	-	-	-	-	(21,363)	(21,363)
Disposal of financial instruments at fair value through other comprehensive income	-	-	(57,078)	-	-	-	57,078	-	-	-
Others	-	(1,126)	-	-	-	-	-	(1,126)	10,837	9,711
As at 30 June 2024 (unaudited)	4,354,733	7,249,468	406,011	81,398	429	2,293,731	36,029,661	50,415,431	3,213,954	53,629,385

Notes:

- Fair value through other comprehensive income reserve comprises the cumulative net change in the fair value of equity investments designated at FVTOCI under IFRS 9 that are held at the end of the reporting period.
- Investment properties reserves represents difference arising between the carrying amount under IAS 16 at that date and the fair value is dealt with as a revaluation under IAS 16 from a transfer owner-occupied property to investment property carried at fair value.
- Exchange difference comprises all foreign exchange differences arising from the translation of the financial statements of operations.
- According to the relevant rules and regulations in the People's Republic of China ("PRC"), subsidiaries of the Company established in the PRC are required to transfer 10% of their net profit, as determined in accordance with the PRC accounting standards and regulations, to there serve fund until the balance of the reserve reaches 50% of their respective registered capital. The transfer to this reserve must be made before distribution of dividends to owners of these subsidiaries. Reserve fund can be used to set off previous years' losses, if any, and may be converted into capital in proportion to existing equity owners' equity percentage, provided that the balance after such issuance is not less than 25% of their registered capital.
- Pursuant to the supplementary agreement of the share transfer agreement jointly signed by Red Star Macalline Holding Group Limited ("RSMHolding"), Mr. Che Jianxing (the former ultimate controlling shareholder of the Company), Xiamen C&D Inc. (廈門建發股份有限公司), and Lianfa Group Company Limited (a subsidiary of Xiamen C&D Inc.), the Company received RMB300,000 thousand compensation borne by RSMHolding. The compensation of RMB300,000 thousand was credited to capital reserve. Please refer to the announcement of the Company dated 8 February 2024 for details.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

		For the six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
	Notes	(Unaudited)	(Unaudited)
Operating activities			
Loss before tax		(2,070,656)	(1,536,449)
Adjustments for:			
Amortisation of intangible assets		13,695	19,530
Changes in fair value of investment properties	12	2,274,001	1,177,523
Changes in fair value of financial instruments at fair value through profit or loss ("FVTPL")		53,849	85,531
Depreciation of property, plant and equipment		77,263	103,729
Depreciation of right-of-use assets		1,489	2,905
Dividend income from financial instruments at fair value through other comprehensive income ("FVTOCI")	5	(3,564)	(6,798)
Dividend income from financial instruments at fair value through profit or loss		(7,483)	(800)
Unrealised exchange loss		(5,487)	11,011
Finance cost	7	1,095,295	1,300,450
Gain on disposal of associates and joint ventures	6	(12,300)	(12,994)
(Gain)/loss on disposal of financial instruments at FVTPL	6	(5,093)	2,450
Loss/(gain) on lease modification	6	10,485	(24,257)
Gain on disposal of property, plant and equipment	6	(13,567)	(591)
Impairment losses under expected credit losses model, net of reversal		116,365	474,770
Interest income	5	(20,793)	(67,889)
Share of results of associates, net		(70,911)	(1,515)
Share of results of joint ventures, net		(18,298)	37,689
Write-down of inventories	6	–	71,857
Written-off of property, plant and equipment	6	900	5,025
Written off of intangible assets	6	–	771
Operating cash flows before movements in working capital		1,415,190	1,641,948
Change in inventories		7,880	19,986
Change in contract assets		77,079	174,512
Change in trade and other receivables		334,100	177,343
Change in rental and service fee received in advance		(184,115)	(292,041)
Change in trade and other payables		(1,160,682)	(1,773,519)
Change in contract liabilities		(115,836)	(236,735)
Change in deferred income		(2,962)	(46,472)
Change in other current liabilities		(184)	(184)
Change in other non-current liabilities		(36,270)	(62,525)
Cash generated from/(used in) operations		334,200	(397,687)
Income tax paid		(132,313)	(423,579)
Net cash generated from/(used in) operating activities		201,887	(821,266)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Notes	For the six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Investing activities			
Cash inflow from acquisition of subsidiaries		871	–
Dividends received		25,240	15,382
Grant of loans		(94,997)	(63,006)
Interest received		9,645	23,041
Payment of restricted bank deposits		(161,527)	(205,310)
Payment for acquisition of subsidiaries		(959,637)	–
Placement of bank deposits with original maturity over three months		(51)	(17,085)
Proceeds on disposal of associates and joint ventures		33,185	17,809
Proceeds on disposal of intangible assets		181	537
Proceeds on disposal of property, plant and equipment		5,587	1,032
Purchase of property, plant and equipment		(19,722)	(22,753)
Purchase of intangible assets		(491)	(337)
Purchase of investment properties		(117,700)	(171,797)
Purchases of financial instruments at FVTPL		(88,192)	(24,221)
Payment for acquisition of additional interests in subsidiaries		–	(2,055)
Redemption of financial instruments at FVTOCI		141,185	140,613
Redemption of financial instruments at FVTPL		215,408	29
Repayment of loan receivables		17,574	92,960
Refunds of prepayment for acquisition of equity investments		1,629	–
Withdrawal of bank deposits with original maturity over three months		2,106	13,000
Withdrawal of restricted bank deposits		43,288	89,094
Net cash used in investing activities		(946,418)	(113,067)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Notes	For the six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Financing activities			
Advance from related parties and third parties		77,359	46,978
Advance from Xiamen C&D		4,834,000	8,100,000
Contributions from shareholders of subsidiaries		1,685	3,388
Dividends paid to non-controlling shareholders of subsidiaries		(6,220)	(30,757)
Interest paid		(855,059)	(1,089,648)
Proceeds from new bank and other borrowings		7,723,737	7,286,202
Repayment of bank and other borrowings		(4,805,403)	(10,111,585)
Repayment of lease liabilities		(205,770)	(308,846)
Payment for acquisition of additional interests in subsidiaries		–	(10,400)
Repayment to related parties and third parties		(1,340,021)	(780,536)
Repayment to Xiamen C&D		(4,609,714)	(2,323,805)
Net cash generated from financing activities		814,594	780,991
Net increase/(decrease) in cash and cash equivalents		70,063	(153,342)
Effect of foreign exchange rate changes		(32)	(218)
Cash and cash equivalents at beginning of period		3,111,833	2,506,800
Cash and cash equivalents at end of period, represented by bank balances and cash		3,181,864	2,353,240

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

1. GENERAL INFORMATION

The Company was incorporated in the People's Republic of China (the "**PRC**") on 6 January 2011 as a sino-foreign joint stock limited company under the PRC laws upon the conversion of Shanghai Red Star Macalline Enterprise Management Company Limited (上海紅星美凱龍企業管理有限公司), a company with limited liability incorporated in the PRC. In the opinion of the directors of the Company, Xiamen C&D Inc. (廈門建發股份有限公司) ("**Xiamen C&D**", a company listed on the Shanghai Stock Exchange (A Share Stock Code: 600153)) exercises control over the Company and is the parent company of the Company. State-owned Assets Supervision and Administration Commission of Xiamen Municipal People's Government (廈門市人民政府國有資產監督管理委員會) is the ultimate controlling shareholder of the Company.

The H shares of the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on June 2015 and the A shares of the Company were listed on Shanghai Stock Exchange in January 2018.

The respective addresses of the registered office and the principal place of business of the Company are disclosed in the corporate information section of the interim report. The principal activities of the Company and its subsidiaries (collectively the "**Group**") are operating and managing home furnishing shopping malls. The Group is also involved in pan home furnishings consumption, including internet home decoration, internet retail, etc..

The condensed consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Group.

2. BASIS OF PREPARATION

2.1 Basis of measurement

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

2.2 Going concern

The Group incurred loss of RMB2,108,206 thousand for the period ended 30 June 2025, and the Group had net current liabilities of RMB19,252,602 thousand as at 30 June 2025.

In view of such circumstances, the directors of the Company continue to implement a series of plans and measures to improve the Group’s liquidity and financial position, which include but not limited to the following:

- The management had assessed the ongoing operations of the Group for the 12 months starting from 1 July 2025, and after taking into account unutilised bank facilities granted to the Group and the Group’s expected operating cash inflows and financing arrangements as of 30 June 2025, believed that the liquidity risks that the Group is exposed to due to the fact that it has net current liabilities at 30 June 2025 fall within the range of controllable risks, and thus will not have material effects on the ongoing operations and financial position of the Group.
- Continuing to negotiate with banks and financial institutions for financing.

The directors of the Company are therefore of the opinion that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the condensed consolidated financial statements to adjust the value 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 liabilities as current assets and liabilities, respectively.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

Other than additional/change in accounting policies resulting from application of amendments to IFRS Accounting Standard, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2024.

Amendments to IFRS Accounting Standard that are mandatorily effective for the current period

In the current interim period, the Group has applied the following new and amendments to IFRS Accounting Standard issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to IFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. SEGMENT INFORMATION AND REVENUE

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

Owned/leased Portfolio Shopping Malls: this segment derives revenue from leasing floor areas to the merchants and providing comprehensive and continuous operation and management support to them.

Managed Shopping Malls: this segment derives revenue from providing initiation, consultation and management services to the Group's partners and the construction contractors to develop and manage the shopping malls under the Group's own brand.

Construction and decoration services: this segment derives revenue from providing construction and decoration services.

Others: this segment derives revenue from providing other comprehensive service to the customers, including joint marketing, strategy consultation, retail sales of goods, cleaning services and internet services etc..

The accounting policies applied in determining segment revenue and segment results of the operating segments are the same as the Group's accounting policies. Segment profit/(loss) represents the profit/(loss) earned/incurred by each segment without allocation of other incomes, other gains or losses, research and development expenses, changes in fair value of investment properties, impairment loss under expected credit losses model, share of results of associates, share of results of joint ventures, finance costs, central administrative expenses and income tax (expenses)/credit. This is the measure reported to the Group's chief operating decision maker for the purpose of resource allocation and performance assessment. No operating segments have been aggregated in arriving at reportable segment of the Group.

No segment assets and liabilities, and other segment information are presented as they were not regularly provided to the chief operating decision maker for the purpose of resource allocation and performance assessment.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

4. SEGMENT INFORMATION AND REVENUE (continued)

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

	Owned/ Leased Portfolio Shopping Malls <i>RMB'000</i>	Managed Shopping Malls <i>RMB'000</i>	Construction and decoration services <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Six months ended 30 June 2025 (Unaudited)					
Segment revenue from external customers	2,450,706	609,371	103,613	173,386	3,337,076
Segment profit/(loss)	1,215,547	85,887	(27,089)	(8,550)	1,265,795
Unallocated:					
Other income					72,575
Other gains or losses, net					9,011
Central administrative expense					(18,338)
Research and development expenses					(3,247)
Change in fair value of investment properties, net					(2,274,001)
Impairment losses under expected credit loss model, net of reversal					(116,365)
Share of results of associates, net					70,911
Share of results of joint ventures, net					18,298
Finance cost, net					(1,095,295)
Loss before tax					(2,070,656)

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

4. SEGMENT INFORMATION AND REVENUE (continued)

	Owned/Leased Shopping Malls RMB'000	Managed Shopping Malls RMB'000	Construction and decoration services RMB'000	Others RMB'000	Total RMB'000
Six months ended 30 June 2024 (Unaudited)					
Segment revenue from external customers	2,903,166	827,466	212,098	282,132	4,224,862
Segment profit/(loss)	1,572,817	66,409	(18,963)	35,250	1,655,513
Unallocated:					
Other income					99,943
Other gains or losses, net					(273,992)
Central administrative expense					(21,657)
Research and development expenses					(7,339)
Change in fair value of investment properties, net					(1,177,523)
Impairment losses under expected credit loss model, net of reversal					(474,770)
Share of results of associates, net					1,515
Share of results of joint ventures, net					(37,689)
Finance cost, net					(1,300,450)
Loss before tax					(1,536,449)

The revenue of sales set out as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	861,311	1,310,547
Rental and related income	2,475,765	2,914,315
	3,337,076	4,224,862

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

4. SEGMENT INFORMATION AND REVENUE (continued)

The following is an analysis of revenue from contracts with customers:

	Managed Shopping Malls RMB'000	Construction and decoration services RMB'000	Others RMB'000	Total RMB'000
Six months ended 30 June 2025 (Unaudited)				
Principal operating region				
Mainland China	609,371	103,613	148,327	861,311
Timing of revenue recognition				
At point in time				
Revenue from sales of goods	–	5,038	6,721	11,759
Other revenues	–	15,539	27,022	42,561
Over-time				
Revenue from operation and management services	609,371	–	–	609,371
Revenue from construction services	–	79,667	–	79,667
Revenue from decoration services	–	3,369	–	3,369
Other revenues	–	–	114,584	114,584
Total	609,371	103,613	148,327	861,311

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

4. SEGMENT INFORMATION AND REVENUE (continued)

	Managed Shopping Malls RMB'000 (Unaudited)	Construction and decoration services RMB'000 (Unaudited)	Others RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Six months ended 30 June 2024 (unaudited)				
Principal operating region				
Mainland China	827,466	212,098	270,983	1,310,547
Timing of revenue recognition				
A point in time				
Revenue from sales of goods	–	–	16,225	16,225
Other revenues	–	–	49,714	49,714
Over-time				
Revenue from operation and management services	827,466	–	–	827,466
Revenue from construction services	–	167,414	–	167,414
Revenue from decoration services	–	44,684	–	44,684
Other revenues	–	–	205,044	205,044
Total	827,466	212,098	270,983	1,310,547

Geographic information

All revenue and operating results of the Group are derived from the PRC based on location of the operations.

Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Non-current assets	
	As at 30 June 2025 RMB'000 (Unaudited)	As at December 2024 RMB'000 (Audited)
The PRC	103,615,597	103,512,056
The Cayman Islands	86,091	91,804
	103,701,688	103,603,860

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

5. OTHER INCOME

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Interest income on		
– bank deposits	5,028	8,116
– other loans and receivables	15,765	59,773
Total interest income	20,793	67,889
Government grants	32,194	14,366
Subsidy for land supporting expense and subsidy for gas-fired air conditioning equipment	2,962	2,924
Dividend income from financial instruments at FVTOCI	3,564	6,798
Dividend income from financial instruments at FVTPL	7,483	800
Income from default compensation	941	468
Income from project termination	4,638	6,698
	72,575	99,943

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

6. OTHER GAINS OR LOSSES, NET

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Gain on disposal of associates and a joint ventures	12,300	12,994
Gain/(loss) on disposal of financial instruments at FVTPL	5,093	(2,450)
Gain on disposal of property, plant and equipment	13,567	591
(Loss)/gain on lease modification	(10,485)	24,257
Fair value change on financial instruments at FVTPL	(53,849)	(85,531)
Charitable donations	–	(30)
Compensation expenses	(4,954)	(13,191)
Written off of property, plant and equipment	(900)	(5,025)
Written off of intangible assets	–	(771)
Write-down of inventories	–	(71,857)
Exchange gain/(loss)	4,294	(15,182)
Others (note)	43,945	(117,797)
	9,011	(273,992)

Note:

For the six months ended 30 June 2024, other losses mainly included losses incurred by the Group due to the termination of projects and other matters.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

7. FINANCE COST

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Interest on bank and other borrowings	1,006,536	1,172,710
Interest on lease liabilities	41,082	77,426
Interest on bonds	47,677	50,916
	1,095,295	1,301,052
Less: amount capitalised in the cost of qualifying assets	–	(602)
	1,095,295	1,300,450

8. INCOME TAX

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Income tax expenses/(credit) comprise:		
Current tax:		
PRC enterprise income tax	105,713	235,624
Deferred tax – current period	(68,163)	(348,817)
	37,550	(113,193)

8. INCOME TAX (continued)

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

The Group’s subsidiaries, Chengdu Red Star Macalline Xinnan Business Management Company Limited (成都紅星美凱龍新南商業管理有限公司) and Chongqing Liangjiang New Area Red Star Macalline Business Management Company Limited (重慶兩江新區紅星美凱龍商業管理有限公司) are entitled to preferential policies on enterprise income tax pursuant to the Announcement of the Ministry of Finance, the General Administration of Taxation and the National Development and Reform Commission No. 23 of 2020 “Announcement of the General Administration of Taxation of the Ministry of Finance and the National Development and Reform Commission on the Continuation of the Enterprise Income Tax Policies for the Development of Western Region” (《財政部稅務總局國家發展改革委關於延續西部大開發企業所得稅政策的公告》). The aforesaid subsidiaries met the relevant conditions and the applicable tax rate for the current year was 15%.

In December 2022, a subsidiary of the Group, Shanghai Red Star Macalline Building Design Company Limited (上海紅星美凱龍建築設計有限公司), obtained the Certificate for Hi-tech Enterprise, whose certificate number was GR202231004738 with a validity of three years, and was subject to a tax rate of 15% for the year.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

9. LOSS FOR THE PERIOD

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Loss for the period has been arrived at after charging/(crediting):		
Staff costs (including directors emoluments)		
Salaries and other benefits	778,325	961,922
Retirement benefits scheme contributions	80,270	95,508
Total staff costs	858,595	1,057,430
Cost of inventories recognised as an expense	8,060	21,879
Depreciation of property, plant and equipment	77,263	103,729
Depreciation of right-of-use assets	1,489	2,905
Amortisation of intangible assets	13,695	19,530
Advertising and promotional expenses	222,904	271,788
Gross rental income from investment properties	(2,475,765)	(2,914,315)
Less: Direct operating expenses incurred for investment properties	599,278	641,727
	(1,876,487)	(2,272,588)

10. DIVIDEND

The Board resolved that no interim dividend will be declared in respect of the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

11. LOSS PER SHARE

The calculation of basic and diluted loss per share as of 30 June 2025 and 2024 is based on the following data:

	Six months ended 30 June	
	2025	2024
	RMB	RMB
	(Unaudited)	(Unaudited)
Basic and diluted loss per share	(0.45)	(0.31)

The basic loss per share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares.

There was no dilutive potential ordinary shares outstanding for the six months ended 30 June 2025 (Six months ended 30 June 2024: nil). Accordingly, the diluted loss per share is same as basic loss per share for the six months ended 30 June 2025.

As of 30 June 2025 and 2024, the calculation of basic and diluted loss per share is detailed as follows:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
<i>Loss</i>		
Net loss for the period attributable to owner of the Company (RMB'000)	(1,954,786)	(1,336,774)
<i>Number of the ordinary shares</i>		
Weighted average number of the ordinary shares of the Company ('000)	4,354,733	4,354,733

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. INVESTMENT PROPERTIES

The Group leases out shops and buildings under operating leases with rentals payable monthly. The leases typically run for an initial period of 6 months to 2 years (31 December 2024: 6 months to 2 years), with unilateral rights to extend the lease beyond initial period held by lessees only. Majority of the lease contracts contain market review clauses in the event the lessee exercises the option to extend.

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

	Completed investment properties <i>RMB'000</i>	Properties under construction <i>RMB'000</i>	Leased properties <i>RMB'000</i>	Total <i>RMB'000</i>
Fair value				
As at 1 January 2024 (Audited)	85,813,199	9,103,000	3,564,001	98,480,200
Additions	543,293	33,853	44,783	621,929
Lease modification	–	–	(1,178,058)	(1,178,058)
Transfer from construction in progress	495,000	(495,000)	–	–
Transfer from property, plant and equipment and inventory	59,151	–	–	59,151
Changes in fair value	(1,760,443)	(342,853)	(775,726)	(2,879,022)
As at 31 December 2024 and 1 January 2025 (Audited)	85,150,200	8,299,000	1,655,000	95,104,200
Additions	75,105	1,294	–	76,399
Lease modification	–	–	(33,554)	(33,554)
Transfer from property, plant and equipment and inventory	373,797	–	–	373,797
Disposal	(15,927)	–	–	(15,927)
Acquisition of subsidiaries (note 24)	2,378,286	–	–	2,378,286
Changes in fair value	(1,992,261)	(96,294)	(185,446)	(2,274,001)
As at 30 June 2025 (Unaudited)	85,969,200	8,204,000	1,436,000	95,609,200

12. INVESTMENT PROPERTIES (continued)

The investment properties are all situated on the land under medium-term lease in the PRC. The fair values of the Group's investment properties at the end of the reporting period were valued by Shanghai Orient Appraisal CO., LTD. and Beijing Zhuoxindahua Appraisal CO., LTD., two firms of independent qualified professional valuers not connected with the Group, who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

The valuation of certain completed investment properties, properties under construction at final phase and leased properties have been arrived at with adoption of income approach based on the rental income of the property derived from the existing leases and achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalised to determine the market value at an appropriate capitalisation rate.

The valuation of certain investment properties at an early development stage and certain completed investment properties have been arrived at by direct comparison approach assuming sale of the property interests in their existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the relevant market.

The valuation of other investment properties under development has been arrived at with adoption of the hypothetical development method. It is assumed that these investment properties will be developed to a usable state in accordance with the established development plan. To determine their fair value, a direct comparison is made using rental data that is available and comparable in the relevant market, and the construction costs and professional fees expected to be incurred from the valuation date to the completion of development, as estimated by the valuer, are deducted.

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

The following table gives information about how the fair values of these investment properties are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised based on the degree to which the inputs to the fair value measurements is observable.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. INVESTMENT PROPERTIES (continued)

As at 30 June 2025 (unaudited)

	Fair value Hierarchy	Valuation technique(s)	Significant unobservable input(s)	Range	Effect on fair value for changes to key inputs	Carrying amounts RMB'000
Completed investment properties and properties under construction at final phase	Level 3	Income approach	Price of unit area leasable (per square meter per month)	RMB12 to RMB232	Increase	86,885,200
			Capitalisation Rate	3.5% to 6.5%	Decrease	
Completed investment properties	Level 3	Direct comparison approach	Unit area price of investment properties (per square meter)	RMB6,413- RMB14,641	Increase	1,701,000
Investment properties at an early development stage	Level 3	Direct comparison and cost approach	Unit area price of investment properties (per square meter)	RMB372 to RMB33,627	Increase	3,824,000
Other investment properties under development	Level 3	Hypothetical development approach	Unit area price of investment properties (per square meter)	RMB56 to RMB78	Increase	1,763,000
			Capitalisation Rate	6%	Decrease	
Leased properties	Level 3	Income approach	Price of unit area leasable (per square meter per month)	RMB19 to RMB191	Increase	1,436,000
			Capitalisation rate	2.95% to 6.95%	Decrease	
						95,609,200

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. INVESTMENT PROPERTIES (continued)

As at 31 December 2024 (audited)

	Fair value Hierarchy	Valuation technique(s)	Significant unobservable input(s)	Range	Effect on fair value for changes to key inputs	Carrying amounts RMB'000
Completed investment properties and properties under construction at final phase	Level 3	Income approach	Price of unit area leasable (per square meter per month)	RMB12 to RMB208	Increase	86,034,200
			Capitalisation Rate	4.5% to 7.0%	Decrease	
Completed investment properties	Level 3	Direct comparison approach	Unit area price of investment properties (per square meter)	RMB6,627-RMB14,897	Increase	1,734,000
Investment properties at an early development stage	Level 3	Direct comparison approach and cost approach	Unit area price of investment properties (per square meter)	RMB374 to RMB34,406	Increase	3,871,000
Other investment properties under development	Level 3	Hypothetical development approach	Unit area price of investment properties (per square meter)	RMB59 to RMB82	Increase	1,810,000
			Capitalisation rate	5.0% to 6.0%	Decrease	
Leased properties	Level 3	Income approach	Price of unit area leasable (per square meter per month)	RMB13 to RMB223	Increase	1,655,000
			Capitalisation rate	3.45% to 6.45%	Decrease	
						95,104,200

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. INVESTMENT PROPERTIES (continued)

There were no transfers into or out of Level 3 during the six months ended 30 June 2025 and 2024.

The unrealised loss on property revaluation amounting to RMB2,274,001 thousand was recognised in profit or loss during the six months ended 30 June 2025 (six months ended 30 June 2024: RMB1,177,523 thousand).

As of 30 June 2025, the Company holds an investment property with a carrying value of RMB2,169,000 thousand (31 December 2024: RMB2,198,000 thousand) located on land where the project partner holds the land use rights. The land is designated for scientific research and design purposes, and the land use rights are classified as allocated land.

As of 30 June 2025, the Company holds shopping mall properties with a carrying value of RMB192,000 thousand (31 December 2024: RMB209,000 thousand) acquired through transfer. Due to historical land-related issues associated with these properties, the transfer of ownership registration has not yet been completed.

Other than the abovementioned, the Group was in process of obtaining the relevant ownership property certificates for the investment properties with carrying amounts of RMB815,000 thousand and RMB1,185,000 thousand as at 30 June 2025 and 31 December 2024, respectively. In the opinion of the directors of the Company, the relevant property ownership certificates can be obtained in due time without incurring significant costs.

The Group's investment properties of RMB80,607,200 thousand (31 December 2024: RMB80,746,200 thousand) was pledged to secure the bank and other borrowing of the Group as detailed in Notes 19.

13. PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSETS

During the six months ended 30 June 2025, the Group acquired property, plant and equipment, right-of-use assets and intangible assets at an aggregate cost of RMB19,722 thousand, RMB1,460 thousand and RMB491 thousand respectively (30 June 2024: RMB22,753 thousand, RMB0 and RMB337 thousand respectively).

During the six months ended 30 June 2025, the Group acquired property, plant and equipment through acquisition of subsidiaries at an aggregate cost of RMB2,338 thousand.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

14. ACCOUNT RECEIVABLES/NOTE RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Account receivables	2,145,211	2,150,467
Less: provision of expected credit loss	(1,588,447)	(1,565,263)
	556,764	585,204
Note receivables	8,356	14,126
	565,120	599,330
Note receivables are measured as at follows:		
– At amortised cost	2,779	2,361
– At fair value through other comprehensive income	5,577	11,765
	8,356	14,126

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

14. ACCOUNT RECEIVABLES/NOTE RECEIVABLES (continued)

An ageing analysis of the account receivables as at the end of the reporting period, based on the invoice date and net of expected credit loss, is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Within 1 year	397,468	479,448
1 to 2 years	325,142	292,672
2 to 3 years	269,030	207,154
Over 3 years	1,153,571	1,171,193
Less: provision of expected credit loss	(1,588,447)	(1,565,263)
	556,764	585,204

The Group has not granted any credit period to its customers. Before accepting any new customers, the Group uses past experience to assess the potential customers' credit quality and defines credit limits for the customers. Limits attributed to customers are reviewed regularly.

At 30 June 2025 and 31 December 2024, all the notes are with a maturity period of less than one year. The Group considers the credit risk is limited because counterparties are banks with good credit standing and are highly likely to be paid, and the ECL are considered as immaterial.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

15. DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Current portion:		
Prepayment	253,630	265,414
Deposits	103,971	64,496
Interest receivables	244	173
Dividends receivables	31,000	31,000
Tax prepaid (note a)	617,757	597,603
Others (note e)	805,309	933,850
	1,811,911	1,892,536
Less: provision of expected credit loss/impairment loss	(253,476)	(335,374)
Total current portion	1,558,435	1,557,162
Non-current portion:		
Deposit	116,505	115,305
Lease deposit	29,290	65,490
Prepayments for purchase of properties (note d)	109,750	111,151
Prepayments for acquisition of equity interests	301,005	310,605
Others	88,707	118,871
	645,257	721,422
Less: provision of expected credit loss	(191,538)	(210,509)
	453,719	510,913
Prepayments for construction and advance payment for land compensation	1,456,760	1,447,461
Earning right related to land consolidation (note c)	1,835,868	1,835,868
	3,292,628	3,283,329
Less: impairment losses (note b)	(952,968)	(952,968)
	2,339,660	2,330,361
Total non-current portion	2,793,379	2,841,274

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

15. DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES (continued)

Note:

- (a) The Group's tax prepaid is mainly VAT to be deducted, which is expected to be deductible within the next year.
- (b) The management of the Group concluded there was indication of impairment and conducted impairment assessment on recoverable amounts of certain prepayment for construction and advance payment and earning right related to land consolidation with carrying amounts (before impairment) of RMB1,456,760 thousand (31 December 2024: RMB1,447,461 thousand) and RMB1,835,868 thousand (31 December 2024: RMB1,835,868 thousand), respectively. For the six months ended 30 June 2025, the Group estimates the recoverable amounts of the individual assets based on higher of fair value less costs of disposal and value in use. Based on the result of assessments, a provision for impairment of RMB238,489 thousand (31 December 2024: RMB238,489 thousand) and RMB714,479 thousand (31 December 2024: RMB714,479 thousand) has been recognised against the carrying amount of certain prepayment for construction and advance payment and earning right related to land consolidation respectively.
- (c) In August 2018, the Group acquired 70% equity interest in Yintai (Yongqing) New City Investment Co., Ltd. (銀泰(永清)新城投資有限公司) at a consideration of RMB1 billion, and acquired an earning right thereof related to land consolidation simultaneously.
- (d) As at 30 June 2025 and 31 December 2024, prepayments for purchasing properties were mainly prepayments paid by the Group for the purchase of several commercial properties and office buildings.
- (e) As at 30 June 2025 and 31 December 2024, others included sale proceed collected and paid on behalf of the tenants of approximately RMB156,525 thousand (31 December 2024: RMB180,370 thousand).

16. RESTRICTED BANK DEPOSITS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Deposits pledged for banking facilities	342,214	304,969
Other restricted bank deposits	410,594	335,701
	752,808	640,670

As at 30 June 2025, restricted bank deposits of approximately RMB325,211 thousand (31 December 2024: RMB247,240 thousand) was freezed due to litigation. In the opinion of the directors of the Company, such litigations will not have a material adverse effect on the Group's financial condition, financial position or cash flows.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

17. BANK BALANCES AND CASH

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Cash	2,326	5,931
Bank deposits with original maturity within three months or less	3,179,538	3,105,902
Cash and cash equivalents	3,181,864	3,111,833
Bank deposits with original maturity over three months	40,098	42,153
Bank balances and cash	3,221,962	3,153,986

18. TRADE AND OTHER PAYABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade payables (note a)	1,283,357	1,402,974
Bills payables	–	309,173
Advance from tenants	370,464	535,756
Deposit received from tenants	2,667,568	2,765,296
Amounts due to Xiamen C&D (note b)	9,350,563	8,677,442
Amounts due to partners (note c)	2,416,135	2,425,886
Amounts payable for property purchases	162,647	218,027
Amounts payable to construction contractors	241,762	275,053
Payroll payable	327,404	471,198
Other tax payable	355,077	401,167
Others (note d)	1,414,657	1,782,767
	18,589,634	19,264,739
Less: Current portion	(18,123,235)	(18,791,802)
Non-current portion (note c)	466,399	472,937

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

18. TRADE AND OTHER PAYABLES (continued)

Note:

- (a) An aging analysis of the trade payables based on invoice date as at the end of the reporting period is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Within 1 year	611,097	437,320
1 to 2 years	234,647	492,452
2 to 3 years	203,543	236,228
Over 3 years	234,070	236,974
	1,283,357	1,402,974

- (b) Amounts due to Xiamen C&D included dividend payables of RMB83,437 thousand (31 December 2024: RMB83,437 thousand), loan of RMB9,000,000 thousand (31 December 2024: RMB8,426,612 thousand) and interest payables of RMB267,126 thousand (31 December 2024: RMB167,393 thousand). The loan is interest bearing at 3% to 3.6% (31 December 2024: 3% to 4%) and is repayable within one year (31 December 2024: within 3 months from the drawdown date).
- (c) Amounts due to partners included the borrowings provided by the minority shareholders of certain subsidiaries of the Group, and shall be repaid by agreements after the completion of relevant cooperation projects with fund surpluses or be repaid on demands after one year. Therefore, such amounts of approximately RMB466,399 thousand (31 December 2024: RMB472,937 thousand) shall be recognised as non-current portion payables.
- (d) Others mainly represent the interest payables and accrued expense of approximately RMB80,405 thousand and RMB331,644 thousand respectively (31 December 2024: RMB82,958 thousand and RMB386,483 thousand respectively).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

19. BANK AND OTHER BORROWINGS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Bank and other borrowings:		
Secured (note a)	24,039,281	23,594,412
Unsecured (note a)	10,011	67,185
Commercial mortgage-backed securities (note b)	6,125,103	3,601,956
	30,174,395	27,263,553
Less: Current portion	(5,371,952)	(6,016,153)
Non-current portion	24,802,443	21,247,400
Fixed-rate borrowings	16,095,038	13,680,480
Floating-rate borrowings	14,079,357	13,583,073
	30,174,395	27,263,553
The borrowings are repayable:		
Within one year or on demand	5,371,952	6,016,153
More than one year but not exceeding two years	7,748,165	6,705,318
More than two years but not exceeding five years	12,213,592	9,181,876
More than five years	4,840,686	5,360,206
	30,174,395	27,263,553
Less: Amount due within one year shown under current liabilities	(5,371,952)	(6,016,153)
Amount due after one year	24,802,443	21,247,400

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

19. BANK AND OTHER BORROWINGS (continued)

Note:

- (a) As at 30 June 2025 and 31 December 2024, no single borrowing is individually material, and terms and conditions of all borrowings are presented by appropriate groupings.
- (b) On 25 January 2024, the Company issued an asset-backed security for home furnishing malls, titled the “Red Star Macalline Shanghai Global Home Furnishing Store No. 1 South Pavilion Asset-Backed Special Plan”. This special plan is secured by the property rights of the home furnishing mall located at 1058 and 1108 Zhenbei Road, 558, 558-2, 558-3, and 598 Nujiang Road, as well as the land use rights within the occupied area. The special plan consists of senior and subordinated tranches. The senior tranche has an issuance size of RMB3.64 billion, with an annual yield of 4.2% and a maturity period of 17.85 years. Principal and interest are repaid quarterly on a fixed schedule. The subordinated tranche has an issuance size of RMB1 million, with no fixed yield. It is entitled to excess returns and has a maturity period of 17.85 years, with a lump-sum repayment of principal at maturity. The principal repayment plan within one year, amounting to RMB65,520 thousand, has been reclassified to current liabilities.

On May 16, 2025, the Company issued the “Guoshou Investment-Tuozun Asset-Backed Security (ABS) Plan”. This ABS plan designates the Beijing Zhizun MALL property assets held by Beijing Red Star Macalline World Expo Furniture Plaza Co., Ltd. and the Yantai Red Star Macalline Home Furnishing & Life Plaza held by Yantai Red Star Macalline Home Furnishing Co., Ltd. as its underlying assets. The ABS comprises senior and subordinated tranches. The senior tranche has an issue size of RMB2.682 billion, offering an annual return rate of 4.35% with an 18-year tenor. Interest is paid quarterly, and principal is amortized according to a predefined repayment schedule. Conversely, the subordinated tranche has an issue size of RMB0.068 billion with no fixed coupon rate, featuring the same 18-year tenor but with principal repayable as a single payment at maturity.

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group’s borrowings are as follows:

	As at 30 June 2025 %	As at 31 December 2024 %
	(Unaudited)	(Audited)
Bank borrowings:		
Fixed rate bank borrowings	3.70-10.00	3.10-10.00
Floating rate bank borrowings	3.50-6.80	3.55-6.80

The floating rate bank borrowings are arranged at the interest rate based on benchmark interest rates of the People’s Bank of China.

The Group’s bank and other borrowings are denominated in RMB.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

20. BONDS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
<i>USD Bonds:</i>		
USD Bonds of 2022 (3-year) (note a)	1,816,210	1,820,574
	1,816,210	1,820,574
Less: – Principal amount of bonds due within one year	(1,786,477)	(1,790,841)
Less: – Interest of bonds due within one year	(29,733)	(29,733)
Non-current portion of bonds	–	–

Note:

- (a) 16 August 2022, the Group issued United States dollars-denominated bonds totaling US\$249.7 million with fixed interest rate, at a coupon rate of 5.20%. The duration of the bond is 3 years, and interest shall be paid semi-annually. The bond is pledged by certain properties, future income from certain shopping malls and equity shares of some subsidiaries. The Group fully repaid the bond on 26 August 2025.

The movements of the Bonds are set out below:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
At the beginning of the period/year	1,820,574	1,786,370
Interests and issue cost amortised	47,677	100,324
Interest paid during the year	(46,554)	(92,513)
Exchange difference	(5,487)	26,393
At end of the period/year	1,816,210	1,820,574

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

21. OTHER NON-CURRENT LIABILITIES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
One-off discount received on pre-purchase of property service for 20 years (note a)	742,146	778,600
Less: Current portion	(72,724)	(72,908)
	669,422	705,692

Note:

- (a) The Group entered into the agreement with CIFI Ever Sunshine (Hainan) Investment Company Limited (旭輝永升(海南)投資有限公司) (hereinafter referred to as "CIFI Ever Sunshine") in 2022 to agree that the property services of the Group's 71 Portfolio Shopping Malls in the next 20 years will be provided by Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司), a subsidiary of CIFI Ever Sunshine, and a discount will be charged. The discount shall be apportioned during the subsequent period of receiving property services to offset the cost of property services. As of 30 June 2025, the unamortised balance totaled RMB742,146 thousand (31 December 2024: RMB778,600 thousand), of which RMB72,724 thousand (31 December 2024: RMB72,908 thousand) will be amortised in next financial year.

22. SHARE CAPITAL

The movements to the Company's issued share capital during the period ended 30 June 2025 is as follows:

	Number of H Shares '000	Number of A Shares '000	Share capital RMB'000
As at 1 January 2025 (audited), 30 June 2025 (unaudited)	741,286	3,613,447	4,354,733

All shares issued are of par value RMB1.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

23. COMMITMENTS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Contracted but not provided for in the condensed consolidated financial statements:		
Capital expenditure in respect of acquisition and construction of investment properties contracted for but not provided in the condensed consolidated financial statements	720,465	724,752
Investment commitments	69,225	233,115
	789,690	957,867

24. ACQUISITION OF SUBSIDIARIES

- (1) Yantai Red Star International Home Management Co., Ltd (煙台紅星國際家居管理有限公司) (“Red Star Yantai”) and its subsidiaries

On 7 May 2025, the Group acquired 100% interest in Red Star Yantai at a cash consideration of RMB980,000 thousand. Red Star Yantai and its subsidiaries is primarily engaged in operation and management of two Red Star Macalline pan-home furnishing shopping malls located in Tianjin.

- (2) Tangshan Fengnan Property Project

On 16 April 2025, the Group acquired 54.62% equity interest in the Tangshan Fengnan Property Project in exchange for the transfer of a receivable with a fair value of RMB30,000 thousand. The companies under the Tangshan Fengnan Property Project include Tangshan Feikai Real Estate Development Co., Ltd. (唐山斐凱房地產開發有限公司), Baoding Feining Network Technology Co., Ltd. (保定斐寧網路科技有限公司), Baoding Feijun Network Technology Co., Ltd. (保定斐雋網路科技有限公司), Baoding Feimin Environmental Technology Co. Ltd. (保定斐珉環保科技有限公司), and Baoding Feibin Environmental Technology Co., Ltd. (保定斐斌環保科技有限公司) (collectively referred to as the “Tangshan Fengnan Property Project Companies”). Prior to this transaction, the Group held 45.38% equity interest in the Tangshan Fengnan Property Project. Upon completion of the exchange, the Group’s equity stake in the Tangshan Fengnan Property Project Companies increased to 100%.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

25. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES

Some of the Group's financial instruments are measured at fair value for financial reporting purposes.

In estimating the fair value, the Group uses market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

The fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

25. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Fair value hierarchy as at 30 June 2025

	Level 1 RMB'000 (Unaudited)	Level 2 RMB'000 (Unaudited)	Level 3 RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Financial assets at FVTPL				
– Wealth management plans	–	7,205	–	7,205
– Equity instrument investments	–	–	98,938	98,938
Financial assets at FVTOCI				
– Note receivables	–	5,577	–	5,577
Equity instruments at FVTOCI	288,949	727	433,128	722,804

Fair value hierarchy as at 31 December 2024

	Level 1 RMB'000 (Audited)	Level 2 RMB'000 (Audited)	Level 3 RMB'000 (Audited)	Total RMB'000 (Audited)
Financial assets at FVTPL				
– Debt instrument investments	–	–	63,523	63,523
– Funds	–	–	81,111	81,111
– Equity instrument investments	–	–	160,879	160,879
Financial assets at FVTOCI				
– Note receivables	–	11,765	–	11,765
Equity instruments at FVTOCI	569,313	2,625	658,954	1,230,892

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

25. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES (continued)

Fair value hierarchy as at 31 December 2024 (continued)

Financial assets/ financial liabilities	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)	Fair value hierarchy	Valuation techniques and significant unobservable inputs	Effect on fair value for increase of key input
1) Debt instrument investments	–	63,523	Level 3	Discounted cash flow approach Risk-adjusted discount: N/A (31 December 2024: 6%) (note a)	Decrease
2) Funds	–	81,111	Level 3	Discounted cash flow approach Risk-adjusted discount Rate: 8% (31 December 2024: 8%)	Decrease
3) Equity instrument investments – FVTPL	98,938	160,879	Level 3	Discounted cash flow approach Risk-adjusted discount Rate: 8%-14% (31 December 2024: 12%-14%) (note b)	Decrease
4) Equity instrument investments-FVTOCI	433,128	658,954	Level 3	Comparable company approach Liquidity discount rate: 96%-97% (31 December 2024: 82%-83%) (note c)	Decrease

Notes:

- (a) The higher the discount rate, the lower the fair value.
- (b) An increase in the discount rate would result in a decrease in fair value measurement of the equity instrument investment – FVTPL, and vice versa.
- (c) A slight increase in the liquidity discount rate would result in a decrease in the fair value of the equity instrument investments – FVTOCI and vice versa.

There were no transfers between Level 1 and 2 during the period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

25. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES (continued)

Reconciliation measurements of Level 3 fair value

	Equity instruments at FVTOCI RMB'000	Debt instruments at FVTPL RMB'000	Equity instruments at FVTPL RMB'000
As at 1 January 2024 (Audited)	1,132,733	570,321	260,025
Transfer out of level 3	(298,258)	–	–
Included in profit or loss	–	(126)	(96,370)
Included in other comprehensive income	(127,046)	–	–
Additions	–	891,627	15,174
Disposal/settlements	(48,475)	(1,317,188)	(17,950)
As at 31 December 2024 and 1 January 2025 (Audited)	658,954	144,634	160,879
Included in profit or loss	–	–	(53,849)
Included in other comprehensive income	(93,456)	–	–
Additions	–	77,866	10,214
Transferred to subsidiary	–	–	(18,206)
Disposal/settlements	(132,370)	(215,295)	(100)
As at 30 June 2025 (Unaudited)	433,128	7,205	98,938

Note: There were no transfers into or out of Level 3 during the period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS

1. Major Transactions between the Group and Related Parties

The following related party transactions are necessary for the development of the group's business. The transactions between the group and related parties are related to daily operations. The transactions follow the principles of openness, fairness and fairness. The transactions between both parties are settled at fair market prices.

(1) Purchase and sale of goods, provision and receipt of services from related parties

Purchase of goods and receipt of services from related parties

	Details of Transactions	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Xiamen Jianfa Hengrong Supply Chain Co., Ltd. (廈門建發恒融供應鏈有限公司)	Purchase of goods	1,203	432
Xiamen C&D Wine & Spirits Co., Ltd (廈門建發美酒匯酒業有限公司)	Purchase of goods	666	471
Xiamen Jianfa International Wine Group Co., Ltd. (廈門建發國際酒業集團有限公司)	Purchase of goods	311	143
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	Purchase of goods	8	7
YangGuang Haitian Parking Holdings Limited (陽光海天停車控股有限公司及其子公司) and its subsidiaries	Purchase of goods	–	1,261
Shanghai C&D Wine Sales Management Co., Ltd (上海建發酒業銷售管理有限公司)	Purchase of goods	–	299
Xiamen Jianfa Wine Sales Management Co., Ltd. (廈門建發酒業銷售管理有限公司)	Purchase of goods	–	76
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its subsidiaries	Purchase of goods	–	11
		2,188	2,700

Note: Commodity purchases from related parties: during the period, the Group conducted commodity transactions with related parties based on market prices.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Purchase of goods and receipt of services from related parties (continued)

	Details of Transactions	Six months ended 30 June	
		2025	2024
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Settlement of interest income from deposit	2	3
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Settlement of interest income from deposit	–	16
CSBC Cruise Industry Development (Shanghai) Co., Ltd (中船郵輪產業發展(上海)有限公司)	Settlement of interest income from deposit	N/A	88
		2	107

Note: Payment of interest on deposits to related parties: during the period, the Group conducted transactions with related parties based on market prices.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Purchase of goods and receipt of services from related parties (continued)

	Details of Transactions	Six months ended 30 June	
		2025	2024
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限公司) and its subsidiaries	Joint marketing	1,832	2,207
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Joint marketing	294	591
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint marketing	236	238
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Joint marketing	210	1,163
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	Joint marketing	75	63
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Joint marketing	N/A	89
		2,647	4,351

Note: Related parties provided joint marketing services for the Group: during the period, the Group conducted transactions with related parties based on market prices.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Purchase of goods and receipt of services from related parties (continued)

	Details of Transactions	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Costs for advertising space lease/ Administrative expenses	38	76
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	Costs for advertising space lease/ Administrative expenses	–	163
Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限公司) and its subsidiaries	Costs for advertising space lease/ Administrative expenses	–	39
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	Costs for advertising space lease/ Administrative expenses	–	8
		38	286

Note: Related parties provided the Group with advertising space leasing/management services: during the period, the Group entered into transactions with related parties based on market prices.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Purchase of goods and receipt of services from related parties (continued)

	Details of Transactions	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its branches	Receipt of services	322,052	335,408
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	Receipt of services	7,214	13,431
Xiamen Jianfa Commercial Management Co., Ltd. (廈門建發商業管理有限公司) and its subsidiaries and branches	Receipt of services	3,687	–
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	Receipt of services	2,736	–
Xiamen International Convention and Exhibition Hotel Co., Ltd. (廈門國際會展酒店有限公司)	Receipt of services	67	–
Xiamen Haiyue Villa Hotel Co., Ltd. (廈門海悅山莊酒店有限公司)	Receipt of services	64	–
Beijing Allgf Cultural and Scientific Consultation Co., Ltd. (北京國富縱橫文化科技諮詢股份有限公司)	Receipt of services	–	434
Red Star Macalline Holdings Group Limited (紅星美凱龍控股集團有限公司)	Receipt of services	–	124
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	Receipt of services	–	70

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Purchase of goods and receipt of services from related parties (continued)

		Six months ended 30 June	
		2025	2024
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Shanghai Jiazhan Construction Engineering Company Limited (上海嘉展建築裝潢工程有限公司)	Receipt of services	N/A	2,005
Zhengzhou Xingbo Real Estate Development Co., Ltd. (鄭州星鉑房地產開發有限公司)	Receipt of services	N/A	217
Chongqing Jinxiao Xingyue Home Co., Ltd (重慶金曉星悦家居有限公司)	Receipt of services	N/A	29
		335,820	351,718

Note: Related parties provided labor services for the Group: during the period, the Group conducted transactions with related parties based on market prices.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Purchase of goods and receipt of services from related parties (continued)

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
	Details of Transactions		
Xiamen C&D Finance Guarantee Co., Ltd. (廈門建發融資擔保有限公司)	Guarantee fee	1	5
		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
	Details of Transactions		
Xiamen C&D Co., Ltd (廈門建發股份有限公司)	Interest expenses	158,077	74,088
Xiamen C&D Finance Leasing Co., Ltd (廈門建發融資租賃有限公司)	Interest expenses	5,668	–
Xiamen International Bank Limited Shanghai Xuhui Sub-branch (廈門國際銀行股份有限公司上海徐匯支行)	Interest expenses	14,521	–
		163,745	74,088

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Sales of goods and rendering of services to related parties

	Details of Transactions	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Shanghai Jianfa Materials Co., Ltd. (上海建發物資有限公司)	Sales of goods	879	–
China Metallurgical Real Estate (Fujian) Co., Ltd. (中冶置業(福建)有限公司)	Sales of goods	113	–
Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限公司) and its subsidiaries	Sales of goods	83	131
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	Sales of goods	30	–
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Sales of goods	28	84
Yangzhou Kailong Management Consulting Co., Ltd. (揚州凱龍管理諮詢有限公司)	Sales of goods	15	–
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Sales of goods	13	32
Xiamen Jianyu Industry Co., Ltd. (廈門建宇實業有限公司)	Sales of goods	13	–
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Sales of goods	9	99
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Sales of goods	1	16

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Sales of goods and rendering of services to related parties (continued)

	Details of Transactions	Six months ended 30 June	
		2025	2024
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	Sales of goods	–	41
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	Sales of goods	–	22
Hangzhou Nabel Ceramics Co., Ltd. (杭州諾貝爾陶瓷有限公司) and its branches	Sales of goods	–	9
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its subsidiaries	Sales of goods	–	1
Yunnan Yuanzepinwei Property Management Co., Ltd (雲南遠擇品唯物業管理有限公司)	Sales of goods	N/A	112
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Sales of goods	N/A	47
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Sales of goods	N/A	47
		1,184	641

Note: Sales of goods to related parties: during the period, the Group conducted transactions with related parties based on market prices.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Sales of goods and rendering of services to related parties (continued)

	Details of Transactions	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its branches	Rendering of service	28,457	31,656
Shanghai Zhaomin Real Estate Development Co., Ltd. (上海兆閔房地產開發有限公司)	Rendering of service	4,659	–
Jianfa Property Services Group Co., Ltd. (建發物業服務集團有限公司及其子公司) and its subsidiaries and branches	Rendering of service	1,384	211
Taicang Jiansheng Real Estate Development Co., Ltd. (太倉建盛房地產開發有限公司)	Rendering of service	1,010	–
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Rendering of service	943	1,469
Shanghai Red Star Macalline Property Co., Ltd (上海紅星美凱龍置業有限公司)	Rendering of service	455	457
Shanghai Aegean Sea Commercial Group Co., Ltd. (上海愛琴海商業集團股份有限公司)	Rendering of service	430	348
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	Rendering of service	282	647
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Rendering of service	254	287
Shanghai CTME Economy & Trade Development Co., Ltd. (上海中貿美凱龍經貿發展有限公司)	Rendering of service	234	1,525

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Sales of goods and rendering of services to related parties (continued)

	Details of Transactions	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Shanghai Lianhong Real Estate Development Co. (上海聯泓房地產開發有限公司)	Rendering of service	212	212
Yangzhou Kailong Management Consulting Co., Ltd. (揚州凱龍管理諮詢有限公司)	Rendering of service	168	–
Xiamen Haiyue Villa Hotel Co., Ltd. (廈門海悅山莊酒店有限公司)	Rendering of service	75	–
Hangzhou Nabel Ceramics Co., Ltd. (杭州諾貝爾陶瓷有限公司) and its branches	Rendering of service	68	848
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Rendering of service	32	470
Wuhu Minghui Commercial Management Co., Ltd. (蕪湖明輝商業管理有限公司)	Rendering of service	28	47
Maxxis Intelligent Home (Shenzhen) Co., Ltd. (美時智能家居(深圳)有限公司)	Rendering of service	27	–
Xiamen C&D Living Technology Co., Ltd. (廈門建發居住科技有限公司)	Rendering of service	11	–
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	Rendering of service	10	23
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	Rendering of service	9	–
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	Rendering of service	7	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Sales of goods and rendering of services to related parties (continued)

		Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Details of Transactions			
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its subsidiaries	Rendering of service	6	15
C&D (Chongqing) Co., Ltd. (建發(重慶)有限公司)	Rendering of service	2	–
Quzhou Huicheng Ole Business Management Co., Ltd. (衢州市慧城奧萊商業管理有限公司)	Rendering of service	–	12,977
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	Rendering of service	–	2,995
Shanghai Lihao Environmental Protection Technology Co., Ltd. (上海麗浩環保科技有限公司)	Rendering of service	–	8
Red Star Macalline Holdings Group Limited (紅星美凱龍控股集團有限公司)	Rendering of service	–	256
Guangzhou Red Star Macalline Expo Home Plaza Co., Ltd. (廣州紅星美凱龍世博家居廣場有限公司)	Rendering of service	N/A	269
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Rendering of service	N/A	34
		38,763	54,754

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Sales of goods and rendering of services to related parties (continued)

	Details of Transactions	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Brand management service	1,415	1,415
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	Brand management service	943	1,415
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Brand management service	943	943
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	Brand management service	943	943
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Brand management service	849	849
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	Brand management service	–	2,613
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	Brand management service	–	2,123
Xuzhou Red Star Macalline International Furniture Decoration City Co., Ltd. (徐州紅星美凱龍國際家具裝飾城有限公司)	Brand management service	–	23
		5,093	10,324

Note: Provision of brand management services for related parties: during the period, the Group conducted transactions with related parties based on market prices.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(1) Purchase and sale of goods, provision and receipt of services from related parties (continued)

Sales of goods and rendering of services to related parties (continued)

	Details of Transactions	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	Design consultation income	314	119
Chongqing Xingyuan Kaijian Commercial Management Co., Ltd (重慶星遠凱建商業管理有限公司)	Design consultation income	–	1,094
		314	1,213

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(2) Leases with related party

As lessors

	Type of leased assets	Six months ended 30 June	
		2025	2024
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Shanghai Aegean Sea Commercial Group Co., Ltd. (上海愛琴海商業集團股份有限公司)	Office	1,084	1,169
Shanghai Red Star Macalline Property Co., Ltd (上海紅星美凱龍置業有限公司)	Office	1,062	1,416
Shanghai Lianhong Real Estate Development Co. (上海聯泓房地產開發有限公司)	Office	712	712
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	Office	23	–
Shanghai Lihao Environmental Protection Technology Co., Ltd. (上海麗浩環保科技有限公司)	Office	–	27
Changzhou Longyao Equity Investment Management Co., Ltd. (常州龍耀股權投資管理有限公司)	Office	–	17
Hangzhou Nabel Ceramics Co., Ltd. (杭州諾貝爾陶瓷有限公司) and its branches	Shop(s) in shopping mall	757	1,895
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	Shop(s) in shopping mall	516	–
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	Shop(s) in shopping mall	371	371
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Shop(s) in shopping mall	334	1,869

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(2) Leases with related party (continued)

As lessors (continued)

	Type of leased assets	Six months ended 30 June	
		2025	2024
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	Shop(s) in shopping mall	296	296
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its subsidiaries	Shop(s) in shopping mall	191	190
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	Shop(s) in shopping mall	N/A	1,393
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	Parking garage	206	–
Xiamen C&D Living Technology Co., Ltd. (廈門建發居住科技有限公司)	Parking garage	69	–
Shanghai Red Star Macalline Property Co., Ltd (上海紅星美凱龍置業有限公司)	Parking garage	30	37

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(2) Leases with related party (continued)

As lessors (continued)

	Type of leased assets	Six months ended 30 June	
		2025	2024
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Shanghai Aegean Sea Commercial Group Co., Ltd. (上海愛琴海商業集團股份有限公司)	Parking garage	7	13
YangGuang Haitian Parking Holdings Limited (陽光海天停車控股有限公司及其子公司) and its subsidiaries	Parking garage	–	24,664
Xiamen C&D Warehouse Co., Ltd (廈門建發倉儲有限公司)	Warehouse	1,189	–
		6,847	34,069

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(2) Leases with related party (continued)

As lessees

	Type of leased assets	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Yunnan Yuanzepinwei Property Management Co., Ltd (雲南遠擇品唯物業管理有限公司)	Parking garage	N/A	711
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Shop(s) in shopping mall	–	21
Changzhou Red Star Home Furnishing City (常州市紅星裝飾城)	Shop(s) in shopping mall	11,641	–
		11,641	732

(3) Guarantees from related parties

Receiving guarantees from related parties

As at 30 Jun 2024

	Amount of guarantees RMB'000 (Unaudited)	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 1)	221,308	2019-06-20	2029-06-20	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 2)	457,944	2020-03-25	2030-03-25	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 3)	41,250	2020-06-08	2030-12-10	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 4)	361,700	2019-07-01	2029-06-20	No

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(3) Guarantees from related parties (continued)

Receiving guarantees from related parties (continued)

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
	(Unaudited)			
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 5)	180,000	2018-07-13	2028-07-10	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) and CHE Jianxing (車建興) (note 6)	300,000	2022-07-07	2025-07-06	No
Liuzhou Red Star Macalline Real Estate Co., Ltd. (柳州紅星美凱龍置業有限公司) and CHE Jianxing (車建興) (note 7)	146,039	2019-11-28	2029-11-27	No
CHE Jianxing (車建興) (note 8)	1,215,616	2020-03-03	2030-03-02	No
CHE Jianxing (車建興) (note 9)	90,500	2016-06-17	2026-06-16	No
CHE Jianxing (車建興) and CHEN Shuhong (陳淑紅) (note 10)	76,330	2022-12-28	2026-11-29	No
CHE Jianxing (車建興) and CHEN Shuhong (陳淑紅) (note 11)	1,600,000	2022-06-15	2037-06-15	No
CHE Jianxing (車建興) and CHEN Shuhong (陳淑紅) (note 12)	1,790,841	2022-08-17	2025-08-26	No
CHE Jianxing (車建興) (note 13)	739,286	2023-03-29	2033-03-20	No
Xiamen C&D Inc. (廈門建發股份有限公司) (note 14)	438,750	2024-11-22	2028-01-06	No
Xiamen C&D Inc. (廈門建發股份有限公司) (note 14)	100,000	2025-01-06	2028-01-06	No
Xiamen C&D Inc. (廈門建發股份有限公司) (note 15)	3,563,560	2024-01-25	2041-11-26	No
Xiamen C&D Inc. (廈門建發股份有限公司) (note 16)	980,000	2024-11-08	2027-11-14	No

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(3) Guarantees from related parties (continued)

Receiving guarantees from related parties (continued)

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
	(Unaudited)			
Xiamen C&D Inc. (廈門建發股份有限公司) and Lianfa Group Co., Ltd. (聯發集團有限公司) (note 17)	2,682,000	2025-05-16	2043-05-15	No
Xiamen C&D Inc. (廈門建發股份有限公司) (note 18)	600,000	2025-06-26	2030-06-26	No

Note 1: This loan was also secured by the investment properties of the Group's subsidiary, Zhengzhou Red Star Macalline International Home Furnishing Company Limited.

Note 2: This loan was also secured by the investment properties of the Group's subsidiary, Nanning Red Star Macalline Shibo Home Furnishing Exhibition Centre Company Limited.

Note 3: This loan was also secured by the fixed assets of the Group's subsidiary, Shanghai Bencheng Enterprise Management Company Limited.

Note 4: This loan was also secured by the investment properties of the Group's subsidiary, Hangzhou Weiliang Electromechanical Hardware Market Co., Ltd.

Note 5: This loan was also secured by the investment properties of the Group's subsidiary, Suzhou Red Star Macalline Shibo Home Furnishing Plaza Company Limited.

Note 6: This loan was also secured by the investment properties of the Group's subsidiary, Hefei Red Star Macalline Shibo Furniture Plaza Company Limited.

Note 7: This loan was also secured by the investment properties of the Group's subsidiary, Liuzhou Red Star Macalline Home Furnishing Company Limited.

Note 8: This loan was also secured by the investment properties of the Group's subsidiary, Shanghai Shanhai Art Club Co., Ltd.

Note 9: This loan was also secured by the investment properties of the Group's subsidiary, Chongqing Red Star Macalline Expo Home Furnishing Plaza Company Limited.

Note 10: This loan was also secured by the investment properties of the Group's subsidiary, Chengdu Tianfu New District Red Star Macalline World Trade Home Furnishing Company Limited.

Note 11: This loan was also secured by the investment properties of the Group's subsidiaries, Beijing Red Star Macalline International Home Furnishing Plaza Company Limited and Wuhan Red Star Macalline Shibo Home Furnishing Plaza Development Company Limited.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(3) Guarantees from related parties (continued)

Receiving guarantees from related parties (continued)

Note 12: This loan was also secured by the investment properties of the Group's subsidiaries, Tianjin Red Star Macalline Home Living and Decorating Plaza Company Limited and Chongqing Xingkaik Home Furnishing Company Limited.

Note 13: This loan was also secured by the investment properties of the Group's subsidiaries, Jinan Red Star Macalline Shibo Home Living Plaza Company Limited and Beijing Red Star Macalline International Home Furnishing Plaza Company Limited.

Note 14: This loan was also secured by the investment properties of the Group's subsidiary, Ningbo Red Star Macalline Home Shopping Plaza Company Limited.

Note 15: This loan was also secured by the investment properties of the Group's subsidiary, Shanghai Xinwei Property Company Limited.

Note 16: This loan was also secured by the investment properties of the Group's subsidiaries, Changzhou World Furniture and Home Plaza Co., Ltd., Changzhou Macalline International Computer & Home Appliances Decoration City Co., Ltd., Changzhou Hongyang Home Furnishing Plaza Company Limited, and Chongqing Red Star Macalline Zhongkun Home Living Plaza Company Limited.

Note 17: This loan was also secured by the investment properties of the Group's subsidiaries, Beijing Red Star Macalline Shibo Furniture Plaza Company Limited and Yantai Red Star Macalline Home Furnishing Company Limited.

Note 18: This loan was also secured by the investment properties of the Group's subsidiary, Nanchang Red Star Macalline Global Home Expo Center Company Limited.

(4) Guarantees from related parties

Receiving guarantees from related parties

31 December 2024

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 1)	249,058	2019-06-20	2029-06-20	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 2)	131,000	2020-01-15	2026-09-17	No

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(4) Guarantees from related parties (continued)

Receiving guarantees from related parties (continued)

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 3)	532,944	2020-03-25	2030-03-25	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 4)	45,000	2020-06-08	2030-12-10	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 5)	405,700	2019-07-01	2029-06-20	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 6)	200,000	2018-07-13	2028-07-10	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) and Che Jianxing (車建興) (note 7)	300,000	2022-07-07	2025-07-06	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) and Che Jianxing (車建興) (note 8)	160,056	2019-11-28	2029-11-27	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) and Che Jianxing (車建興) (note 9)	216,900	2020-03-20	2028-03-20	No
Che Jianxing (車建興) (note 10)	1,315,616	2020-03-03	2030-03-02	No
Che Jianxing (車建興) (note 11)	124,500	2016-06-17	2026-06-16	No
Che Jianxing、CHEN Shuhong (車建興、陳淑紅) (note 12)	109,000	2022-12-28	2026-11-29	No
Che Jianxing、CHEN Shuhong (車建興、陳淑紅) (note 13)	1,640,000	2022-06-15	2037-06-15	No

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(4) Guarantees from related parties (continued)

Receiving guarantees from related parties (continued)

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Che Jianxing 、CHEN Shuhong (車建興、陳淑紅) (note 14)	1,790,841	2022-08-17	2026-03-17	No
Che Jianxing 、CHEN Shuhong (車建興、陳淑紅) (note 15)	756,775	2023-03-29	2033-03-20	No
Xiamen C&D Inc. (note 16)	450,000	2024-11-22	2027-11-22	No
Xiamen C&D Inc. (note 17)	3,593,680	2024-01-25	2041-11-12	No
Xiamen C&D Inc. (note 18)	967,400	2024-11-08	2027-11-14	No

Note 1: The loan was secured by an investment property of Zhengzhou Red Star Macalline International Home Furnishing Company Limited, a subsidiary of the Group.

Note 2: The loan was secured by an investment property of Nanchang Red Star Macalline Global Home Expo Center Company Limited, a subsidiary of the Group.

Note 3: The loan was secured by an investment property of Nanning Red Star Macalline Shibo Home Furnishing Exhibition Centre Company Limited, a subsidiary of the Group.

Note 4: The loan was secured by the property, plant and equipment of the Group's subsidiary, Shanghai Bencheng Enterprise Management Company Limited.

Note 5: The loan was secured by an investment property of Hangzhou Weiliang Electromechanical Hardware Market Co., Ltd., a subsidiary of the Group.

Note 6: The loan was secured by the investment property of the Group's subsidiary, Suzhou Red Star Macalline Shibo Home Furnishing Plaza Company Limited.

Note 7: The loan was secured by an investment property of Hefei Red Star Macalline Shibo Furniture Plaza Company Limited, a subsidiary of the Group.

Note 8: The loan was secured by an investment property of Liuzhou Red Star Macalline Home Furnishing Company Limited.

Note 9: The loan was secured by an investment property of Foshan Junda Enterprise Management Co., Ltd., a subsidiary of the Group.

Note 10: The loan was secured by an investment property of the Group's subsidiary, Shanghai Mountain and Sea Art Furniture Company Limited.

Note 11: The loan was secured by the investment property of Chongqing Red Star Macalline Expo Home Furnishing Plaza Company Limited, a subsidiary of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

1. Major Transactions between the Group and Related Parties (continued)

(4) Guarantees from related parties (continued)

Receiving guarantees from related parties (continued)

Note 12: The loan was secured by an investment property of the Group's subsidiary, Chengdu Tianfu New District Red Star Macalline World Trade Home Furnishing Company Limited

Note 13: The loan was secured by the investment properties of the Group's subsidiaries, Beijing Red Star Macalline International Furniture and Building Materials Plaza Company Limited and Wuhan Red Star Macalline Shibo Home Furnishing Plaza Development Company Limited.

Note 14: The loans were also secured by the investment properties of the Group's subsidiaries, Tianjin Red Star Macalline Home Living and Decorating Plaza Company Limited and Chongqing Xingkaik Home Furnishing Company Limited.

Note 15: The loans were also secured by the investment properties of the Group's subsidiaries, Jinan Red Star Macalline Shibo Home Living Plaza Company Limited and Beijing Red Star Macalline International Home Furnishing Plaza Company Limited.

Note 16: The loan was secured by an investment property of Ningbo Red Star Macalline Home Shopping Plaza Company Limited, a subsidiary of the Group.

Note 17: The loan was secured by an investment property of Shanghai Xinwei Property Company Limited.

Note 18: The loans were also secured by the investment properties of the Group's subsidiaries, Changzhou World Furniture and Home Plaza Co., Ltd, Changzhou Red Star Macalline International Computer Home appliances Mall Company Limited, Changzhou Hongyang Home Furnishing Plaza Company Limited and Chongqing Red Star Macalline Zhongkun Home Living Plaza Company Limited.

2. Amounts due from/to related parties

	As at 30 June 2025		As at 31 December 2024	
	Book	Bad debt	Book	Bad debt
	balance	allowance	balance	allowance
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Accounts receivable				
Shanghai Xinhua Chengcheng Asset Management Co., Ltd. (上海新華成城資產管理有限公司)	40,000	40,000	40,000	40,000
Shanghai Xingzhiyu Commercial Management Co., Ltd. (上海星之域商業經營管理有限公司)	32,525	32,525	32,525	32,525
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its branches	12,708	572	6,051	272

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025		As at 31 December 2024	
	Book balance RMB'000 (Unaudited)	Bad debt allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt allowance RMB'000 (Audited)
Accounts receivable (continued)				
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	6,627	4,504	5,620	3,397
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	4,250	2,641	4,250	2,112
Shenzhen Huasheng Home Furnishing Group Co., Ltd. (深圳華生大家居集團有限公司)	4,000	4,000	4,000	4,000
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍 全球家居生活廣場有限公司)	3,825	2,377	3,825	1,779
Zhejiang Zhongguang Electric Appliances Group Co., Ltd. (浙江中廣電器集團股份 有限公司)	3,500	3,500	3,500	3,500
Cixi Xingkai Real Estate Co., Ltd. (慈溪星凱置業有限公司)	3,333	1,688	3,333	2,038
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	2,850	1,421	1,850	776
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星 美凱龍商業管理有限公司)	1,804	556	1,804	444
Changzhou Jintan Weiyi Construction Engineering Co., Ltd. (常州市金壇維億建設 工程有限公司)	1,500	1,500	1,500	1,500
Xuzhou Red Star Macalline International Furniture Decoration City Co., Ltd. (徐州紅星 美凱龍國際家具裝飾城有限公司)	1,494	1,266	1,494	1,043
Chongqing Xingyuan Kaijian Commercial Management Co., Ltd (重慶星遠凱建商業 管理有限公司)	1,360	248	1,360	161
Changxing Ronghao Trading Co., Ltd. (長興榮皓貿易有限公司)	1,026	46	1,026	46

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025		As at 31 December 2024	
	Book	Bad debt	Book	Bad debt
	balance	allowance	balance	allowance
	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Audited)	RMB'000 (Audited)
Accounts receivable (continued)				
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	930	403	–	–
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	562	47	818	74
Dalian Xingkai Commercial Management Co., Ltd (大連星凱商業管理有限公司)	479	242	479	293
Jianfa Property Services Group Co., Ltd. (建發物業服務集團有限公司及其子公司) and its subsidiaries and branches	401	18	506	23
Shanghai Macalline Aijia Real Estate Management Consulting Co., Ltd. (上海美凱龍愛家房地產管理諮詢有限公司)	123	123	123	123
Shaoxing Xingkai Real Estate Co., Ltd. (紹興星凱置業有限公司)	106	106	106	106
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	89	4	120	5
Shanghai Lihao Environmental Protection Technology Co., Ltd. (上海麗浩環保科技有限公司)	67	3	67	3
Shanghai Red Star Dragon Commercial Management Co., Ltd (上海紅星星龍商業管理有限公司)	53	33	53	31
Yangzhou Kailong Management Consulting Co., Ltd. (揚州凱龍管理諮詢有限公司)	45	2	–	–
Xiangshan Meilong Real Estate Co., Ltd. (象山美龍置業有限公司)	44	44	44	44
Xiamen C&D Living Technology Co., Ltd. (廈門建發居住科技有限公司)	36	2	–	–
Xiangshan Kaisheng Real Estate Co., Ltd. (象山凱勝置業有限公司)	34	34	34	34

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025		As at 31 December 2024	
	Book balance RMB'000 (Unaudited)	Bad debt allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt allowance RMB'000 (Audited)
Accounts receivable (continued)				
Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限公司) and its subsidiaries	33	1	–	–
Yuyao Xingkai Real Estate Co., Ltd. (余姚星凱置業有限公司)	32	1	32	1
Shanxi Red Star New World Real Estate Co., Ltd (山西紅星新世界置業有限公司)	18	1	18	1
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	15	1	16	1
Hangzhou Nabel Ceramics Co., Ltd. (杭州諾貝爾陶瓷有限公司) and its branches	13	1	50	2
Shanghai Longhong Cinema Management Co., Ltd. (上海龍紅影院管理有限公司)	12	1	12	1
Yancheng Kailong Property Company Limited (鹽城凱龍置業有限公司)	7	–	7	–
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	5	–	5	–
Shanghai Meiying Enterprise Management Co., Ltd. (上海美影企業管理有限公司)	3	–	3	–
Quzhou Huicheng Ole Business Management Co., Ltd. (衢州市慧城奧萊商業管理有限公司)	–	–	1,422	169
Shanghai Lianhong Real Estate Development Co. (上海聯泓房地產開發有限公司)	–	–	37	2
	123,909	97,911	116,090	94,506

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025		As at 31 December 2024	
	Book	Bad debt	Book	Bad debt
	balance	allowance	balance	allowance
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Prepayments				
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its branches	12,139	–	2,930	–
METRO (Shanghai) Building Technology Co., Ltd (美宅(上海)建築科技有限公司)	411	–	411	–
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	391	–	96	–
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	177	–	177	–
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	57	–	19	–
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	43	–	43	–
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	22	–	–	–
Shanghai Macalline Aijia Real Estate Management Consulting Co., Ltd. (上海美凱龍愛家房地產管理諮詢有限公司)	16	–	–	–
Xiamen Jianfa Hengrong Supply Chain Co., Ltd. (廈門建發恒融供應鏈有限公司)	12	–	–	–
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its subsidiaries	11	–	11	–
C&D (Chongqing) Co., Ltd. (建發(重慶)有限公司)	8	–	–	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025		As at 31 December 2024	
	Book balance RMB'000 (Unaudited)	Bad debt allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt allowance RMB'000 (Audited)
Prepayments (continued)				
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州 紅星美凱龍全球家居生活廣場置業有限公司)	8	–	8	–
Xiamen Jianfa International Wine Group Co., Ltd. (廈門建發國際酒業集團有限公司)	5	–	–	–
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	4	–	4	–
Asia New Materials Technology Co., Ltd. (亞細亞新材料科技股份有限公司)	2	–	2	–
Tianjin Lees Consulting Service Co., Ltd. (天津利時諮詢服務有限公司)	–	–	750	–
Xiamen Haiyue Villa Hotel Co., Ltd (廈門海悅山莊酒店有限公司)	–	–	64	–
Xiamen International Convention and Exhibition Hotel Co., Ltd. (廈門國際會展酒店有限公司)	–	–	52	–
Xiamen C&D Wine & Spirits Co., Ltd (廈門建發美酒匯酒業有限公司)	–	–	14	–
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍 全球家居生活廣場有限公司)	–	–	13	–
	13,306	–	4,594	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025		As at 31 December 2024	
	Book	Bad debt	Book	Bad debt
	balance	allowance	balance	allowance
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Other receivables				
Shanghai Mingyi Enterprise Development Co., Ltd. (上海名藝商業企業發展有限公司)	157,800	7,890	161,800	8,090
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	31,000	–	31,000	–
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	26,272	1,314	27,072	1,360
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its branches	5,257	407	11,095	1,330
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	3,884	301	4,795	301
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	3,710	285	3,712	233
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	5,632	436	3,474	218
Shanghai Aegean Business Management Co., Ltd (上海愛琴海商務管理有限公司)	3,265	853	3,265	853
Shanghai Yunshen Intelligent Technology Co., Ltd. (上海雲紳智能科技有限公司)	1,200	1	1,200	1
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	432	17	928	45

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025		As at 31 December 2024	
	Book	Bad debt	Book	Bad debt
	balance	allowance	balance	allowance
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Other receivables (continued)				
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	200	–	200	–
China Construction Centralized Procurement (Beijing) Information Technology Co., Ltd. (中裝集採(北京)資訊技術有限公司)	10	1	–	–
Changzhou Aegean Ole Business Management Co., Ltd. (常州愛琴海奧萊商業管理有限公司)	30	2	30	2
Xuzhou Red Star Macalline International Furniture Decoration City Co., Ltd. (徐州紅星美凱龍國際家具裝飾城有限公司)	6	–	1,646	103
Shanghai Red Star Parking Management Co., Ltd (上海紅星停車管理有限公司)	–	–	24	2
	238,698	11,507	250,241	12,538

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025		As at 31 December 2024	
	Book	Bad debt	Book	Bad debt
	balance	allowance	balance	allowance
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Contract assets				
Quzhou Huicheng Ole Business Management Co., Ltd. (衢州市慧城奧萊商業管理有限公司)	189,085	26,150	198,168	23,503
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	71,718	14,864	82,540	14,583
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	42,101	10,069	42,582	5,050
Yancheng Kailong Property Company Limited (鹽城凱龍置業有限公司)	2,458	340	2,458	292
Ningbo Kailong Property Company Limited (寧波凱龍置業有限公司)	571	197	571	149
Ningbo Huixin Real Estate Co., Ltd (寧波匯鑫置業有限公司)	127	45	127	44
Dalian Xingkai Commercial Management Co., Ltd (大連星凱商業管理有限公司)	46	16	46	16
Xiangshan Kaisheng Real Estate Co., Ltd. (象山凱勝置業有限公司)	34	26	141	17
	306,140	51,707	326,633	43,654

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025		As at 31 December 2024	
	Book	Bad debt	Book	Bad debt
	balance	allowance	balance	allowance
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Loan receivables				
Wuhu Red Star Macalline Equity Investment Fund Management Co., Ltd (蕪湖紅星美凱龍股權投資基金管理有限公司)	9,800	–	9,800	–
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	573,606	5,736	593,084	5,931
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	29,426	29,426	29,426	29,426
Xi'an Red Star Jiaxin Home Furnishing Co., Ltd. (西安紅星佳鑫家居有限公司)	25	–	25	–
	612,857	35,162	632,335	35,357

	As at	As at
	30 June	31 December
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Accounts payable		
Shanghai Xincheng'an Construction Co., Ltd. (上海鑫誠安建設有限公司)	6,476	6,476
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	3,308	3,308
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its branches	2,567	–
Nanjing C&D Clean Energy Co., Ltd. (南京建發清潔能源有限公司)	564	–
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	499	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Accounts payable (continued)		
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	206	206
Xiamen Jianfa Hengrong Supply Chain Co., Ltd. (廈門建發恒融供應鏈有限公司)	173	98
DaYu Information Technology (Shanghai) Co., Ltd. (大域信息科技(上海)有限公司)	126	126
Beijing Allgf Cultural and Scientific Consultation Co., Ltd. (北京國富縱橫文化科技諮詢股份有限公司)	120	120
Hangzhou Nabel Ceramics Co., Ltd. (杭州諾貝爾陶瓷有限公司) and its branches	101	101
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	55	1,075
Xiamen C&D Wine & Spirits Co., Ltd (廈門建發美酒匯酒業有限公司)	34	94
Shanghai Macalline Aijia Real Estate Management Consulting Co., Ltd. (上海美凱龍愛家房地產管理諮詢有限公司)	16	–
Xiamen Jianfa International Wine Group Co., Ltd. (廈門建發國際酒業集團有限公司)	10	22
Xiamen International Convention and Exhibition Hotel Co., Ltd. (廈門國際會展酒店有限公司)	4	–
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its subsidiaries	3	–
Xiamen Convention & Exhibition International Travel Service Co., Ltd. (廈門會展國際旅行社有限公司)	–	385
	14,262	12,011

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Other payables		
Xiamen C&D Co., Ltd (廈門建發股份有限公司)	9,350,563	8,677,442
YangGuang Haitian Parking Holdings Limited (陽光海天停車 控股有限公司及其子公司) and its subsidiaries	169,458	169,458
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	139,199	136,700
Xiamen C&D Finance Leasing Co., Ltd (廈門建發融資租賃有限公司)	541,799	38,445
Lianfa Group Co., Ltd (聯發集團有限公司)	20,903	20,903
Shanghai Xincheng'an Construction Co., Ltd. (上海鑫誠安建設有限公司)	11,894	150
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	8,593	29,780
Shanghai Wanhong Investment Management Co., Ltd. (上海萬鴻投資管理有限公司)	7,500	7,500
Guangzhou Huoshuyinhua Information Technology Co., Ltd (廣州火數銀花信息科技有限公司)	7,350	4,500
Xiamen C&D Hengyuan Cultural Development Co., Ltd. (廈門建發恒遠文化發展有限公司)	4,265	4,265
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	3,231	3,231
METRO (Shanghai) Building Technology Co., Ltd (美宅(上海)建築科技有限公司)	1,652	1,652
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	1,427	1,287
Hangzhou Nabel Ceramics Co., Ltd. (杭州諾貝爾陶瓷有限 公司) and its branches	1,152	1,192
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限 公司)	795	805
Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限 公司) and its subsidiaries	792	426

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Other payables (continued)		
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	514	733
Shanghai Shujia Medical Technology Co., Ltd. (上海樹家醫學科技有限公司)	273	–
Shanghai Aegean Sea Commercial Group Co., Ltd. (上海愛琴海商業集團股份有限公司)	273	–
Shanghai Red Star Macalline Property Co., Ltd (上海紅星美凱龍置業有限公司)	267	–
Xiamen C&D Warehouse Co., Ltd (廈門建發倉儲有限公司)	218	163
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its branches	200	–
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	170	691
Billion (Wuhan) Automobile Sales Co., Ltd. (柏億(武漢)汽車銷售有限公司)	130	130
Shanghai Lianhong Real Estate Development Co. (上海聯泓房地產開發有限公司)	129	129
Maxxis Intelligent Home (Shenzhen) Co., Ltd. (美時智能家居(深圳)有限公司)	80	80
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	53	–
Xiamen Silber Technology Co., Ltd (廈門絲柏科技有限公司)	52	52
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	50	50
Anka Home Furnishings (Shanghai) Co., Ltd. (安咖家居用品(上海)有限公司)	50	50
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	43	125
Changzhou Red Star Furniture General Factory Co., Ltd. (常州市紅星傢俱總廠有限公司)	42	42

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Other payables (continued)		
Asia New Materials Technology Co., Ltd. (亞細亞新材料科技股份有限公司)	40	40
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its subsidiaries	27	27
Yangzhou Kailong Management Consulting Co., Ltd. (揚州凱龍管理諮詢有限公司)	21	12
Hangzhou Feishi Bath & Kitchen Products Co., Ltd. (杭州菲氏浴廚用品有限公司)	20	20
Beijing Allgf Cultural and Scientific Consultation Co., Ltd. (北京國富縱橫文化科技諮詢股份有限公司)	15	15
Shenzhen Red Star Macalline Home Furnishing Plaza Company Limited (深圳紅星美凱龍家居生活廣場有限公司)	13	–
Suzhou Supin Home Culture Co., Ltd. (蘇州市蘇品宅配文化有限公司)	11	11
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	5	–
Shanghai Lihao Environmental Protection Technology Co., Ltd. (上海麗浩環保科技有限公司)	5	–
Business Division of Nanjing Pukou Lilicheng Furniture (南京市浦口區立力成傢俱經營部)	5	5
Xiamen Jianfa Hengrong Supply Chain Co., Ltd. (廈門建發恒融供應鏈有限公司)	–	16
	10,273,279	9,100,127

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

Bills payables

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Pu Fa (Shanghai) E-commerce Co., Ltd. (璞發(上海)電子商務有限公司)	–	43,877
Rental and service fee received in advance		
Xiamen C&D Warehouse Co., Ltd (廈門建發倉儲有限公司)	375	360
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限 公司)	140	56
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限 公司) and other companies substantially related to the Alibaba Group	105	133
Billion (Wuhan) Automobile Sales Co., Ltd. (柏億(武漢)汽車銷售有限公司)	103	138
Hangzhou Nabel Ceramics Co., Ltd. (杭州諾貝爾陶瓷有限 公司) and its branches	76	428
Xiamen C&D Living Technology Co., Ltd. (廈門建發居住科技有限公司)	48	36
Asia New Materials Technology Co., Ltd. (亞細亞新材料科技股份有限公司)	3	3
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	–	196
	850	1,350

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Contract liabilities		
Hangzhou Nabel Ceramics Co., Ltd. (杭州諾貝爾陶瓷有限公司) and its branches	832	902
Taicang Jiansheng Real Estate Development Co., Ltd. (太倉建盛房地產開發有限公司)	704	–
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	537	1,952
Maxxis Intelligent Home (Shenzhen) Co., Ltd. (美時智能家居(深圳)有限公司)	236	264
Shanghai Shujia Medical Technology Co., Ltd. (上海樹家醫學科技有限公司)	147	–
Tianjin Macalline Real Estate Co., Ltd. (天津美凱龍置業有限公司)	–	75
Xiamen Haiyue Villa Hotel Co., Ltd. (廈門海悅山莊酒店有限公司)	75	–
Suzhou Supin Home Culture Co., Ltd. (蘇州市蘇品宅配文化有限公司)	31	31
Dream Maker Home (Shenzhen) Co., Ltd. (造夢者家居(深圳)有限公司)	30	30
Shanghai CTME Economy & Trade Development Co., Ltd. (上海中貿美凱龍經貿發展有限公司)	21	21
Shanghai Hongmei Real Estate Co., Ltd. (上海洪美置業有限公司)	15	15
Ningbo Kailong Property Company Limited (寧波凱龍置業有限公司)	6	–
Xiamen C&D Lifestyle Materials Co., Ltd. (廈門建發生活資材有限責任公司)	–	2,673
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	–	1,226
Xiamen Jianyu Industry Co., Ltd. (廈門建宇實業有限公司)	–	46
	2,634	7,235

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Lease liabilities		
Changzhou Red Star Home Furnishing City (常州市紅星裝飾城)	–	5,820
	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Other payables (Non-current)		
Wuhu Red Star Macalline Equity Investment Fund Management Co., Ltd (蕪湖紅星美凱龍股權投資基金管理 有限公司)	9,800	9,800

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties (continued)

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Short-term Loans		
Xiamen International Bank Limited Shanghai Xuhui Sub-branch (廈門國際銀行股份有限公司上海徐匯支行)	185,487	195,276

3. Key management personnel emoluments

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

	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Key management personnel compensation	9,535	13,351