



上海實業城市開發集團有限公司

SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED

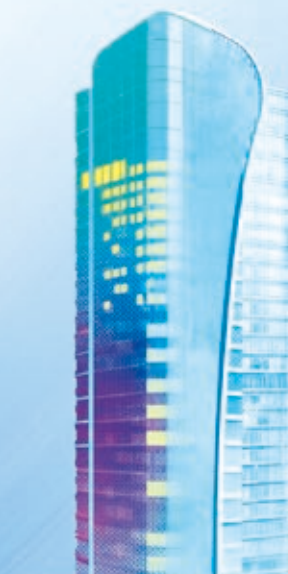
(Incorporated in Bermuda with limited liability)

Stock Code: 563

Strengthening the Foundation
and Pioneering New Frontiers

Together We Craft a
Glorious Chapter

INTERIM REPORT 2026



Harmony with Nature

PROSPERITY FOR ALL

Shanghai Industrial Urban Development Group Limited (“**SIUD**”) currently has 28 real estate projects in 10 major cities in China, mainly located at Shanghai, Beijing, Tianjin, Wuxi, Shenyang, Xi’an, Chongqing, Yantai, Wuhan and Shenzhen. Most of the projects are mid- to high-end residential projects which are under construction at full steam, presenting the Group with approximately 3.18 million square meters future saleable areas and building a marvelous foundation for our long term development.



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Huang Haiping (*Chairman*)
Mr. Li Zhonghui (*President*)
Ms. Zhou Yadong

Independent Non-Executive Directors

Mr. Doo Wai-Hoi, William, *B.B.S., J.P.*
Dr. Fan Ren Da, Anthony
Mr. Li Ka Fai, David, *M.H.*
Dr. Chan Ho Wah, Terence

AUTHORIZED REPRESENTATIVES

Mr. Huang Haiping
Mr. Chan Kin Chu, Harry

BOARD COMMITTEES

Audit Committee

Mr. Li Ka Fai, David, *M.H. (Committee Chairman)*
Mr. Doo Wai-Hoi, William, *B.B.S., J.P.*
Dr. Fan Ren Da, Anthony

Remuneration Committee

Mr. Doo Wai-Hoi, William, *B.B.S., J.P.*
(*Committee Chairman*)
Dr. Fan Ren Da, Anthony
Dr. Chan Ho Wah, Terence

Nomination Committee

Mr. Huang Haiping (*Committee Chairman*)
Ms. Zhou Yadong
Mr. Doo Wai-Hoi, William, *B.B.S., J.P.*
Dr. Fan Ren Da, Anthony
Dr. Chan Ho Wah, Terence

Investment Appraisal Committee

Dr. Fan Ren Da, Anthony (*Committee Chairman*)
Mr. Li Zhonghui
Ms. Zhou Yadong

COMPANY SECRETARY

Mr. Chan Kin Chu, Harry

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Richmond House,
12 Par-la-Ville Road,
Hamilton HM 08,
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

REGISTERED OFFICE

Richmond House,
12 Par-la-Ville Road,
Hamilton HM 08,
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

11/F, Henley Building,
No. 5 Queen's Road Central,
Hong Kong
Telephone: (852) 2544 8000
Facsimile: (852) 2544 8004

WEBSITE

<http://www.siud.com>

PRINCIPAL BANKERS

Bank of China Limited
China Construction Bank Corporation
China Everbright Bank
The Hongkong and Shanghai Banking Corporation Limited
Shanghai Pudong Development Bank Company Limited

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest
Entity Auditor under the Accounting and Financial
Reporting Council Ordinance
27/F, One Taikoo Place,
979 King's Road, Quarry Bay,
Hong Kong

LISTING INFORMATION

The Stock Exchange of Hong Kong Limited
Ordinary Shares
(Stock Code: 563)

FINANCIAL HIGHLIGHTS

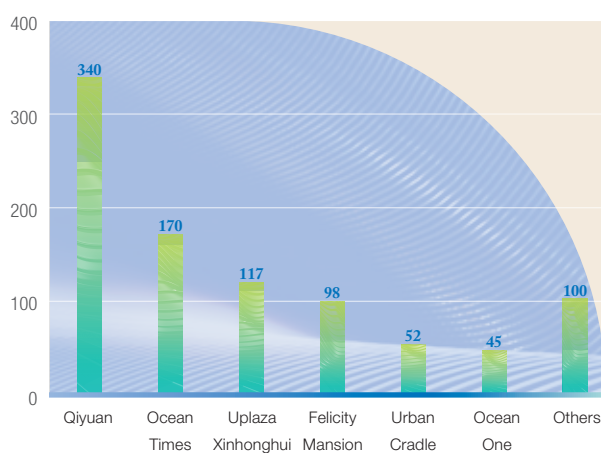
	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Financial Highlights (HK\$'000)		
Revenue	1,271,704	1,827,835
Loss attributable to equity owners of the Company	(414,448)	(492,139)
Financial Information per share (HK cent)		
Loss per share		
— Basic	(8.67)	(10.29)

	As at 30 June 2026	As at 31 December 2025
Pre-sale proceeds received on sales of properties (HK\$'000)	921,605	509,437
Financial Ratios		
Net debt to total equity (%)	96.8%	77.8%
Current ratio	1.9	1.3

Note: Net debt = total borrowings (including bank borrowings, other borrowings and bonds) less cash and cash equivalents and pledged bank deposits.

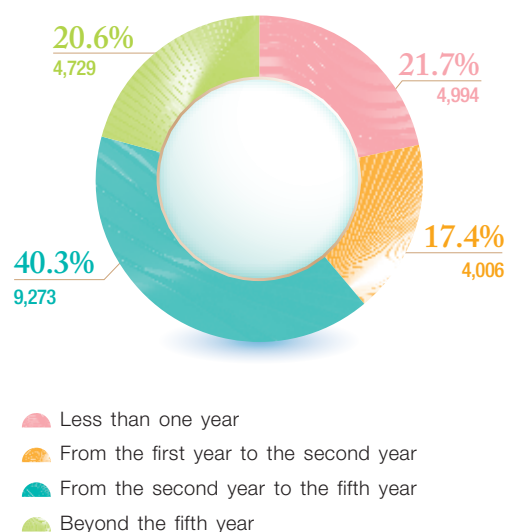
ANALYSIS ON PRE-SALE PROCEEDS RECEIVED ON SALES OF PROPERTIES

HK\$ million



DEBT MATURITY PROFILE

HK\$ million



CHAIRMAN'S STATEMENT

In the first half of 2026, the global economy was characterised by a pattern in which slowing growth coexisted with high uncertainty, driven by the combined effects of geopolitical conflicts, soaring energy prices and the rapid development of the artificial intelligence industry. Faced with a complex and volatile macroeconomic environment, countries have been actively implementing fiscal and industrial policies to enhance economic resilience and foster long-term growth momentum. As the opening year of the 15th Five-Year Plan, China has adhered to the keynote of “seeking progress while maintaining stability”, focusing on promoting high-quality development. In the first half of the year, gross domestic product (GDP) grew by 4.7% year-on-year, with the economy operating steadily in general, demonstrating strong vitality and resilience.

In the property sector, during the first half of the year, the central government adopted a strategy centred on “prioritising institutional reforms, regulating both supply and demand, and providing structural financial support”, coordinating efforts across four key dimensions: setting the overarching policy direction, reducing the burden on the demand side, coordinating existing and incremental supply on the supply side, and providing targeted financial support. Following two explicit commitments to “stabilise the property market” in the Government Work Report in March and the Politburo meeting in April, the State Council issued the “15th Five-Year Plan for Urban Renewal” in May, incorporating key elements such as new model for property development, the construction of “good housing” and the revitalisation of existing assets into the overarching framework of urban renewal, to further strengthen the deep integration and mutually reinforcing relationship between urban renewal and the property sector, driving China’s property industry towards a high-quality transformation from “incremental development” to “operation of existing assets and high-quality services”. Driven by a combination of policy support and the orderly release of demand, the property market has shown positive signs of recovery whilst bottoming out and undergoing adjustment. Since the second quarter, new-build property sales in first-tier cities have shown remarkable recovery, the secondary housing market in key cities has remained highly active, and the land market has continued its trend of “quantity reduction and quality enhancement”, with the focus of land acquisitions shifting further towards high-quality land parcels in core cities.



As the winds of change sweep through the times, Shanghai Industrial Urban Development Group Limited (“SIUD” or the “Group”), having set its sights on the three strategic directions of “urban renewal, asset operation and capital operation”, marks its 30th anniversary by leveraging urban renewal to drive new urban development, seizing the momentum for transformation and forging ahead against the tide. During the period, SIUD continued to focus its development efforts on metropolitan Shanghai, the Yangtze River Delta region and other core first- and second-tier cities. Sales of flagship projects such as Ocean Times in Shanghai, Qiyuan in Xi’an, Felicity Mansion in Yantai, Summitopia in Tianjin, Ocean One in Shanghai and Cloud Vision in Shanghai remained stable, continuing to contribute to the Group’s revenue. Furthermore, the Group successfully secured a land parcel in the Lingyun Community of Xuhui District, Shanghai, to develop SIUD’s first practical implementation of its “15th Five-Year Plan” and the “3+4+4” framework for good communities— Shanghai Industrial Yunxiu, achieving comprehensive integration across living spaces, supporting services and community life. At the same time, the Group launched a new community commercial brand, “Linjie” (鄰街), to create a comprehensive, one-stop neighbourhood consumption space, thereby bringing forth revitalised residential value of the area, coexisting with the city and moving towards the future.

In the investment property segment, China’s residential leasing market is entering a new phase of development. The “15th Five-Year Plan Outline” clearly sets out the direction for the standardized and professional development of the residential leasing market. Central and local governments are to actively promote the revitalisation of existing assets, expand the supply of housing through multiple channels, and develop diversified residential services tailored to the needs of the rental population. In line with its development strategy of focusing on both leasing and sales, the Group continued to expand its footprint in residential leasing and commercial properties operations to further consolidate its revenue base. Under the Group’s long-term rental brand “U CHANGE”, the Hui community, Xin community and Neo community have provided the market with 5,500 units of high-quality properties, serving nearly 10,000 tenants with consistently industry-leading occupancy rates, firmly establishing it among the top brands for affordable rental housing in Shanghai. During the period, the Group leased a property in Yau Ma Tei, Kowloon, Hong Kong, from SIIC. The property is currently undergoing renovation and conversion under the HKSAR Government’s “Hostels in the City Scheme” (城中學舍計劃) and, upon completion next year, will be used as a student hostel. Through the operation of the student hostel, the Group will establish its presence in Hong Kong’s property sector, laying the foundation for its future market development. This expansion will also help to optimise the Group’s geographical footprint, broaden its revenue base and strengthen its competitive position in the region.

During the period, the Group announced its plan of transformation towards asset securitisation, aligning with the industry trend of shifting from incremental development to the operation of existing assets. Through professional capital operation, the Group will have a cycle encompassing “investment, financing, construction, management and divestment”, optimise its debt structure and unlock asset value. The price anchoring and capital circulation effects of REITs will help to reduce the debt-to-equity ratio, enhance capital turnover efficiency and achieve improvement in the quality and efficiency of state-owned assets. The Group will utilise a multi-tiered REITs framework to embark upon light-asset output and lay a solid foundation for high-quality development.

In an era where urban renewal is being shaped by “good housing”, the Group has consistently adhered to high-quality development. Riding on its outstanding quality, operational capabilities and brand influence, the Group has garnered numerous industry awards and honours during the period, fully demonstrating the high level of recognition from the market and various sectors of society for the Group's comprehensive strengths and development achievements. In March, the Group was ranked among the “2026 Top 50 Real Estate Developers for Comprehensive Strength” as published by the China Real Estate Association, and was awarded the title of “2026 Leading Regional Real Estate Developers — Xi'an Region”. In the same month, the Group's “U CHANGE” brand was honoured with several awards, including the “Shanghai Residential Leasing Operational Scale Award”, “Outstanding Brand for Contribution by Local State-Owned Enterprises” and “2025 Shanghai Residential Leasing Leading Brand”. Furthermore, the U CHANGE•Xin community was recognised as an “Excellent Demonstration Model in the 2025 Shanghai Residential Leasing Comprehensive Assessment”, whilst the U CHANGE•Neo community won the “R4 Leasing Community Operational Efficiency Award” and was selected as one of the “Top Ten Emerging Exemplary Projects of 2025”. In May, Holiday Inn Express Wuxi Taihu, operated by SIUD, was awarded the “Best Newly Opened Hotel of 2026” at the 2026 (7th) China Hotel Men Dun'er Awards.

Looking ahead to the second half of 2026, China's property market will remain in a phase characterised by both bottoming out and recovery, alongside structural adjustment. With the in-depth implementation of the "good housing" initiative and the continued impetus from policies such as urban renewal and the revitalisation of existing assets, the market is expected to remain stable. However, the overall recovery of the industry will continue to be characterised by polarisation. In first-tier and core second-tier cities, supported by the launch of "good housing" projects and policies such as the housing provident fund, the momentum for recovery is expected to strengthen, whilst third- and fourth-tier cities will remain in a phase of inventory reduction and price adjustments. As the property market accelerates its shift towards improving the quality of existing assets, creating safer and more comfortable living environments for the public will become the core objective and direction for the development of the industry.

Faced with the opportunities and challenges presented by new model for property development, the Group will uphold the mission of focusing on urban renewal and creating better life, and remain committed to the development vision of "becoming a developer and operator with leading comprehensive strengths in core cities", focus on core cities and high-quality projects, actively capitalise on development opportunities in urban renewal, residential leasing and the operation of existing assets, steadily advance its business transformation, strengthen its capabilities in capital operation, and drive the Group towards sustainable, high-quality development. In 2026, SIUD has undergone a decade of accumulation, a decade of vigorous growth and a decade of steadfast execution, having traversed the extraordinary journey of three decades with a pragmatic and tenacious approach. On behalf of the Board, I would like to extend my sincere gratitude to all employees, shareholders, customers and business partners for their unwavering support and trust. I look forward to all of you continuing to stand shoulder to shoulder with SIUD, advancing steadily together along the path of transformation and development.

Huang Haiping

Chairman

26 August 2026

Note: The data on the gross domestic product of China for the first half of 2026 is gathered from the information published by the National Bureau of Statistics on 15 July 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

PROPERTY MARKET REVIEW

In the first half of 2026, China's property market was in a phase of bottoming out and adjustment. With concerted efforts from both the policy and market sides, some cities showed signs of stabilisation, though polarisation between cities remained pronounced. The central government adhered to the principles of "housing being for living but not for speculation" and "city-specific policies", continuing to refine the new model for property development. Supportive policies, such as those relating to mortgages and taxes, continued to take effect, leading to the orderly release of rigid and upgrading housing demand. Urban renewal, urban village renovations, the construction of affordable housing and the acquisition of existing commodity housing progressed steadily, whilst substantial progress was made in addressing industry risks, such as the debt restructuring of property developers and guaranteed delivery of property projects. At the market level, the new-build market continued to recover and the secondary market remained active; first-tier and core second-tier cities were the first to stabilise, whilst ordinary second-tier cities as well as third- and fourth-tier cities continued to face pressure to reduce inventory. According to the National Bureau of Statistics, in the first half of 2026, national property development investment fell by 18.0% year-on-year, whilst total sales and gross floor area sold for newly-constructed commodity housing declined by 13.6% and 11.6% year-on-year, respectively. Looking ahead, the industry is expected to achieve more robust and sustainable development as supply-demand dynamics improve, risks are resolved in an orderly manner, and the development model undergoes transformation.

BUSINESS REVIEW

Overview

In the first half of 2026, the property sector entered a period of profound transformation, with product quality and operational capabilities becoming the competitive barriers that enable companies to weather market cycles. In response to changes in the market environment, the Group proactively fostered its strategic upgrade, focusing on the three key directions of "urban renewal, asset operation and capital operation". It took the lead in implementing the "3+4+4" standard system for good communities, creating comprehensive communities through "good housing, good amenities and good services", thereby continuously enhancing operational resilience. During the period, the construction of two flagship projects — Xi'an ARIA and Shanghai Industrial Yunxiu — duly commenced, marking the transition of the "good communities" standard system from planning to implementation. Among key projects, Ocean Times in Shanghai, Qiyuan in Xi'an, Felicity Mansion in Yantai, Summitopia in Tianjin, Ocean One in Shanghai and Cloud Vision in Shanghai all demonstrated robust sales performance, continuing to contribute to the Group's revenue. The Group will adhere to its development direction of "centering on urban renewal and focusing on core cities", deepening its presence in Shanghai and other core first- and second-tier cities, whilst striving to enhance profitability and comprehensive strengths to further consolidate the Group's leading market position.

Contract Sales

During the six months ended 30 June 2026, the Group's contract sales from commodity housing increased by 87.1% year-on-year to RMB1,289,520,000 (six months ended 30 June 2025: RMB689,140,000). Total contract sales in terms of G.F.A. were 75,000 sq.m., up 82.9% year-on-year, with a total average selling price of approximately RMB17,200 per sq.m. This was mainly attributable to the higher proportion of sales in second-tier cities during the period.

During the period, the Group's key projects for sale were Ocean Times in Shanghai, Qiyuan in Xi'an, Felicity Mansion in Yantai, Summitopia in Tianjin, Ocean One in Shanghai and Cloud Vision in Shanghai, which accounted for approximately 40.9%, 27.3%, 11.6%, 8.1%, 7.3% and 2.9% of total contract sales, respectively.

Land Bank

During the six months ended 30 June 2026, the Group's land bank was developed into 28 property projects located in 10 major cities in China, including Shanghai, Beijing, Tianjin, Xi'an, Chongqing, Wuxi, Shenyang, Yantai, Shenzhen and Wuhan, and comprised medium to high class residential and commercial properties, most of which were completed or still under development. The Group has a land bank with a future saleable planned G.F.A. of approximately 3,179,000 sq.m. to support its development for the next three to five years.

In the first half of 2026, China's land market continued to follow the trend of "quantity reduction and quality enhancement", with both the overall transaction volume and market activity declining, and property developers generally adopting a cautious approach to land acquisition. However, prime land parcels in core cities remained highly sought after, and the intensity of bidding showed no sign of abating. Adhering to a prudent land acquisition strategy, the Group carefully selected suitable land parcels and precisely secured scarce resources in prime locations. During the period, the Group successfully acquired a land parcel in the Lingyun Community of Xuhui District, Shanghai at approximately RMB2,675,000,000. With a site area of 27,571 sq. m., the land parcel is for a mixed-use development and may be developed into approximately 75% of residential development with 25% commercial facilities, adding high-quality reserves for future project development.

Property Development

During the six months ended 30 June 2026, the Group had five projects with a total G.F.A. of 758,000 sq.m. under construction, which primarily included Ocean Times in Shanghai, Originally in Xi'an, TODTOWN in Shanghai, Felicity Mansion in Yantai and Qiyuan in Xi'an. The Group delivered a total G.F.A. of 29,000 sq.m., which mainly comprised Ocean Times in Shanghai, Ocean One in Shanghai, Summitopia in Tianjin and Felicity Mansion in Yantai.

In the first half of 2026, the rollout of favourable policies for the property sector continued. The Group capitalised on this market opportunity to accelerate the sales launch of several residential projects in a timely manner. Projects such as Ocean Times in Shanghai, Qiyuan in Xi'an, Felicity Mansion in Yantai, Summitopia in Tianjin, Ocean One in Shanghai and Cloud Vision in Shanghai have received enthusiastic response and strong recognition from the market since their launches. Notably, Ocean Times in Shanghai was the Group's largest sales contributor.

Investment Properties

During the six months ended 30 June 2026, the Group had a number of completed commercial projects in seven cities of major development, namely Shanghai, Beijing, Tianjin, Chongqing, Shenyang, Xi'an and Shenzhen. The investment properties held by the Group had a total G.F.A. of approximately 1,324,000 sq.m. During the period, the overall rental income of the Group increased by 14.6% year-on-year to HK\$417,929,000 (six months ended 30 June 2025: HK\$364,827,000).

In line with its strategy of focusing on both leasing and sales, the Group continued to deepen its presence in residential leasing, with its long-term rental brand "U CHANGE" having established a solid market position. The three major communities — U CHANGE • Hui community, U CHANGE • Xin community and U CHANGE • Neo community — collectively provide 5,500 units of high-quality properties to the market, serving nearly 10,000 tenants with consistently industry-leading occupancy rates, firmly establishing it among the top brands for affordable rental housing in Shanghai. Furthermore, the Group has expanded its business footprint to Hong Kong, establishing its presence through the operation of student hostel. This expansion will help to optimise the Group's geographical footprint, broaden its revenue base and strengthen its competitive position in the region.

FINANCIAL REVIEW

Revenue

During the six months ended 30 June 2026, the Group's revenue decreased by 30.4% year-on-year to HK\$1,271,704,000 (six months ended 30 June 2025: HK\$1,827,835,000), mainly due to lower sales delivered by a number of projects compared with the same period last year. During the period, property sales remained as the Group's main source of revenue and amounted to HK\$737,860,000 (six months ended 30 June 2025: HK\$1,336,687,000), accounting for 58.0% (six months ended 30 June 2025: 73.1%) of the Group's total revenue. Revenue contributions from Ocean Times in Shanghai, Ocean One in Shanghai, Summitopia in Tianjin and Felicity Mansion in Yantai accounted for 45.0%, 24.3%, 13.8% and 10.0% of property sales revenue, respectively.

Revenue from leasing, property management and hotel operations continued to provide stable revenue sources for the Group, contributing HK\$417,929,000, HK\$9,929,000 and HK\$105,986,000 (six months ended 30 June 2025: HK\$364,827,000, HK\$6,793,000 and HK\$119,528,000) respectively and accounting for 32.9%, 0.8% and 8.3% (six months ended 30 June 2025: 20.0%, 0.4% and 6.5%) of the total revenue, respectively.

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2026, the Group's gross profit amounted to HK\$339,742,000, representing an increase of 25.9% as compared to that of the same period in 2025. The gross profit margin was 26.7%, an increase of 11.9 percentage points from the same period in 2025. This was mainly attributable to a higher proportion of high-margin projects delivered during the period compared with the same period last year.

Investment Property Revaluation

For the six months ended 30 June 2026, the Group recorded a net loss on the revaluation of investment properties of approximately HK\$60,480,000 (six months ended 30 June 2025: loss of HK\$151,069,000), primarily attributable to a slight decline in the fair value of several investment properties.

Distribution and Selling Expenses

For the six months ended 30 June 2026, the Group's distribution and selling expenses increased by 93.4% year-on-year to HK\$196,565,000 (six months ended 30 June 2025: HK\$101,616,000), which was mainly attributable to enhanced sales promotion during the period.

General and Administrative Expenses

For the six months ended 30 June 2026, the Group's general and administrative expenses decreased by 4.0% year-on-year to HK\$189,690,000 (six months ended 30 June 2025: HK\$197,546,000). This was mainly attributable to the continual stringent implementation of effective cost control measures during the period.

Other Expenses, Gains and Losses, Net

For the six months ended 30 June 2026, the Group recorded a net loss of approximately HK\$30,260,000 in other expenses, gains and losses (six months ended 30 June 2025: net loss of HK\$63,501,000) primarily due to the goodwill impairment of a subsidiary.

Loss for the Period

During the six months ended 30 June 2026, the Group recorded a loss of HK\$489,086,000 (six months ended 30 June 2025: loss of HK\$562,427,000), mainly attributable to a decrease in sales from several projects. The loss attributable to owners of the Company amounted to approximately HK\$414,448,000 (six months ended 30 June 2025: loss of HK\$492,139,000), and the basic losses per share amounted to 8.67 HK cents (six months ended 30 June 2025: losses of 10.29 HK cents).

Liquidity and Capital Resources

The Group manages its capital to ensure that entities within the Group will be able to operate on a going concern while maximising the return to shareholders through optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes bank and other borrowings, cash and cash equivalents, and equity attributable to owners of the Company (comprising issued share capital and reserves).

As at 30 June 2026, bank balances and cash of the Group were HK\$4,455,544,000 (31 December 2025: HK\$4,571,721,000). The net debt to total equity of the Group (net debt (total bank and other borrowings less bank balances and cash and restricted and pledged bank deposits) to total equity) increased from 77.8% as at the end of last year to 96.8%, primarily due to the successful bidding of a land parcel during the period. Current ratio was 1.9 times (as at 31 December 2025: 1.3 times).

As at 30 June 2026, the total borrowings of the Group, including bank borrowings, other borrowings, advanced bonds, medium term notes and domestic corporate bonds, amounted to approximately HK\$23,002,267,000 (31 December 2025: HK\$19,357,881,000), which included the short-term borrowings from a subsidiary of Shanghai Industrial Holdings Limited of RMB360,000,000 (31 December 2025: RMB600,000,000). The Group will continue to optimise the RMB-denominated and HKD-denominated borrowings based on its business needs.

The Group maintained sufficient cash balance. The management believes that the Group's financial resources and future revenue will be sufficient to support the current working capital requirements and future expansion of the Group.

Foreign Exchange Risks

During the period, most of the Group's revenue and operating costs were denominated in Renminbi. Except for the bank deposits and loans denominated in foreign currencies, the Group's operating cash flow or liquidity is not directly subject to any other material exchange rate fluctuations. The Group did not enter into any foreign exchange hedging arrangements to control its exposure to exchange rate fluctuations as at 30 June 2026. However, the Group will adopt necessary measures whenever appropriate to minimize the impact arising from exchange rate fluctuations.

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 30 June 2026, the Group employed 685 employees (including Hong Kong and PRC offices). The remuneration policies for the employees of the Group are determined according to the performance, qualification, experience and competence of the employees. The emoluments of the directors of the Company (the "Directors") are determined by the remuneration committee of the Company, having regard to the operating results of the Group, individual performance and comparable market statistics. Staff benefits include discretionary bonus payments which are linked to the profitability of the Group and individual performances and contributions to the Mandatory Provident Fund Schemes.

During the six months ended 30 June 2026, the Group provided training programs relating to work to employees. Activities aiming at building up team spirit were regularly organised for employees, so as to enhance the human capital of the Group and the sense of belonging of the staff.

OUTLOOK

Looking ahead to the second half of 2026, stabilising the property market will remain the core direction of macroeconomic policy, whilst economic efforts will continue to centre on expanding domestic demand. The property sector not only meets people's housing needs but also bridges the investment and consumption sectors; its stable development provides fundamental support for the overall functioning of the economy. With the full implementation of the "15th Five-Year Plan for Urban Renewal", the sector has officially entered an era of quality enhancement in the existing assets. Although the market is currently still bottoming out and the pattern of polarisation remains unchanged, with policies continuing to provide support on both the supply and demand sides, and key initiatives such as the construction of "good housing", urban renewal and the revitalisation of existing assets progressing in an orderly manner, market confidence is expected to rise gradually, paving the way for a more stable and healthy development landscape.

At the age of thirty, SIUD will capitalise on its solid foundation to comprehensively accelerate the pace of its transformation. The Group will maintain Shanghai as its primary base for development whilst expanding in an orderly manner into other core first- and second-tier cities. Aligning closely with national policy directions and guided by the "3+4+4" standard for good communities, the Group will continue to deepen its involvement in urban renewal, refine and optimise its residential leasing business, and also drive the development of high-quality property projects, striving to create a high-quality lifestyle characterised by "good housing" for residents. Furthermore, the Group will steadily foster its transformation towards asset securitisation, focusing on strengthening its capital operation capabilities, enhancing capital efficiency, optimising its debt structure and unlocking asset value. This will ensure the improvement in the quality and efficiency of state-owned assets, thereby laying a foundation for long-term, stable returns for shareholders.

DETAILS OF PROPERTIES

The Group has 28 projects in 10 cities, comprising mid- to high-end residential units, serviced apartments, commercial and office buildings. As at 30 June 2026, the total GFA of the future saleable land bank of the Group was approximately 3.18 million sq.m.

The Group has restructured its projects and will adopt prudent strategies in future land acquisition.



As at 30 June 2026

Project	City	Site area (sq.m.)	Planned G.F.A. (sq.m.)	Saleable/ Self-owned G.F.A. (sq.m.)	1H 2026 pre-sold G.F.A. (sq.m.)	Accumulated G.F.A. sold (sq.m.)	Future saleable/ self-owned G.F.A. (sq.m.)	Saleable/ Self-owned G.F.A. under construction (sq.m.)	Saleable/ Self-owned G.F.A. for future development (sq.m.)	Expected Completion Date	Ownership (%)
Urban Cradle	Shanghai	943,000	1,226,298	909,054	—	826,844	82,210	—	—	Completed	53.1%
Shanghai Youth City	Shanghai	57,944	212,130	166,261	—	139,840	26,421	—	—	Completed	100.0%
Shanghai Jing City	Shanghai	301,908	772,885	609,488	33	601,915	7,573	—	—	Completed	59.0%
TODTOWN	Shanghai	117,825	605,000	385,300	3,699	95,369	289,931	56,175	111,975	Complete by phase from 2020 to 2030	20.7%
Contemporary Splendour Villa • Courtyard Villa	Shanghai	120,512	191,636	68,404	—	68,170	234	—	—	Completed	100.0%
Uplaza Xinhonghui	Shanghai	89,432	289,271	227,218	—	150,294	76,924	—	—	Completed	90.0%
Shangtou Baowu	Shanghai	118,880	306,167	234,653	—	234,004	649	—	—	Completed	71.3%
Uplaza Meilong Lane	Shanghai	20,572	60,195	60,195	—	9,020	51,175	—	—	Completed	80.0%
U Change Hui Community	Shanghai	17,161	44,927	44,927	—	—	44,927	—	—	Completed	59.0%
U Change Xin Community	Shanghai	47,435	126,702	126,702	—	—	126,702	—	—	Completed	29.5%
U Change Neo Community	Shanghai	47,383	115,799	115,799	—	—	115,799	—	—	Completed	59.0%
Guilin Road Aerospace Project	Shanghai	91,160	590,165	590,165	33,342	33,342	556,823	32,053	—	Complete from 2025 to 2026	21.2%
Cloud Vision	Shanghai	30,052	65,085	41,938	860	40,660	1,278	—	—	Completed	59.0%
Ocean One	Shanghai	41,961	156,533	97,422	2,913	96,171	1,251	—	—	Completed	47.2%
Ocean Times	Shanghai	119,545	439,971	251,786	17,508	36,878	214,908	115,853	110,531	Complete from 2025 to 2028	80.0%
Shanghai Industrial Yunxiu	Shanghai	27,571	61,419	58,116	—	—	58,116	—	58,116	Complete in 2029	59.0%
Youngman Point	Beijing	112,700	348,664	295,114	—	258,814	36,300	—	—	Completed	100.0%
West Diaoyutai • Emperor Seal	Beijing	42,541	250,930	228,070	164	221,013	7,057	—	—	Completed	100.0%
Laochengxiang	Tianjin	244,252	752,883	613,357	—	582,619	30,738	—	—	Completed	100.0%
Summitopia	Tianjin	42,146	118,094	118,094	3,231	95,469	22,625	1,600	—	Completed	100.0%
Urban Development Int'l Center	Wuxi	24,041	193,368	144,581	—	43,564	101,017	—	—	Completed	59.0%
Originally	Xi'an	2,101,967	3,899,867	3,202,324	1,674	2,818,631	383,693	139,572	3,254	Complete by phase from 2008 to 2029	100.0%
Qiyuan	Xi'an	51,208	102,418	96,837	31,496	77,820	19,017	3,930	—	Complete from 2024 to 2027	100.0%
Shenyang U Center	Shenyang	22,651	228,768	175,377	—	71,660	103,717	—	—	Completed	100.0%
Top City	Chongqing	120,014	786,233	729,785	—	376,424	353,361	—	—	Completed	100.0%
China Phoenix Tower	Shenzhen	11,038	106,190	79,391	—	78,343	1,048	—	—	Completed	91.0%
Felicity Mansion	Yantai	77,681	159,100	154,300	14,292	96,373	57,927	—	—	Complete from 2022 to 2026	100.0%
Xiang Kai Chang Long	Wuhan	257,600	452,000	437,053	—	29,626	407,427	56,545	314,568	Complete by phase from 2024 to 2027	28.9%
Total		5,300,180	12,662,698	10,261,711	109,212	7,082,863	3,178,848	405,728	598,444		

DETAILS OF PROPERTIES

MAJOR INVESTMENT PROPERTIES

Project	City	Property Category	Lease Term	Planned G.F.A. (sq.m.)
Shanghai Youth City	Shanghai	Commercial ⁵	Medium-term lease	17,665 ¹
Block A of Urban Cradle	Shanghai	Commercial ⁵ , office	Medium-term lease	57,286
ShanghaiMart ²	Shanghai	Exhibition hall, stores and trade mart, office and parking lot	Medium-term lease	284,651
Urban Development Int'l Tower ³	Shanghai	Office, parking lot	Medium-term lease	45,239
YOYO Tower ⁴	Shanghai	Commercial ⁵	Medium-term lease	13,739
U Change Hui Community	Shanghai	Commercial, affordable rental housing	Medium-term lease	44,927 ¹
U Change Xin Community	Shanghai	Commercial, affordable rental housing	Medium-term lease	126,702 ¹
U Change Neo Community	Shanghai	Commercial, affordable rental housing	Medium-term lease	112,639
Uplaza Xinhonghui	Shanghai	Commercial	Medium-term lease	10,157
Uplaza Meilong Lane	Shanghai	Commercial, office	Medium-term lease	25,430
Laochengxiang	Tianjin	Commercial, hotel	Medium-term lease	30,620
Top City	Chongqing	Commercial ⁵ , office, parking lot	Medium-term lease	317,405 ¹
China Phoenix Tower	Shenzhen	Office	Medium-term lease	1,048 ¹
Youngman Point	Beijing	Commercial ⁵ , office	Medium-term lease	24,931 ¹
Originally	Xi'an	Commercial ⁵ , hotel	Medium-term lease	95,663
Shenyang U Center	Shenyang	Commercial ⁵ , office	Medium-term lease	100,446 ¹
Others	Shanghai, Beijing	Commercial ⁵ , office and parking lot	Medium-term lease	15,931

Total

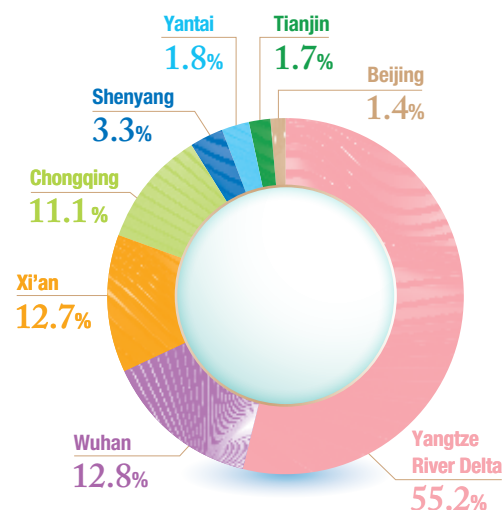
1,324,479

Notes:

1. Included in Page 13 of this interim report
2. Address: Yan'an West Road No. 2299 of Changning District, Shanghai
3. Address: Hongqiao Road No. 355 of Xuhui District, Shanghai
4. Address: Tianyaoqiao Road No.123 of Xuhui District, Shanghai
5. Mainly includes shopping malls

BREAKDOWN OF G.F.A. FOR FUTURE SALE

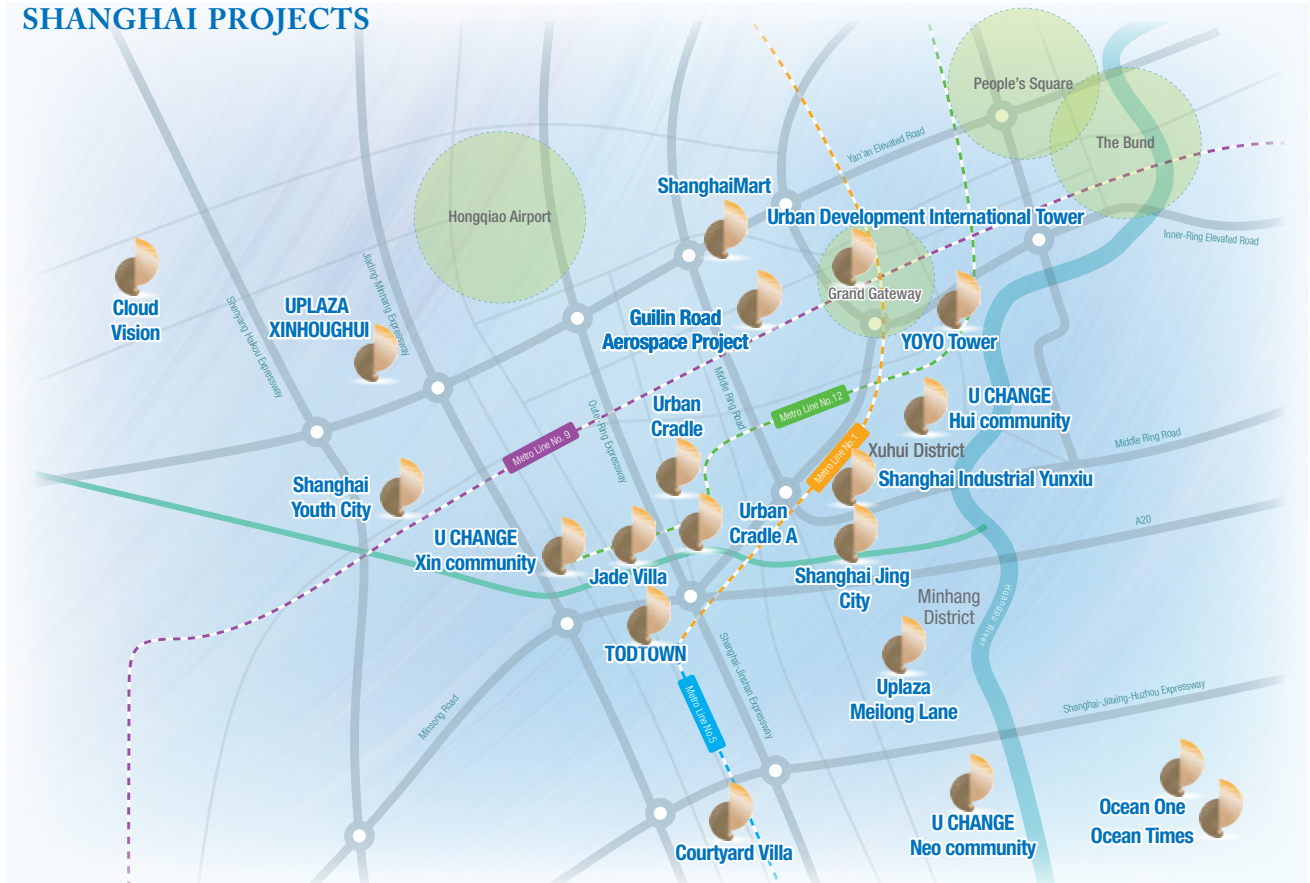
As at 30 June 2026



CHINA

INTRODUCTION OF KEY PROJECTS IN CHINA

SHANGHAI PROJECTS



SHANGHAI



URBAN CRADLE

Address:

588 Gulong Road,
Minhang District, Shanghai

Category:

Residence/Commerce

Feature:

The project is located in Gumei, Minhang District, Shanghai, west of Lianhua Road, east of Hechuan Road, north of Gudai Road and south of Pingnan Road, less than 700 meters from the middle ring line. The area is a major focal point for large scale residential development in the "10th Five-Year Plan" of Shanghai. The project spans a total site area of about 943,000 sq.m. with a total G.F.A. of about 1.3 million sq.m., including about 770,000 sq.m. of residences, nearly 400,000 sq.m. of underground space and more than 100,000 sq.m. for accommodating amenities for the estimated over 20,000 residents. Urban Cradle is an all-engulfing showcase of architectural forms and brilliant products including international-grade apartments, standalone villas, garden houses, deluxe mansions, modern commercial premises and green landscapes, bringing comfortable and stylish living together with commerce, entertainment, culture, education, and business and leisure pursuits.

SHANGHAI



Artist Impression



TODTOWN

Address:

Xinzhuang Town,
Minhang District, Shanghai

Category:

Residence/Commerce/Hotel/
Office/Apartment office

Feature:

Located at the southern and northern squares of the Xinzhuang Station, the secondary city center of Shanghai, with Guangtong Road on its north, West Meilong Road on its east and Xinzhu Road and Dushi Road on its south, TODTOWN will be served by an overpass bridge conveniently linking Shuiqing Road at the northern square and Dushi Road at the southern square.

As one of the most advanced TOD (Transit-Oriented Development) projects in Shanghai, TODTOWN covers a total site area of approximately 118,000 sq.m. with a total G.F.A. of 605,000 sq.m., of which 100,000 sq.m. is transport-related. Upon completion, TODTOWN will be connected to Metro Line Nos. 1 and 5, Shanghai-Hangzhou High-Speed Railway and numerous public bus routes, as well as the station to be established for the Jinshan sub-line. Different modes of transport operated by different departments, such as metro lines, public buses and commuter rail services, will be blended into the project to achieve seamless and convenient transition.

TODTOWN will be a “city in the sky” encompassing residential,

commercial and leisure functions. As a complex equipped with comprehensive systems and facilities, TODTOWN will offer 50,000 sq.m. of offices, 140,000 sq.m. of shopping mall, 20,000 sq.m. of hotel, 90,000 sq.m. of residential units, 85,000 sq.m. of serviced apartments and 20,000 sq.m. of ancillary public facilities.

SHANGHAI



U CHANGE XIN COMMUNITY

Address:

Lane 555, Xiulian Road,
Minhang District, Shanghai

Category:

Affordable rental housing

Feature:

Codeveloped by SIUD and Xinzhuang Town in Minhang District, the community is among the first recognised talent apartments in the area. It is located in the Xinzhuang Commercial District, just 400 meters from Qixing Road Station, the terminal of Metro Line No. 12. With a total G.F.A. of approximately 186,000 sq.m., including 115,000 sq.m. of housing, the rental community combines apartments, green spaces and commercial facilities. The U CHANGE Xin community was designed around the needs and lifestyles of young people, featuring a comfortable and rational layout and clearly defined functional areas that enhance the living experience through safety, comfort, sustainability, smart technologies and well-planned environments. By providing a sustainable and diverse range of spaces — including an integrated sports center, U BOX art space, and pet-friendly garden — and hosting IP-themed campaigns, the community has built a comprehensive

platform for communication, showcasing and exchange among young talents, while delivering one-stop services.

SHANGHAI



U CHANGE HUI COMMUNITY

Address:

Lane 777, Longchuan North Road, Xuhui District, Shanghai

Category:

Affordable rental housing

Feature:

The community is one of the first large-scale R4 affordable rental housing projects in Shanghai and a key initiative under Xuhui District's "Talent Hub Strategy." It has been awarded the honorary title of "Talent Apartments" at both municipal and district levels. Located in the Shanghai South Station area of Xuhui District and served by three metro lines (Nos. 1, 3 and 15), it has a total G.F.A. of approximately 66,000 sq.m., including 43,000 sq.m. of housing. Designed to provide a sophisticated, comfortable and high-quality residence for dream seekers, the U CHANGE Hui community emphasises diversified interactions and vibrant creativity. It offers flexible spaces and the potential for stacked site usage to accommodate a variety of community activities and new interactive living styles. With its focus on offering a welcoming home and strong support for talents, the community contributes to strengthening Xuhui's role as a talent hub by building a youth-friendly environment through its youth center platform and enhanced service quality.

SHANGHAI



U CHANGE NEO COMMUNITY

Address:

No. 1-34, Lane 150, Dongchuan Road, Minhang District, Shanghai

Category:

Affordable rental housing

Feature:

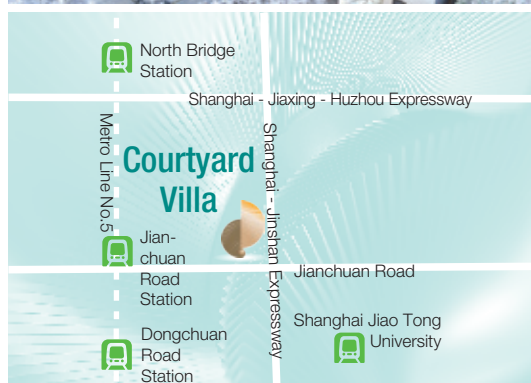
Situated in the "Greater Neo Bay" area of Wujing Town, Minhang District, this project spans a G.F.A. of approximately 170,000 sq.m., with 109,000 sq.m. dedicated to residential spaces. The community includes the "New Era Home for Urban Builders and Managers," providing 152 bedspaces. Bordered by Pujia First Bay to the east, Jiangjia Port Landscape River Channel to the north, and Lanxiang Lake — known as the "First Lake in Minhang"—to the south, the U CHANGE Neo community promotes a low-carbon, sustainable and green lifestyle, fostering a serene and relaxing living environment. Rooted in the concept of diverse residences, vibrant city blocks and an inclusive urban vision, the residential buildings feature varied architectural designs to support diverse lifestyles and residents. The community offers a youth innovation and entrepreneurship hub, a U CHANGE brand museum with an integrated service platform, and various scenic landscape

zones, including the Super Moon Lawn, Core Greenbelt and Pet Garden, complementing the development of Greater Neo Bay. Committed to fostering collaboration across the site, school district and community, U CHANGE Neo establishes a smart community center, cultivating a dynamic environment that emphasises creativity, focus, and collaboration.

SHANGHAI



Artist Impression



CONTEMPORARY SPLENDOUR VILLA • COURTYARD VILLA

Address:

Minhang District,
Shanghai

Category:

Residence

Feature:

Contemporary Splendour Villa • Courtyard Villa is situated in Zhuanqiao Town, Minhang District, Shanghai, with Shanghai-Jinshan Expressway (S4) in the east and Dushi Road in the west. It connects the branch of Wujing-Minhang Railway in the south and adjoins Denghui Road in the north. The project enjoys good traffic conditions and cultural environment as the straight-line distance is approximately 1.1 km from the west side of the project to Jianchuan Road Station of rail transit line #5 and approximately 1.8 km from the east side of the project to rail transit line #15 (under construction) with Shanghai Jiao Tong University and Minhang Campus of East China Normal University on the south. The project covers a site area of 12.05 hectares and the land's plot ratio is 0.6. It is planned to be a low-density residential community with the building height of not more than 10 meters. The aboveground total G.F.A. of the project is approximately 72,300 sq.m., and the plot's ratio of green space is more than 35% and the ratio of concentrated green space is above 15%. The project is planned to be built into premium low-density villas.

SHANGHAI



SHANGHAIMART

Address:

2299 Yan'an West Road,
Shanghai

Category:

Exhibition/
Commerce/Office

Feature:

Located in the emerging Shanghai Hongqiao Economic and Technological Development Zone, ShanghaiMart is uniquely positioned with Gubei Road and Hongqiao Road on its west, Yan'an Road on its south as well as the Hongqiao consulate area on its north. Situated next to the Inner Ring Line and the exit of an elevated road, ShanghaiMart is only a 10-minute drive to the "Hongqiao Comprehensive Transportation Hub", which is a convenient transport network assembling numerous transportation routes, including inter-city high speed railway, maglev trains, metro lines, airport and city buses.

With a total G.F.A. of 285,000 sq.m., ShanghaiMart comprises three main buildings: the Mart, Expo and Tower. As a super trading market integrating exhibition, trading, office and information functions, ShanghaiMart offers excellent world-class facilities and services to domestic and international merchants and professional buyers.

SHANGHAI



Artist Impression



SHANGHAI JING CITY (INCLUDING “晶秀坊”)

Address:

Lane 136,
Xiujing Road, Shanghai

Category:

Residence/Commerce

Feature:

Situated in Meilong Town, Minhang District, the Shanghai Jing City project is an affordable housing project approved by Shanghai Bureau of Housing Security and Housing Administration and was listed as a large scale indemnificatory housing project on the list of major construction projects of Shanghai in 2009, occupying a total site area of about 302,000 sq.m. and a total G.F.A. of 773,000 sq.m. The project is mainly composed of four parts: public rental housing, economically affordable housing, resettlement housing for demolition and relocation purposes as well as ancillary operational housing. In particular, “晶秀坊” was incorporated into the eighth batch of economically affordable housing by the municipal government in 2020. “晶秀坊” has a site area of approximately 15,000 sq.m. and a total G.F.A. of 54,000 sq.m..

Shanghai Jing City will be equipped with two kindergartens, one primary school and one junior secondary school, fully covering the nine-year compulsory education of a child. The project will be supported by three commercial facilities, a

community affairs center, a medical center, a sports center and a public transport hub, which can completely satisfy the basic living, cultural and entertainment needs of the local residents.

SHANGHAI



Artist Impression



UPLAZA MEILONG LANE

Address:

Hongmei South Road
(near Mei South Road),
Minhang District, Shanghai

Category:

Commerce/Office

Feature:

Situated west to Hongmei South Road, north to the planned Mei South Road, east to the boundary of the planned site and south to the boundary of the planned site, the project encompasses office and commercial functions with a site area of approximately 20,000 sq.m. and a total G.F.A. of approximately 60,000 sq.m. Occupying the heart of Meilong Town, Minhang District, which is the redevelopment area in Meilong Town, the project will play a forward-looking, leading and representative role with certain potentials in the region.

The project is a commercial and office complex composed of six buildings and connecting corridors. In the future, the commercial portion will be built into a social experience space under the theme of “sporty, healthy and delicate lifestyle”. Made up of standalone buildings with high privacy as well as highly integrative standard offices, the office portion will be linked

organically to the commercial portion by making use of an uneven design and connecting corridors. The project is targeted to mid to high end enterprises and will form a unique commercial and office area in the region.

INTRODUCTION OF KEY PROJECTS IN CHINA

SHANGHAI



Artist Impression



GUILIN ROAD AEROSPACE PROJECT

Address:

402 Guilin Road,
Xuhui District, Shanghai

Category:

Scientific research
and design/
Residential leasing

Feature:

The project is located in the Caohejing New Technology Development Zone with Guilin Road in the east, Cangwu Road in the west, Yishan Road in the south and Qinjiang Road in the north. It is connected to Metro Line Nos. 9 and 15 in close proximity to the inner and middle rings and Humin Elevated Road, making it a significant industrial project in Shanghai as well as Xuhui District. Covering a total site area of approximately 91,000 sq.m. with a total G.F.A. of approximately 600,000 sq.m. and an aboveground capacity building area of approximately 350,000 sq.m., the project will involve scientific research and design, auxiliary facilities as well as residential leasing. With an open-ended general layout, premium buildings, high-quality lifestyle and scientific research facilities, the future aerospace science and technology city project will help empower the city and enhance regional value.

SHANGHAI



Artist Impression



UPLAZA XINHOUGHUI

Address:

Lane 255, Hualai Road,
Minhang District, Shanghai

Category:

Residence/Commerce

Feature:

Uplaza Xinhoughui project covers a site area of approximately 205 hectares (including roads, river channels and green areas) with Shanghai-Hangzhou Railway to the east, Songze Elevated Road to the south, Xiaolai Port to the west and the border of Hongxing Village to the north.

There are totally two developable land plots in the project site, which are planned to be used for residential clusters (Category III) and commercial services, respectively.

The land plot for residential clusters has a site area of approximately 69,000 sq.m. It is a planned residential site to be used for the construction of resettlement housing for demolition and relocation purposes. With a land plot ratio of 2.15, it is expected to provide a capacity building area of approximately 149,000 sq.m.

The land plot for commercial services has a site area of approximately 19,000 sq.m. It is planned for commercial service purpose. With a land plot ratio of 2.5, it is expected to provide a capacity building area of approximately 49,000 sq.m. Different types of buildings will be constructed on the land plot in the future, including a brand hotel, standalone commercial villas and self-owned commercial buildings.

SHANGHAI



Artist Impression



OCEAN TIMES

Address:

The cluster project on lot nos. J10-02, J09-01, J10-01, J11-01, J12-01, J13-01 located in Unit PDCI-0401, Lingang New Area, the Shanghai Free Trade Zone

Category:

Residence/Commerce

Feature:

Located at the 103 International Innovation and Collaboration Zone in Lingang Modern Service Open Area, Pudong New District, Shanghai, the project is positioned as a cradle of globally leading science. Situated in a community of top-notch scientists, Ocean Times is an international hub for world-class technological institutions and outstanding talents, with Nangang Avenue to its east, Haiyang 7th Road to its south, Haiji Road to its west and Meirenjiao Road to its north.

Covering a total site area of approximately 120,000 sq.m. with a total G.F.A. of about 440,000 sq.m. and a total residential area of about 265,300 sq.m., the project is bounded by an ecological park, the Chifenggang Wetland Center, in the east and the sea in the south. We aim at creating an energetic and superb ecological landscape and open area by adopting a classical architectural style to highlight the features of a premium coastal city. The city's skyline will be blended delicately with the sea arc to form a

beautiful urban elevation with a focus on the harmonious unity of the architecture, urban space and natural environment. On lot no. 10 under phase I of the project, we plan to build a small high-rise affordable housing building with nine storeys, five high-rise commodity housing buildings with 16 to 18 storeys as well as commercial ancillary facilities for internal use on a parcel of land.

SHANGHAI



Artist Impression



OCEAN ONE

Address:

Lot no. A03-02 located in Unit PDCI-0103, Lingang New Area, the Shanghai Free Trade Zone

Category:

Residence

Feature:

Located at the 105 Financial Hub in Lingang Modern Service Open Area, Pudong New District, Shanghai, the project is mainly skirted by the international community, technological innovation community, family community and technological innovation community from south to north. The land lot is located in the international community with a land parcel under planning to its east, Anmao Road to its south, greenbelt to its west and Luoshenhua Road to its north.

The project covers a total site area of approximately 42,000 sq.m. with a height limit of 50 meters. The total G.F.A. is approximately 157,000 sq.m. Embracing the design concept of Lingang New Area, the project aims at building a high-quality community ideal for living and working in order to facilitate the development of Lingang and satisfy future urban planning needs. The project is planned to comprise an affordable housing building, 14 commodity housing buildings, a high-rise building with 13 to 16 storeys and a building for community ancillary facilities, providing approximately 1,009 apartments (inclusive of affordable housing). The varying construction layout of the project is both flexible and innovative.

The project will adopt a classical architectural style characterised by the features of a high-quality community.

INTRODUCTION OF KEY PROJECTS IN CHINA

SHANGHAI



Artist Impression



CLOUD VISION

Address:

Lot no. 21-08 located in the north of Huateng Road, Qingpu District, Shanghai

Category:

Residence

Feature:

The project is situated in Huaxin Town, Qingpu District, Shanghai between the outer ring and suburban ring. The land plot is located west of Dahong Bridge, about 10 km to the Hongqiao Central Business District and 5 km to the tentative station of the west extension section of Metro Line No. 13, with Xinyi South Road to its east, Huateng Road to its south, Xinfeng North Road to its west and a land parcel under planning to its north.

The project covers a total site area of 30,051.5 sq.m. This low-density high-quality pure residential project in Huaxin Town, Qingpu District will comprise totally 11 buildings, including three 7-storey buildings and eight 8-storey buildings, offering about 463 apartments in total. The project adopts an expansive curvilinear layout instead of a typical barrack-style layout to provide uninterrupted magnificent views and multi-level enjoyment. Coupled with rarely seen extra wide spacing between buildings, the project is set to become a green ecological community. This project will be one of the most potential projects surrounding Dahong Bridge in future.

SHANGHAI



SHANGHAI INDUSTRIAL YUNXIU

Address:

Lot no. S04-16 located in Unit 5031102, Lingyun Community, Xuhui District, Shanghai

Category:

Residence/Commerce

Feature:

The project is situated in the Lingyun area of Xuhui District, Shanghai. The plot boundaries are clearly defined, with Laohumin Road to the east and Luoxiu Road to the south, whilst the west and north borders adjoin the Songfeng Garden residential community, offering an excellent location. The project benefits from the "dual-rail TOD + Middle Ring Elevated Road" transport network, situated at the junction of the operational Line 15 and the planned Line 26, offering convenient access to key commercial districts such as Xujiahui, Qiantan and Shanghai South Railway Station. The site is adjacent to the Middle Ring Elevated Road access points and, supported by Longwu Road and the Shangzhong Road Tunnel, forms a "three vertical, three horizontal" three-dimensional road network, with the Xuhui Riverside and Caohejing Development Zone approximately a 15-minute drive away.

Positioned as a benchmark for residential renewal in the area, the project adheres to the concept of "local neighbourhoods + high-quality residential areas". It blends the vibrant atmosphere of the old city with a century of cultural heritage to create a modern, low-density, high-quality community, filling the gap in the region's high-end residential market. The site covers an area of approximately 27,600 square metres, with a total gross floor area of approximately 61,000 square metres and a plot ratio of 2.0. The planned

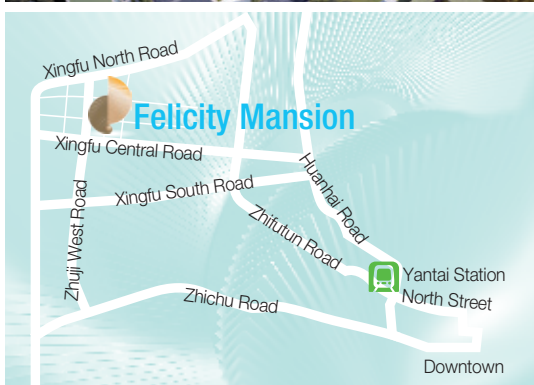
development comprises 291 residential units. The development features a mix of high-rise blocks and townhouses, with floor plans ranging from 115 to 174 square metres across four ranges of floor area and five different layouts, catering to the diverse needs of families seeking to upgrade their homes.

In terms of commercial facilities, the project includes nearly 20,000 square metres of centralised community retail space. As the flagship of SIUD's "Linjie" brand, it creates a comprehensive, one-stop neighbourhood shopping experience centred on the needs of the elderly, children and pets, thereby addressing the shortage of high-quality community retail in the area and enhancing the quality of life for residents within a 1.5-kilometre radius, whilst boosting the commercial vitality of the district.

YANTAI



Artist Impression



FELICITY MANSION

Address:

Southwest to the intersection of Fuyuan Road and Xingfu 12 Village East Street, Zhifu District, Yantai

Category:

Residence/Commerce

Feature:

Located east to Zhujia West Road, north to Fuyuan South Road, south to Fuyuan Road and west to Guihua Road, the project encompasses residential and commercial functions and certain ancillary public service facilities with a site area of approximately 77,000 sq.m. and a total G.F.A. of approximately 159,000 sq.m. The project is situated in the core area of Xingfu New Town in close proximity to the central business district of the town, with the shoreline just 1.5 km away in the north. According to the general plan of the new town, the project will be surrounded with abundant commercial, educational, medical, transport and scenic resources in the future. Enjoying a significant second-mover advantage, the project has immense growth potential.

Positioned as a residential product targeted at upgraders, the project mainly offers three- to four-room apartments with attractive decoration. The project plans to provide steward property services, nature-themed scenery and smart community

management to create a high-quality living environment integrated with dignity, ecology and technology.

WUHAN



Artist Impression



XIANG KAI CHANG LONG

Address:

Intersection of Chaibo Avenue and Jintai Road, Heart of Yangluo, Wuhan

Category:

Residence/Commerce

Feature:

The project site is situated in the core area of the Heart of Yangluo in the Yangtze River New Area. The project will be surrounded by abundant ancillary facilities, such as commerce, education, landscape, transportation and medical care, in the future, which will empower it with significant advantages and immense potential for development.

Equipped with both residential and commercial functions, the project site is located south to Chaibo Avenue (facing the commercial zone of the Wanda Cultural Tourism City), east to Jintai Road (facing a school site), north to a public primary school site and west to Jinglu Road, with a total planned G.F.A. of approximately 450,000 sq.m..

Posed as a high-end residential product, the project aims to provide a high-end, high-quality liveable environment for the

residents by virtue of its proximity to a prestigious school, forward-looking product planning and an extra high efficiency ratio.

INTRODUCTION OF KEY PROJECTS IN CHINA

BEIJING



Artist Impression



WEST DIAOYUTAI • EMPEROR SEAL

Address:

No. 1 and No. 2 Section,
West Diaoyutai Village,
Haidian District, Beijing

Category:

Residence

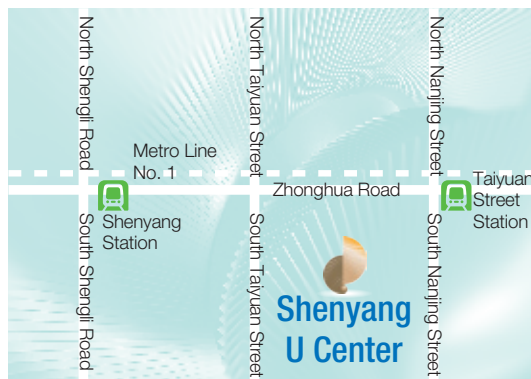
Feature:

Located in the west third ring, on the east and north side of Kunyu River and west to the 137-hectare Yuyuantan Park, the project enjoys a 67-hectare expanse of magnificent aquatic scenes, the largest in Beijing where water is a scarce resource, giving it uniqueness and a touch of supremacy. The project has deluxe apartments with river views as its core products aiming to appeal to the affluent on the high-end. The project has three phases. Phases I and II have been completed and sold out, while phase III has almost been sold out.

SHENYANG



Artist Impression



SHENYANG U CENTER

Address:

South Taiyuan Street,
Heping District,
Shenyang

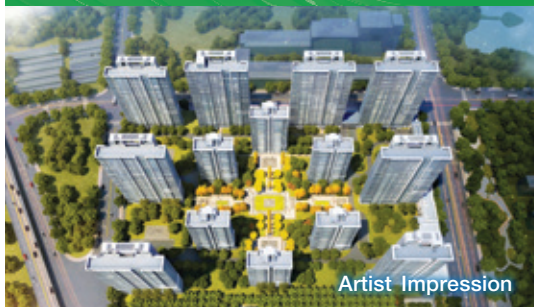
Category:

Commerce/Office/
Serviced apartment

Feature:

The project is located in the most prosperous business district downtown Shenyang — Taiyuan Street, with Zhonghua Road to its north, Minzhu Road to its south, South Taiyuan Street to its west and South Tianjin Street to its east. The region has a profound history and an extensive commercial network covering Northeast Asia. Covering a total G.F.A. of 230,000 sq.m., the U Center comprises high-end offices, SOHO, boutique apartments and open commercial blocks with an integration of cultural and creative industries, food and beverage, leisure, entertainment, offices and luxurious apartments, making it an iconic complex of the city.

TIANJIN



Artist Impression



SUMMITOPIA

Address:

Southeast to the intersection of the planned Jinsuo South Road and Shaoshan Road, Hedong District, Tianjin

Category:

Residence/Commerce

Feature:

Located west to Hongxing Road, north to Chenglin Road, east to Xinkuo Road and south to Weiguo Road, the project has a site area of approximately 42,000 sq.m. and a total G.F.A. of approximately 175,000 sq.m. (including green areas). The project encompasses residential and commercial functions and certain ancillary public service facilities. The residential function occupies a site area of approximately 116,000 sq.m. at a plot ratio of ≤ 2.9 , while the commercial function occupies a site area of approximately 2,500 sq.m.

As a highly customised aesthetic community dedicated in regional, product and lifestyle revival, the project will offer superb and innovative residential products. Featuring a hotel-style lobby, a multi-functional mocha living room, nature-themed landscape and intelligent community management, the

project aims to create a premium liveable environment by combining ecology with technology. Poised to be a real regionally leading project, it will be a key driver for the growth of Hedong District, Tianjin.

WUXI



Artist Impression



URBAN DEVELOPMENT INTERNATIONAL CENTER

Address:

Intersection of Yinxu Road and Taihu Avenue, Binhu District, Wuxi, Jiangsu

Category:

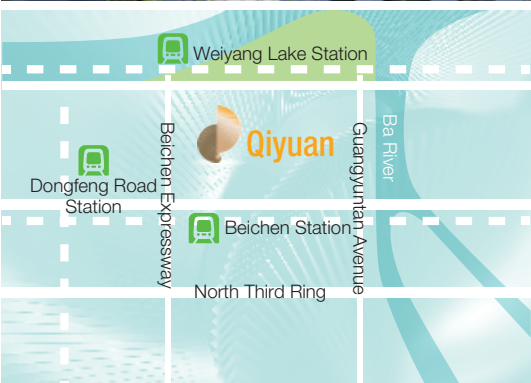
Commerce/Hotel/Office/Serviced apartment

Feature:

The project is an icon at the heart of the Liyuan Economic Development Zone, the new axis of Wuxi. It is only 5 km from the center of the city with Lihu Lake Scenic Spot, Lihu Central Park and Bogong Island in its vicinity to enjoy. The area is well developed, equipped with all essential facilities and convenient transportation choices. The integrated complex comprises an international five-star hotel, serviced apartments, a 5A-grade office building and a commercial center.

INTRODUCTION OF KEY PROJECTS IN CHINA

XI'AN	ORIGINALLY
 Artist Impression	Address: East to Chan River, Chanba Avenue, Chanba Ecotope, Xi'an Category: Residence/ Commerce/Hotel
 Xi'an No. 17 Middle School Beichen Road Chan River Beijing-Kunming Expressway City Circle Expressway Ba River Originally	Feature: In the heart of Xi'an Chanba Ecotope, the project lies where the Chan River and Ba River meet. The project with approximately 2 million sq.m. in terms of site area is the largest eco-district in northwest China. The area has been well planned and is developing rapidly, enjoying convenient access to road networks and public transports including Metro Line No. 3 which will soon commence operation. It is the home of the Euro-Asia Economic Forum as well as the Guangyuntan national wetland park and was where the 2011 International Horticultural Exposition took place, asserting its significance in the development of Xi'an. The project has 12 land parcels in the plan to cater to diverse functions and related necessary facilities completed or soon to be completed to meet community business requirements and educational, medical and shopping needs.

XI'AN	QIYUAN
 Artist Impression	Address: Intersection of Qiyuan 1st Road and Shangchun North Road, Xi'an (west of Chanba Tenth School) Category: Residence
 Weiyang Lake Station Qiyuan Beichen Station Dongfeng Road Station Beichen Expressway Guangyuntan Avenue Ba River North Third Ring	Feature: Located at the intersection of Qiyuan 1st Road and Shangchun North Road, the project occupies the core area of the "three-axis, three-belt" development plan of Xi'an. The project enjoys the triple benefits brought by Chanba Ecotope, the International Trade & Logistics Park and the economic development and political affairs area. Situated only 800 meters to Ba River, the project is embraced in a green and natural environment while being served by comprehensive international ancillary facilities, making it a low-density high-end residential project around Weiyang Lake. The project covers a total site area of approximately 51,000 sq.m., providing a G.F.A. of about 102,000 sq.m. The project is planned to comprise 15 residential buildings (eight high-rise apartments and seven low-rise apartments), offering 594 apartments in total. With a greening ratio of 35% and a plot ratio of 2.0, the project is available in various layouts and sizes, i.e. 143 sq.m. for small high-

rise apartments and 190 sq.m. (flats), 300 sq.m. (top duplex apartments) and 190 sq.m. (bottom duplex apartments) for low-rise apartments. The project is built with metal aluminum plates and masonry paint, with low-emissivity glasses used in the exterior façade of the buildings to create a fashionable and lightly luxurious feeling. Coupled with supreme ecological resources, this project is destined to provide you with a comfortable and pleasant lifestyle.

OTHER INFORMATION

INTERIM DIVIDEND

Taking into account the future plans, the financial position and cash flow position of the Company, the board of Directors (the **"Board"**) does not recommend the payment of any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2026.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to the existing shareholders of the Company (the **"Shareholders"**).

CORPORATE GOVERNANCE

During the six months ended 30 June 2026, the Company has complied with all code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities (the **"Listing Rules"**) on The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**).

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct regarding dealings in the securities of the Company by the Directors and the relevant employees (who are likely to be in possession of inside information relating to the Company or its securities) (the **"Guidelines for Securities Transactions by Relevant Employees"**) on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the **"Model Code"**) as set out in Appendix C3 to the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standards as set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the six months ended 30 June 2026.

In addition, no incident of non-compliance of the Guidelines for Securities Transactions by Relevant Employees by the relevant employees of the Group was noted by the Company throughout the six months ended 30 June 2026.

LOAN AGREEMENT WITH SPECIFIC PERFORMANCE COVENANT ON THE CONTROLLING SHAREHOLDER

As disclosed in the announcement of the Company dated 11 February 2026, the Company (as the borrower) entered into two loan agreements (the **"Loan Agreements"**) with a bank (as the lender) for two term loan facilities in the aggregate amount of RMB900,000,000 for a term of thirty-six months for the purpose of repaying the existing bank borrowings. The loan agreements provide that during the subsistence of the aforesaid facilities, Shanghai Industrial Investment (Holdings) Company Limited (**"SIIC"**), being a controlling shareholder of the Company and Shanghai Industrial Holdings Limited (**"SIHL"**) (a controlling and substantial shareholder of the Company), shall directly or indirectly maintain no less than 51% of the total issued share capital of the Company and maintain actual control and management of the Company (the **"Shareholding and Management Covenant"**). A breach of the Shareholding and Management Covenant will constitute a default under the Loan Agreements.

As at the date of this interim report, SIIC is beneficially interested in approximately 70.44% (including those interests deemed or taken to be interested in shares held by SIHL for the purpose of the Securities and Futures Ordinance (the **"SFO"**)), of the total issued share capital of the Company. Other than as disclosed above, there are no other events which are required to be disclosed by the Company under Rule 13.18 or Rule 13.21 of the Listing Rules.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Company (the “**Audit Committee**”) currently consists of three independent non-executive Directors, namely Mr. Li Ka Fai, David, *M.H.* (Committee Chairman), Mr. Doo Wai-Hoi, William, *B.B.S., J.P.* and Dr. Fan Ren Da, Anthony. The Audit Committee is primarily responsible for reviewing the accounting principles and practices adopted by the Group; reviewing the financial reporting process, risk management and internal controls system of the Group; and reviewing the independence and objectivity of the external auditor, the scope of audit services and related audit fees payable to the external auditor. The Audit Committee has reviewed this interim report (including the unaudited interim financial statements of the Group for the six months ended 30 June 2026) and discussed with the management and the auditor of the Company on the accounting principles and practices adopted by the Group, risk management and internal controls matter, final results and financial statements and the terms of reference for the Audit Committee.

The Group’s external auditor, Ernst & Young, has reviewed the Company’s unaudited condensed consolidated financial statements for the six months ended 30 June 2026 in accordance with the Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2026, none of the Directors or chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or pursuant to the Model Code.

SHARE OPTION SCHEME

As at 30 June 2026, the Company does not have any share option scheme following the expiration of its previous share option scheme on 21 May 2023 (which has a term of 10 years and was adopted pursuant to a resolution passed on 21 May 2013) and there was no share option available for grant under any scheme mandate. No share option was granted to any person as required to be disclosed under Rule 17.07 of the Listing Rules during the six months ended 30 June 2026 and the Company had no share option remain outstanding as at 30 June 2026.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN THE SHARES AND UNDERLYING SHARES

As at 30 June 2026, substantial Shareholders and other persons (other than the Directors and chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and entered in the register required to be kept by the Company pursuant to Section 336 of the SFO, or otherwise notified to the Company were as follows:

Ordinary shares of HK\$0.04 each of the Company

Name of substantial Shareholders	Capacity	Number of shares of the Company held	Approximate% of the issued share capital of the Company
SIHL	Held by controlled corporation	2,111,229,080(L) ^{1,2,3}	44.16%
SIIC	Held by controlled corporation	3,367,223,977(L) ^{1,2,3,4}	70.44%

Notes:

1. L denotes long positions.
2. These include 2,061,229,080 shares of the Company held by S.I. Smart Charmer Limited and 50,000,000 shares of the Company that are deemed to be held by Novel Good Limited under the pledge described in note 3 below. As S.I. Smart Charmer Limited and Novel Good Limited are both wholly-owned subsidiaries of SIHL, which is in turn controlled by SIIC, SIHL and SIIC are deemed or taken to be interested in the interests in the shares of the Company held by S.I. Smart Charmer Limited and Novel Good Limited.
3. These interests include 50,000,000 shares of the Company (short positions) held by Invest Gain Limited (a company beneficially and wholly owned by Mr. Li Song Xiao who ceased to be a substantial shareholder of the Company during the year ended 31 December 2011) which was pledged to Novel Good Limited. Therefore, SIHL and SIIC are deemed or taken to be interested in these 50,000,000 shares of the Company.
4. SIIC, through Shanghai Investment Holdings Limited (a subsidiary of SIIC) held approximately 55.13% of the shares of SIHL. Therefore, SIIC is deemed or taken to be interested in the 2,111,229,080 shares of the Company held by SHIL for the purpose of the SFO. On the other hand, SIIC is also deemed or taken to be interested in the 1,255,994,897 shares of the Company held by its subsidiaries, namely SIIC Trading Company Limited, Shanghai Industrial Financial Holdings (Hong Kong) Company Limited, SIIC CM Development Limited, SIIC Capital (B.V.I.) Limited and Shanghai Investment Holdings Limited.

Save as disclosed herein, as at 30 June 2026, the Company had not been notified by any persons (other than the Directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

OTHER INFORMATION

CHANGES IN INFORMATION OF DIRECTORS

After having made all reasonable enquiry, the Company is not aware of any information which is required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules since the date of the Company's 2025 annual report for the year ended 31 December 2025 (the "**2025 Annual Report**") and up to the date of approval of this interim report (i.e. 26 August 2026).

SUPPLEMENTAL INFORMATION IN RELATION TO THE 2025 ANNUAL REPORT

The Company would like to provide the following supplemental information in relation to its connected transactions and continuing connected transactions as disclosed in the 2025 Annual Report.

For the year ended 31 December 2025, the Company confirms that it has complied with the requirements under Chapter 14A of the Listing Rules insofar as applicable in respect of the related party transactions as set out in note 39 to the consolidated financial statements in the 2025 Annual Report that constitute connected transactions and/or continuing connected transactions under the Listing Rules.

The supplemental information set out above does not affect other information contained in the 2025 Annual Report. Save as disclosed above, all other information in the 2025 Annual Report remains unchanged.

APPRECIATION

I would like to express my sincere gratitude to the Board, our management and all our staff for their dedicated efforts as well as to our customers, suppliers, business partners and Shareholders for their continued enthusiastic support to our Group.

By order of the Board of
Shanghai Industrial Urban Development Group Limited
Huang Haiping
Chairman

Hong Kong, 26 August 2026

INDEPENDENT REVIEW REPORT



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Independent review report

To the board of directors of Shanghai Industrial Urban Development Group Limited

(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 34 to 56, which comprises the condensed consolidated statement of financial position of Shanghai Industrial Urban Development Group Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2026 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young

Certified Public Accountants
Hong Kong

26 August 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
REVENUE			
Goods and services	5	853,775	1,463,008
Leases	5	417,929	364,827
Total revenue		1,271,704	1,827,835
Cost of sales		(931,962)	(1,557,961)
Gross profit		339,742	269,874
Other income		26,881	33,150
Other expenses, gains and losses, net, including expected credit losses on financial assets		(30,260)	(63,501)
Fair value loss on investment properties, net		(60,480)	(151,069)
Distribution and selling expenses		(196,565)	(101,616)
General and administrative expenses		(189,690)	(197,546)
Finance costs	6	(294,580)	(284,560)
Share of results of associates		(34,082)	609
Share of results of joint ventures		(16,352)	13,410
Loss before tax		(455,386)	(481,249)
Income tax expense	7	(33,700)	(81,178)
LOSS FOR THE PERIOD	8	(489,086)	(562,427)
Loss for the period attributable to:			
Owners of the Company		(414,448)	(492,139)
Non-controlling interests		(74,638)	(70,288)
		(489,086)	(562,427)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY FOR THE PERIOD	10		
Basic and diluted (HK cents)		(8.67)	(10.29)
OTHER COMPREHENSIVE INCOME			
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation from functional currency to presentation currency		801,320	643,733
<i>Items that will not be reclassified to profit or loss:</i>			
Exchange differences on translation from functional currency to presentation currency		(121,254)	(118,089)
Changes in fair value on equity instruments designated at fair value through other comprehensive income, net of tax		(1,844)	1,448
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		678,222	527,092
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		189,136	(35,335)
Attributable to:			
Owners of the Company		97,713	(72,342)
Non-controlling interests		91,423	37,007
		189,136	(35,335)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
NON-CURRENT ASSETS			
Investment properties	11	22,562,033	21,784,418
Property, plant and equipment		1,681,880	1,670,581
Right-of-use assets		480,029	479,356
Goodwill		—	23,604
Intangible assets		59,139	56,993
Interests in associates		1,659,409	1,632,286
Interests in joint ventures		2,525,473	2,449,488
Equity instruments at fair value through other comprehensive income		24,625	26,135
Restricted and pledged bank deposits		178,063	149,180
Deferred tax assets		92,569	93,121
Total non-current assets		29,263,220	28,365,162
CURRENT ASSETS			
Inventories		586	438
Properties under development for sale and properties held for sale		16,117,775	12,737,528
Trade and other receivables	12	917,636	929,471
Amounts due from related companies	19	6,259	1,710
Prepaid income tax and land appreciation tax		528,218	492,979
Restricted and pledged bank deposits		5,032	9,485
Bank balances and cash		4,455,544	4,571,721
Total current assets		22,031,050	18,743,332
CURRENT LIABILITIES			
Trade and other payables	13	4,215,844	4,325,142
Amounts due to related companies	19	588,982	579,597
Pre-sale proceeds received on sales of properties		921,605	509,437
Bank and other borrowings	14	4,993,696	8,123,276
Lease liabilities		17,356	17,214
Income tax and land appreciation tax payables		783,536	803,636
Dividends payable		23,641	23,641
Total current liabilities		11,544,660	14,381,943
NET CURRENT ASSETS		10,486,390	4,361,389
TOTAL ASSETS LESS CURRENT LIABILITIES		39,749,610	32,726,551

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
NON-CURRENT LIABILITIES			
Deferred revenue	13	26,471	25,808
Bank and other borrowings	14	18,008,571	11,234,605
Lease liabilities		106,463	113,981
Deferred tax liabilities		2,631,331	2,548,339
Total non-current liabilities		20,772,836	13,922,733
NET ASSETS		18,976,774	18,803,818
CAPITAL AND RESERVES			
Share capital	15	191,217	191,217
Reserves		12,603,527	12,463,890
Equity contributable to owners of the Company		12,794,744	12,655,107
Non-controlling interests		6,182,030	6,148,711
Total equity		18,976,774	18,803,818

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company												Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Other revaluation reserve HK\$'000	Property revaluation reserve HK\$'000	Investment revaluation reserve HK\$'000	Statutory surplus reserve HK\$'000	Shareholder's contribution/merger reserve HK\$'000	Other reserve HK\$'000	Exchange reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000		
At 31 December 2025 (audited)	191,217	8,298,811	366,694	(3,084)	8,498	(1,996)	1,197,483	2,159,430	(130,714)	(284,545)	853,313	12,655,107	6,148,711	18,803,818
Loss for the year	-	-	-	-	-	-	-	-	-	-	(414,448)	(414,448)	(74,638)	(489,086)
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
– Items that may be reclassified to profit or loss:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
– Exchange differences on translation from functional currency to presentation currency	-	-	-	-	-	-	-	-	-	634,503	-	634,503	166,817	801,320
– Items that will not be reclassified to profit or loss:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
– Exchange differences on translation from functional currency to presentation currency	-	-	-	-	-	-	-	-	-	(121,254)	-	(121,254)	-	(121,254)
– Changes in fair value on equity instruments designated at fair value through other comprehensive income, net of tax	-	-	-	-	-	(1,088)	-	-	-	-	-	(1,088)	(756)	(1,844)
Total comprehensive income/(loss) for the period	-	-	-	-	-	(1,088)	-	-	-	513,249	(414,448)	97,713	91,423	189,136
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	41,924	-	-	41,924	(58,104)	(16,180)
At 30 June 2026 (unaudited)	191,217	8,298,811	366,694	(3,084)	8,498	(3,084)	1,197,483	2,159,430	(88,790)	228,704	438,865	12,794,744	6,182,030	18,978,774
At 31 December 2025 (audited)	191,217	8,298,811	366,694	(3,084)	6,219	(3,548)	1,182,742	2,159,430	(130,714)	(869,967)	1,830,586	13,028,386	6,081,618	19,110,004
Loss for the period	-	-	-	-	-	-	-	-	-	-	(492,139)	(492,139)	(70,288)	(562,427)
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
– Items that may be reclassified to profit or loss:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
– Exchange differences on translation from functional currency to presentation currency	-	-	-	-	-	-	-	-	-	537,032	-	537,032	106,701	643,733
– Items that will not be reclassified to profit or loss:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
– Exchange differences on translation from functional currency to presentation currency	-	-	-	-	-	-	-	-	-	(118,089)	-	(118,089)	-	(118,089)
– Changes in fair value on equity instruments designated at fair value through other comprehensive income, net of tax	-	-	-	-	-	854	-	-	-	-	-	854	594	1,448
Total comprehensive income/(loss) for the period	-	-	-	-	-	854	-	-	-	418,943	(492,139)	(72,342)	37,007	(35,335)
Transfer	-	-	-	-	-	-	7,191	-	-	-	(7,191)	-	-	-
Dividend declared to a non-controlling shareholder	-	-	-	-	-	-	-	-	-	-	-	-	(7,215)	(7,215)
At 30 June 2025 (unaudited)	191,217	8,298,811	366,694	(3,084)	6,219	(2,694)	1,189,933	2,159,430	(130,714)	(451,024)	1,331,256	12,966,044	6,111,410	19,067,454

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
OPERATING ACTIVITIES		
Loss before tax	(455,386)	(481,249)
Adjustments for:		
Depreciation on property, plant and equipment	58,655	65,259
Depreciation of right-of-use assets	14,379	33,933
Finance costs	294,580	284,560
Fair value loss on investment properties, net	60,480	151,069
Interest income	(6,009)	(7,401)
Impairment of goodwill	23,604	—
Recognition of expected credit loss allowance, net	194	44,046
Share of results of associates and joint ventures	50,434	(14,019)
Other non-cash items	3,890	(7,174)
	44,821	69,024
(Increase)/decrease in inventories, properties under development for sale and properties held for sale	(2,876,944)	1,037,267
Decrease/(increase) in trade and other receivables	46,410	(81,714)
Decrease in trade and other payables	(269,264)	(1,247,119)
Decrease in amounts due to related companies	(6,441)	(66,861)
Increase/(decrease) in pre-sale proceeds received on sales of properties	387,454	(412,112)
Cash used in operations	(2,673,964)	(701,515)
Income tax paid	(104,191)	(680,910)
Net cash used in operating activities	(2,778,155)	(1,382,425)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(7,699)	(6,089)
Proceeds from disposal of property, plant and equipment	—	564
Development costs paid for investment properties	—	(234)
Placement of restricted and pledged bank deposits	(18,177)	(43,911)
Interest received	6,009	7,401
Net cash used in investing activities	(19,867)	(42,269)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
FINANCING ACTIVITIES		
New bank and other borrowings	9,929,023	3,737,793
Repayments of bank and other borrowings	(7,018,525)	(3,814,550)
Repayments of lease liabilities	(11,035)	(32,384)
Repayments to related companies	(14,329)	(42,978)
Transaction costs attributable to issue of domestic corporate bonds and medium term notes	—	(2,408)
Dividends paid to non-controlling shareholders	—	(7,215)
Acquisition of non-controlling interests	(16,180)	—
Interest paid	(293,626)	(250,430)
Net cash from/(used in) financing activities	2,575,328	(412,172)
Net decrease in cash and cash equivalents	(222,694)	(1,836,866)
Cash and cash equivalents at the beginning of the period	4,571,721	5,342,774
Effect of foreign exchange rate changes	106,517	82,378
Cash and cash equivalents represented by bank balances and cash at the end of the period	4,455,544	3,588,286

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. GENERAL INFORMATION

The Company is a public limited company incorporated in Bermuda under the Companies Act 1981 of Bermuda (as amended) as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is S.I. Smart Charmer Limited (a private limited company incorporated in the British Virgin Islands (“BVI”)), its intermediate holding company is Shanghai Industrial Holdings Limited (“SIHL”) (incorporated in Hong Kong and listed on the Stock Exchange) and its ultimate beneficial owner is the Shanghai Municipal People’s Government of the People’s Republic of China (the “PRC”). The registered office address of the Company is Richmond House, 12 Par-la-Ville Road, Hamilton HM08, Bermuda.

The principal activities of the Group are the development of residential and commercial properties, property investment and hotel operations in the Chinese mainland.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), and all values are rounded to the nearest thousand except when otherwise indicated, which is different from the Company’s functional currency of Renminbi (“RMB”), as the Company is listed on the Stock Exchange and most of its investors are located in Hong Kong.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period’s financial information.

Amendments to HKFRS 9 and HKFRS 7

Amendments to HKFRS 9 and HKFRS 7
Annual Improvements to HKFRS Accounting Standards — Volume 11

Amendments to the Classification and Measurement of Financial Instruments

Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

The nature and impact of the amended HKFRS Accounting Standards are described below:

- (a) Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.
- (b) Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.
- (c) *Annual Improvements to HKFRS Accounting Standards — Volume 11* set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

4. SEGMENT INFORMATION

Information reported to the directors of the Company, being the chief operating decision makers, for the purposes of resource allocation and performance assessment focuses on revenue analysis. No other discrete financial information is provided other than the Group's results and financial position as a whole. Accordingly, only entity-wide disclosures, major customer and geographic information are presented.

The Group's operations are located in the Chinese mainland. All revenue and non-current assets of the Group, except for certain property and equipment, are generated from and located in the Chinese mainland. No revenue from a single customer amounted to over 10% of the total revenue of the Group for the six months ended 30 June 2026 and 2025.

5. REVENUE**(i)** Disaggregation of revenue from contracts with customers

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Types of goods or services		
Sales of properties	737,860	1,336,687
Hotel operations	105,986	119,528
Property management	9,929	6,793
Total	853,775	1,463,008
Timing of revenue recognition		
At a point in time	737,860	1,336,687
Over time	115,915	126,321
	853,775	1,463,008

All the revenue of the Group generated from contracts with customers was originated in the Chinese mainland.

(ii) Leases

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Revenue arising from operating leases	417,929	364,827

6. FINANCE COSTS

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Interest on bank and other borrowings	292,243	283,734
Interest on amounts due to related companies	344	5,394
Interest on lease liabilities	2,224	2,793
Total finance costs	294,811	291,921
Less: Amounts capitalised into properties under development for sale	(231)	(7,361)
	294,580	284,560

Borrowing costs capitalised arising on the pool of general borrowings were calculated by applying an applicable capitalisation rate to expenditure on qualifying assets.

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of Bermuda and the British Virgin Islands, the Group is not subject to any income tax in these jurisdictions in respect of both periods. No provision for Hong Kong profits tax has been made as the Group has no assessable profits arising in, nor derived from, Hong Kong.

Subsidiaries of the Group operating in the Chinese mainland were subject to the PRC corporate income tax with a tax rate of 25% for the year.

PRC land appreciation tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant Chinese mainland tax laws and regulations. The LAT provision is subject to the final review and approval by the local tax bureau.

7. INCOME TAX (CONTINUED)

Income tax in the consolidated statement of profit or loss and other comprehensive income represents:

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Current tax:		
PRC Corporate Income Tax	38,006	26,962
PRC Land Appreciation Tax	4,761	82,810
	42,767	109,772
Deferred tax	(9,067)	(28,594)
Income tax for the period	33,700	81,178

8. LOSS FOR THE PERIOD

The Group's loss before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Cost of properties held for sale recognised as an expense	695,347	1,312,537
Impairment loss recognised on goodwill	23,604	—
Impairment of financial assets:		
Impairment of amounts due from a related company	296	44,183
Reversal of impairment of trade and other receivables	(102)	(137)
Depreciation for property, plant and equipment	58,655	65,259
Depreciation of right-of-use assets	14,379	33,933
Interest income on bank deposits	(6,009)	(7,401)
Exchange differences, net	3,222	10,284

9. DIVIDENDS

No dividends were paid or declared by the Company during the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

10. LOSS PER SHARE

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

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Loss		
Loss for the purpose of calculating basic loss per share:		
Loss for the period attributable to owners of the Company	(414,448)	(492,139)

	For the six months ended 30 June	
	2026 '000	2025 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	4,780,415	4,780,415

No diluted loss per share for the six months ended 30 June 2026 and 2025 were presented as there were no potential ordinary shares in issue for both periods.

11. INVESTMENT PROPERTIES

The fair values of the Group's investment properties as at 30 June 2026 have been arrived at on the basis of valuation carried out on the respective dates by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL"), an independent qualified professional valuer. JLL has appropriate qualification and recent experience in the valuation of similar properties in the relevant locations. The fair value is determined mainly using the income approach by taking into account the net rental income of the properties derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalised to determine the fair value at an appropriate capitalisation rate. The resulting net decrease in fair values of the Group's investment properties of HK\$60,480,000 (six months ended 30 June 2025: HK\$151,069,000) was recognised directly in profit or loss for the six months ended 30 June 2026.

During the six months ended 30 June 2026, the Group had no expenditures on certain investment properties under development (six months ended 30 June 2025: HK\$234,000).

11. INVESTMENT PROPERTIES (CONTINUED)

During the six months ended 30 June 2026, the management of the Group changed the intention from selling the commercial units of several residential property projects to lease them out for rental. Accordingly, properties held for sale with a carrying amount of HK\$18,457,000 (six months ended 30 June 2025: HK\$2,313,000) were transferred to investment properties upon inception of lease agreements with the tenants. In the opinion of the management of the Group, the fair value gain or loss in respect of these properties at the date of transfer was considered to be insignificant.

The Group did not dispose of any investment properties during the six months ended 30 June 2026 and 2025.

12. TRADE AND OTHER RECEIVABLES

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Trade receivables		
— Contracts with customers		
Sales of properties (note (i))	323,032	310,400
Hotel operations and others	21,665	24,532
— Lease receivables	13,670	39,503
	358,367	374,435
Less: expected credit losses ("ECLs") allowance	(96)	(93)
	358,271	374,342
Other receivables (note (ii))	261,360	277,150
Receivable from a former subsidiary (note (iii))	427,175	411,764
Advance payments to contractors	19,931	21,290
Prepaid other taxes (note (iv))	276,480	254,628
Deposits and prepayments	1,594	2,061
	1,344,811	1,341,235
Less: ECLs allowance	(427,175)	(411,764)
	917,636	929,471

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

Notes:

- (i) The balance represents a trade receivable from the Shanghai government department in respect of the sales of affordable housings and it will be settled once the project clearance process is completed.
- (ii) Other receivables mainly comprise various warranty deposits placed with the relevant government bodies in respect of properties under development for sale, properties held for sale and properties being sold.
- (iii) The Group has significant concentrations of credit risk on the receivable from a former subsidiary of the Group. The gross amount of this receivable of HK\$427,175,000 (2025: HK\$411,764,000), after netting of ECL allowance of HK\$427,175,000 (2025: HK\$411,764,000), is included in other receivables. Having considered the former subsidiary of the Group was in liquidation process, the management of the Group made an assessment on the recoverability of this balance at the end of the reporting period based on the expected proceeds to be received by the Group from the realisation of assets held by the former subsidiary and the asset distribution arrangement after the liquidation process to determine whether adequate ECLs were recognised. The primary assets of that former subsidiary refer to investment properties located at Kunshan in the PRC.
- (iv) Prepaid other taxes comprise prepayments for urban real estate tax, city maintenance and construction tax, business tax and value-added tax.

The Group grants an average credit period of 90 days to its corporate hotel customers and generally grants no credit periods to property buyers and tenants unless specifically approved.

The following is an ageing analysis of trade receivables, net of ECL allowance, presented based on the date of billing at the end of the reporting period:

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Within 90 days	37,238	54,332
Within 91 days to one year	38,449	53,757
Over one year	282,584	266,253
	358,271	374,342

13. TRADE AND OTHER PAYABLES AND DEFERRED REVENUE

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Trade and other payables recognised as current liabilities		
Trade payables	967,015	989,161
Accrued expenditure on properties under development for sale	2,108,705	2,607,566
Rental deposits and receipts in advance from tenants	252,729	222,942
Payables to the Shanghai government department	8,952	8,626
Accrued charges and other payables	704,216	351,749
Other taxes payable	174,227	145,098
	4,215,844	4,325,142
Deferred revenue recognised as non-current liabilities		
Deferred revenue	26,471	25,808

The following is an ageing analysis of the Group's trade payables presented based on the invoice date at the end of the reporting period:

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Within one year	467,511	779,881
Over one year	499,504	209,280
	967,015	989,161

Included in trade and other payables, there is an amount of HK\$4,155,000 (2025: HK\$15,300,000) denominated in HK\$ which is the foreign currency of certain subsidiaries of the Group.

14. BANK AND OTHER BORROWINGS

During the six months ended 30 June 2026, the Group obtained new bank and other borrowings of HK\$9,929,023,000 (six months ended 30 June 2025: HK\$3,737,793,000). As at 30 June 2026, the bank and other borrowings carried variable interest at rates ranging from 2.11% to 3.50% (31 December 2025: 1.99% to 6.69%) per annum and are payable from three months to over five years (31 December 2025: three months to over five years). The borrowings have been obtained for the purpose of property development projects and general working capital of the Group.

During the six months ended 30 June 2026, the Group repaid the bank and other borrowings of HK\$7,018,525,000 (six months ended 30 June 2025: HK\$3,814,550,000).

15. SHARE CAPITAL

	Number of shares '000	Share capital HK\$'000
Authorised:		
At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026 — Ordinary shares of HK\$0.04 each	10,000,000	400,000
Issued and fully paid:		
At 1 January 2025, 31 December 2025 and 30 June 2026	4,780,415	191,217

16. FINANCIAL GUARANTEE CONTRACTS AND CONTINGENT LIABILITIES**(a) Financial guarantee contracts**

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Guarantees given to banks in respect of banking facilities utilised by:		
— property buyers	345,074	429,672
— a related party	404,484	389,755
	749,558	819,427

Guarantees given to banks in respect of banking facilities utilised by property buyers

The Group entered into agreements with certain banks with respect to mortgage loans provided to buyers of the Group's property units and pledged deposits as security for and provided guarantees on mortgage loans provided to the buyers by these banks under the agreements. The management of the Group considers that the possibility of default on repayment of the mortgage loans by the relevant buyers is remote and, in the case of default, the net realisable value of the related properties withheld by the Group can recover the repayment of the outstanding mortgage principals together with the accrued interest and penalties. Accordingly, no provision under HKFRS 9 has been made for these guarantees in the consolidated financial statements.

Guarantees given to banks in respect of banking facilities utilised by a related party of the Group

The Group provided guarantees to banks in connection with financial facilities granted to a related company. As at 30 June 2026, the maximum liability of the Group under such guarantees was the outstanding amount of the bank borrowings to a related party of RMB350,000,000 (equivalent to HK\$404,484,000) (2025: RMB350,000,000 (equivalent to HK\$389,755,000)). The directors of the Company consider that no provision is needed in respect of the guarantees since the fair value is not significant. Further details are included in note 19.

(b) Contingent liabilities

In the opinion of the management of the Group, there were no material contingent liabilities of the Group which required a separate disclosure in the consolidated financial statements for both periods.

17. CAPITAL COMMITMENTS

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Expenditure contracted for but not provided for in the consolidated financial statements		
— additions in properties under development for sale	2,747,721	1,556,949

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

This note provides information about how the Group determines the fair values of various financial assets.

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 management of the Group considers the financial impact of these instruments to the Group is not significant.

(i) Fair values of the Group's financial assets that are measured at fair value on a recurring basis

The Group's equity instruments designated at fair value through other comprehensive income ("FVTOCI") are measured at fair values at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined.

Financial assets	Fair value		Fair value hierarchy	Valuation techniques and inputs	Significant unobservable inputs
	30 June 2026 (unaudited)	31 December 2025 (audited)			
Equity instruments designated at FVTOCI	Listed equity securities in the PRC — HK\$22,083,000	Listed equity securities in the PRC — HK\$23,685,000	Level 1	Quoted bid prices in an active market	N/A
	Unlisted equity securities in the PRC — HK\$2,542,000	Unlisted equity securities in the PRC — HK\$2,450,000	Level 3	Adjusted net asset value method under cost approach	Discount factor of 5% (2025: 5%)

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

(ii) Reconciliation of Level 3 fair value measurement

	Equity investments at FVTOCI HK\$'000
At 1 January 2025	3,405
Disposal	(1,084)
Exchange realignment	129
At 31 December 2025 and 1 January 2026	2,450
Exchange realignment	92
At 30 June 2026	2,542

In the opinion of the management of the Group, there were no material changes in fair values of unlisted equity instruments at FVTOCI during the year ended 31 December 2025 and the six months ended 30 June 2026. No material impact on the fair values of these instruments is expected if there is a 5% increase or decrease of the discount factor. Therefore, no sensitivity analysis is presented.

There were no transfers of fair value measurement among instruments in Levels 1, 2 and 3 in the six months ended 30 June 2026 and 2025.

(iii) Fair values of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on the discounted cash flow analysis.

The management of the Group considers that the carrying amounts of other financial assets and financial liabilities at amortised cost approximate to their respective fair values.

19. RELATED PARTY TRANSACTIONS AND OUTSTANDING BALANCES**(a) Compensation of key management personnel of the Group**

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Short-term employee benefits	678	834

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

(b) Transactions with related parties

The Group had the following transactions with related parties during the period:

		For the six months ended 30 June	
		2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Names of related companies	Nature of transactions		
Entities controlled by Shanghai Industrial Investment (Holdings) Company Limited ("SIIC")	Management service income	7,336	1,373
	Interest expense	(20,515)	(17,827)
Entities controlled by SIHL	Management fee	(18,676)	(6,350)
	Property charges	—	(1,934)
	Rental income	1,546	1,357
	Interest expense	(8,357)	—
Associates	Property agency fee	—	(32)
	Agency service income	597	—
Entities controlled by a non-controlling shareholder	Management service income	—	5,875
	Management fee	(382)	—
	Interest expense on lease liabilities	(2,107)	(2,417)
Non-controlling shareholders	Interest expense	(344)	(5,394)

(c) Other transactions with related parties:

The Group had guaranteed banking facilities granted to an associate amounting to HK\$404,484,000 (31 December 2025: HK\$389,755,000) as at the end of the reporting period.

19. RELATED PARTY TRANSACTIONS AND OUTSTANDING BALANCES (CONTINUED)

(d) Outstanding balances with related parties

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Amount due from a related company recognised as non-current assets:		
Non-trade-related:		
— A joint venture (note (ii))	433,075	417,015
Less: ECL allowance	(433,075)	(417,015)
	—	—
Amounts due from related companies recognised as current assets:		
Non-trade-related:		
— A joint venture (note (ii))	711	234
— Entities controlled by a non-controlling shareholder (note (i))	1,514	1,476
— Entities controlled by SIIC	4,034	—
	6,259	1,710
Amounts due to related companies recognised as current liabilities:		
Trade-related:		
— Entities controlled by SIHL	2,835	—
Non-trade-related:		
— Non-controlling shareholders (note (iii))	558,763	553,209
— SIHL (note (iv))	27,384	26,388
	588,982	579,597
Other borrowings:		
— Entities controlled by SIIC (note (v))	279,093	—
— Entities controlled by SIHL (note (vi))	2,351,786	668,151
	2,630,879	668,151
Lease liabilities		
— Entities controlled by a non-controlling shareholder (note (vii))	118,560	120,369

19. RELATED PARTY TRANSACTIONS AND OUTSTANDING BALANCES (CONTINUED)

(d) Outstanding balances with related parties (Continued)

Notes:

- (i) The entire amounts due from Xuhui SASAC and entities controlled by Xuhui SASAC are non-trade in nature, interest-free, unsecured and repayable on demand.
- (ii) The entire amounts due from joint ventures are non-trade in nature and unsecured.

The balance recognised as non-current assets related to an amount due from a joint venture of the Group, net of ECL allowance, represents funds advanced by the Group at a guaranteed return of 8% per annum to a joint venture for its acquisition of parcels of land and subsequent construction expenditure in respect of a property development project located at Wuhan in the PRC. During the six months ended 30 June 2026, an amount of ECLs of HK\$296,296 (2025: HK\$248,289,000) was recognised in profit or loss due to the significant deterioration of the real estate market in Wuhan in the PRC where the property development project of the joint venture is located which might adversely affect the operating results of this joint venture in the foreseeable future.

The remaining balance is interest-free and repayable on demand.

- (iii) The amounts due to non-controlling shareholders of the Group's subsidiaries are non-trade in nature and unsecured.

Included in the balances as at 30 June 2026, there were amounts of HK\$398,837,000 (2025: HK\$387,650,000) which represented loans advanced from non-controlling shareholders of subsidiaries of the Group at interest rates ranging from 3% to 3.1% (2025: 3% to 3.1%) per annum.

The remaining balances were interest-free and repayable on demand.

- (iv) The amounts due to the Group's intermediate holding company (i.e., SIHL) are non-trade in nature, interest-free and repayable on demand.
- (v) On 26 May 2026, the Group entered into a 3-year loan agreement with SIIC Finance Company Limited, a subsidiary of SIIC, for an unsecured borrowing at the principal amount of RMB241,500,000. The loan carried interest at a variable interest rate based on the 1-year Loan Prime Rate ("LPR") minus 71 basis points and will mature on 26 May 2029.
- (vi) On 27 February 2026, the Group entered into a 30-month loan agreement with S.I. Management (Shanghai) Company Limited, a subsidiary of SIHL, for an unsecured borrowing at a principal amount of RMB2,500,000,000. The loan carried interest at a variable interest rate based on the 1-year LPR, adjusted annually.

On 26 November 2025, the Group entered into short-term loan agreement with SIHL Finance Limited, a subsidiary of SIHL, for an unsecured borrowing at a principal amount of RMB870,000,000. The variable interest rate for the loan is the lender's RMB borrowing cost or deposit rate (whichever is higher), plus 1.0%, recalculated monthly, and the loan will mature on 24 November 2026.

- (vii) The Group entered into a property leasing agreement with Shanghai Huanyu Urban Investment and Development Co., Ltd., which is a company established in the PRC and wholly owned by Xuhui SASAC, a non-controlling shareholder, for the lease of a property and certain car parks where the Group is a lessee for a term of five years ending 30 April 2029. The Group has the right to extend the term for a further five years upon expiry.

20. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the end of the reporting period.

21. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 26 August 2026.