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

Stock Code 股份代號: 00081

2026 INTERIM REPORT
二零二六年中期報告

厚植優勢
奮進新程

Building on Our Advantages
Forging Ahead on a New Journey

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Board of Directors and Committees

EXECUTIVE DIRECTORS

Zhuang Yong *(Chairman)*
Yang Lin *(Chief Executive Officer)*
Zhou Hancheng *(Vice President)*

NON-EXECUTIVE DIRECTORS

Yung Kwok Kee, Billy *(Vice Chairman)*
Liu Ping

INDEPENDENT NON-EXECUTIVE DIRECTORS

Chung Shui Ming, Timpson
Lam Kin Fung, Jeffrey
Fan Chun Wah, Andrew

AUTHORISED REPRESENTATIVES

Zhuang Yong
Yang Lin

AUDIT COMMITTEE

Chung Shui Ming, Timpson *(Chairman)*
Lam Kin Fung, Jeffrey
Fan Chun Wah, Andrew

REMUNERATION COMMITTEE

Lam Kin Fung, Jeffrey *(Chairman)*
Yung Kwok Kee, Billy
Chung Shui Ming, Timpson
Fan Chun Wah, Andrew

NOMINATION COMMITTEE

Fan Chun Wah, Andrew *(Chairman)*
Zhuang Yong
Liu Ping
Chung Shui Ming, Timpson
Lam Kin Fung, Jeffrey

Corporate and Shareholders' Information

CORPORATE INFORMATION

Registered Office

Suites 701–702, 7/F., Three Pacific Place
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COMPANY SECRETARY

Anita Wong

SHARE REGISTRAR

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Facsimile : (852) 2810 8185
E-mail : is-enquiries@vistra.com

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and Registered Public Interest Entity Auditor

PRINCIPAL BANKERS

(In Alphabetical Order)

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

Corporate and Shareholders' Information

SHAREHOLDERS' INFORMATION

Share Listing

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

Ordinary Shares (as at 30 June 2026)

Shares outstanding	3,559,374,732 shares

INVESTOR RELATIONS

Telephone	:	(852) 2988 0600
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STOCK CODE

Shares

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

FINANCIAL CALENDAR

2026 interim results announcement	24 August 2026
Ex-dividend date	17 September 2026
Latest time to lodge transfer documents for registration with the Company's share registrar	At 4:30 p.m. on 18 September 2026
Book closure period and record date for interim dividend	21 September 2026
Payment date of interim dividend	16 October 2026

Chairman's Statement

INTRODUCTION

I am pleased to present the unaudited interim results review and outlook of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2026 (the "first half of 2026" or the "Period Under Review").

In the first half of 2026, the Group achieved a revenue of RMB14,145 million, a decrease of 2.7% as compared to the corresponding period last year. Profit attributable to owners of the Company amounted to RMB328 million, an increase of 15.4% as compared to the corresponding period last year. Basic earnings per share was RMB9.2 cents.

After a prudent review on the overall result performance and working capital requirements for the future operations of its business, the board of directors of the Company (the "Board") gratefully declared an interim dividend of HK1.5 cents per share for the six months ended 30 June 2026.

MARKET REVIEW

2026 marks the commencement of the 15th Five-Year Plan. In the first half of the year, China's economy demonstrated remarkable resilience and robust potential for sustainable growth. Despite persistent external uncertainties, steady economic momentum was sustained by a gradual recovery in domestic demand, proactive policy support, and resilient export performance, delivering year-on-year GDP growth of 4.7%.

During the Period Under Review, government policies towards the property sector shifted in tone. The earlier focus on arresting the market's decline gave way to a broader, more sustained effort to stabilize the market. This shift was underpinned by a steadily maturing framework of city-specific measures to moderate new supply, reduce existing inventory, and improve housing provision. The market continued to find its footing, with price declines narrowing, though recovery remained uneven. Primary residential sales in core cities edged higher in the second quarter, while the secondary market outperformed the primary one as liquidity improved along the trade-up chain. According to CRIC data, residential property sales in the top 100 cities totaled RMB1.76 trillion in the first half of 2026, down 13.2% year-on-year, with sales areas contracting by 12.9% year-on-year to 82.12 million square meters ("sq.m.").

MARKET REVIEW *(continued)*

Against the backdrop of a rapidly shifting global landscape, the real estate sector is steadily moving toward stabilization and recovery. Across our core cities, structural opportunities are becoming increasingly evident, driven by sustained population inflows and robust industrial momentum. Demand for housing upgrades becomes a key catalyst for the primary market, contributing to a gradual yet uneven recovery. In response to these evolving dynamics, the Group remains vigilant and agile. We will continue to capture strategic opportunities while upholding financial prudence and delivering sustainable growth.

BUSINESS REVIEW

Against a complex macro backdrop and ongoing sector consolidation, the Group set stable growth as its operating target for the inaugural year of the 15th Five-Year Plan, strengthening operational and cash flow discipline while steadily advancing key initiatives.

During the Period Under Review, the Group together with its associates and joint ventures (collectively the "Group Series of Companies") achieved contracted property sales of RMB19,138 million, representing an increase of 15.2% as compared to the corresponding period last year. The contracted sales area was 1,647,100 sq.m., up 11.9% compared to the corresponding period last year. Contracted property sales attributable to the Group for the Period Under Review amounted to RMB16,458 million, representing an increase of 15.5% as compared to the corresponding period last year. According to CRIC data, while the majority of the top 20 real estate companies experienced contraction in scale, the Group ranked 14th in terms of attributable sales, rising six places from the end of 2025. The Group continued to reduce inventory, achieving an average residential property selling price of approximately RMB12,725 per sq.m., representing a year-on-year increase of 3.9%. As of 30 June 2026, the balance of preliminary sales pending the completion of sales and purchase agreements was RMB720 million for an aggregated contracted area of 55,100 sq.m..

BUSINESS REVIEW *(continued)*

During the Period Under Review, the Group successfully rolled out its experiential sales strategy, ensuring key amenities including clubhouses, show flats, stilt-floor leisure spaces, underground garages, and landscaping were fully completed prior to launch. Across all developments, the average presentation cycle was 5 months. This approach effectively balanced operational efficiency with an elevated customer experience, further enhancing the market competitiveness of our projects.

The Group's deep-rooted competitive edge and brand equity across mid-tier cities continue to gain strong momentum. The Group ranked among the top three by sales value in 18 cities, securing the number-one market position in 12 cities, including Hefei, Lanzhou, Huizhou, Tangshan, Yinchuan, Shantou, Yangzhou, Taizhou, Ganzhou, Huai'an, Zhuzhou and Jilin, marking an expansion of five additional top-ranking city markets compared to end 2025.

In the first half of 2026, land policies maintained a clear focus on moderating supply, activating existing inventory, and strictly controlling new project additions, leading to an overall contraction of land supply. The Group remained committed to its "3P" investing strategy, targeting the most "Prominent" cities and their "Prime" locations while focusing on "Popular" property types. Leveraging the "China Overseas Properties" platform and brand strength, the Group proactively secured projects through disciplined market analysis, ensuring profit delivery and fast cash turnover. This approach supported the continuous replenishment of the Group's prime land bank, enabling footprint expansion and market share growth. During the Period Under Review, the Group Series of Companies acquired four projects through public auctions, adding total gross floor area ("GFA") of 484,000 sq.m., with total land cost amounting to RMB2,078 million; and attributable GFA of 484,000 sq.m., with attributable land cost amounting to RMB2,078 million.

As of 30 June 2026, the GFA of the total land bank of the Group Series of Companies was 11,430,500 sq.m., of which 9,804,100 sq.m. were attributable to the Group.

BUSINESS REVIEW *(continued)*

"Good Housing" forms the cornerstone of the Group's long-term reputation, accelerating inventory turnover and driving underlying asset value. Capitalizing on our nationwide footprint, the Group continued to refine the initiative's design and quality standards, leveraging superior quality to drive new demand. Through the Companionship Programme with strategic suppliers, the Group continued to reinforce the ecosystem for "Good Housing" and advance construction quality. The Group also elevated Quality Service into a pivotal pillar of its operational model, enhancing synergistic service delivery across its portfolio. During the Period Under Review, Hefei Central Manor was named to China State Construction's second batch of "Good Housing" demonstration projects, while Lanzhou Paragon was recognized as a provincial model for engineering quality in Gansu. Hefei Luxury Mansion, Huizhou One Sino Residences, and Tangshan One Sino Residences each achieved contracted sales surpassing RMB1.0 billion in the first half of the year, demonstrating how the "Good Housing" initiative empowers robust sales performance.

During the Period Under Review, the Group delivered tangible results in building its Quality Service system, establishing a comprehensive three-tier framework across standards, execution, and evaluation. A total of 18 demonstration projects were rolled out as quality benchmarks. Leveraging synergies between property development and management, the Group resolved homeowner priorities and facilitated the use of public maintenance funds to revitalize older properties. Meanwhile, the neighborhood community program hosted over 100 events, drawing more than 100,000 participants.

The Group's strong record of delivery reinforces customer confidence in its industry-leading execution capabilities. During the first half of 2026, the Group had successfully delivered approximately 5,770 new homes. Delivery satisfaction rating was 95%, top among industry peers. Our proven track record for ensuring high-quality delivery of new homes is highly recognized and makes us a top brand in the sector.

BUSINESS REVIEW *(continued)*

During the Period Under Review, the Group's commercial property operations grew steadily, with key projects advancing swiftly. The commercial property operation business (including non-consolidated projects) of the Group Series of Companies achieved turnover amounting to RMB268 million, up 11% year-on-year, while leased area expanded 24.6% year-on-year to 598,000 sq.m.. A major highlight was the late-June debut of Weifang Uni World, which welcomed over 130,000 visitors in its first two days, earning strong recognition across various stakeholder groups. Preparations for upcoming major projects, including Weifang Hilton Hotel, Jilin Uni Mall and Zunyi Uni Mall, progressed on track.

Amid the headwind in the real estate sector, the Group strengthened its operating cash flow management, and our strong financial position stood the Group in good stead. The Group Series of Companies recorded receipts from sales totaling RMB17,972 million for the period, with operational cash flow keeping positive for five consecutive years. Cash reserves reached RMB30,999 million, with a cash-to-short-term debt ratio of 3.6 times. The net gearing ratio improved further, declining from 31.7% as at the end of last year to 18.5% as at the period end. None of the "Three Red Lines" was breached. The weighted average financing cost remained at an industry low of 3.3% (the corresponding period in 2025: 3.5%).

The Group embedded sustainability principles into its core operations, aligning environmental, social and governance ("ESG") priorities with its business strategy. It adopted green building standards, urban renewal practices, low-carbon materials, renewable energy solutions, and energy monitoring systems across its operations and project management. Leveraging its exceptional ESG performance, the Group maintained an "A" rating in the MSCI ESG assessment for the second consecutive year and achieved S&P Global Corporate Sustainability Assessment ("CSA") score of 65, ranking among the top three real estate developers. The Group was also selected for inclusion in the S&P Global Sustainability Yearbook 2026 for the first time, underscoring international recognition of its ESG leadership. Green financing efforts progressed steadily, with sustainability-linked offshore RMB loans reaching RMB3,874 million in Hong Kong.

BUSINESS REVIEW *(continued)*

COGO Low Carbon Building Technology Co., Ltd.* ("COGO Low Carbon"), a subsidiary of the Company, accelerated its ESG digitalization capabilities to continuously enhancing its integrated "Consulting, Digitalization, and Technology" service framework. The ESG digital platform developed for China State Construction Engineering Corporation Limited was officially delivered and commissioned. COGO Low Carbon also actively engaged in providing ESG advisory services for aging community renovation projects, leveraging market-oriented mechanisms to empower green development.

PROSPECTS

Looking ahead to the second half of 2026, new residential supply is expected to remain constrained as the real estate sector continues to bottom out, accelerating the market's transition toward a healthy supply-demand equilibrium. Supported by the launch of premium "Good Housing" projects and improving supply-demand dynamics in the secondary market, transaction activity across the Group's core cities is expected to remain resilient. The Group will prioritize operational prudence and financial resilience, adhering strictly to its "Balanced and Refined" strategic positioning. The Group will also deepen its strategy of leveraging new projects to revitalize legacy assets, balancing fresh investments with efficient inventory absorption. Through continuous innovation across products, technology, and management, the Group will strengthen its capabilities and drive sustainable growth across market cycle.

Despite sector headwinds, the Group remains confident in the long-term potential of its core markets. In mid-tier cities, a reshaped competitive landscape and growing demand for quality housing have created structural opportunities for well-positioned developers. Leveraging our credit advantages as a state-owned enterprise, robust finances, agile national footprint and strong local brand reputation, the Group will capture market opportunities to replenish quality land bank through diversified strategies, laying a solid foundation for long-term, high-quality development.

* English translation is for identification only

PROSPECTS *(continued)*

In the evolving competitive landscape, customer demand for premium housing has become increasingly critical. The Group is systematically advancing its "Good Housing" initiative to develop safe, comfortable, green, and smart residences aligned with customer needs. By delivering exceptional product quality and superior service, the Group aims to maintain industry-leading customer satisfaction levels, reinforcing the brand equity of "China Overseas Properties" through high-standard project deliveries to achieve sustainable, high-quality growth.

On the financial management front, amid sector volatility, the Group will adhere to prudent and sound financial strategy. The Group remains committed to strengthening cash flow management, cost control, and risk oversight. To safeguard balance sheet security and resilience, the Group will dynamically optimize its debt structure, meticulously manage financing costs, and maintain ample liquidity reserves alongside financial flexibility. The Group will closely monitor the impact of external developments and market dynamics, adapting its strategy with agility to ensure capital safety and financial efficiency.

Guided by people-first philosophy that values talent diversity, the Group regards its employees as the key to success. Amid evolving market dynamics, the Group balances operational efficiency with a steadfast commitment to employee well-being. Even as the market shifts, the Group holds operational efficiency and employee well-being in equal measure. It continued to refine its organisational structure and workforce allocation, accelerate human resources management digitalization, and build digital capabilities across the team, balancing performance with labour-cost discipline. Alongside this, the Group deepened its training and succession pipelines, fostering a transparent, positive workplace where personal growth and corporate progress reinforce each other, and the rewards of growth are shared.

Looking forward, China's economy is set for stable growth, driven by supportive policies, stronger consumer spending, and increased investment. The property market continues to stabilize, with buyer confidence steadily improving. Supported by its strong financial position, the Group will capture high-potential opportunities, meeting varied demands across cities and buyer groups. The Group will also focus on innovative, upgraded products, balancing proactive expansion with prudent strategies to navigate market challenges.

APPRECIATION

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

Zhuang Yong
Chairman and Executive Director

Hong Kong, 24 August 2026

BUSINESS REVIEW

REVENUE AND OPERATING RESULTS

In the first half of 2026, the real estate market of the Chinese Mainland continued to show narrowing declines and signs of bottoming out, with inter-city divergence deepening along cyclical and structural lines. On the policy front, policymakers reaffirmed the objective of stabilizing the market, implementing city-specific measures, refined provident fund policies, and demand-side incentives such as home trade-in programmes and purchase subsidies. On land supply, the policy of linking new supply to existing stock absorption led to a marked reduction in land supply during the period. Overall, market performance was steady and improving.

Backed by a consistently sound financial position, the Group remained committed to delivering quality Good Housing. Its products earned strong recognition in mid-tier cities. During the period, market share continued to expand across the Group's key cities, delivering on its target of steady growth.

For the six months ended 30 June 2026, the Group Series of Companies achieved contracted property sales of RMB19,138 million (the corresponding period in 2025: RMB16,610 million), representing an increase of 15.2% against the corresponding period last year, of which RMB896 million (the corresponding period in 2025: RMB973 million) was contributed by associates and joint ventures. Contracted property sales attributable to the Group amounted to RMB16,458 million for the period (the corresponding period in 2025: RMB14,246 million), representing an increase of 15.5% against the corresponding period last year.

For the six months ended 30 June 2026, the Group recorded revenue of RMB14,145 million (the corresponding period in 2025: RMB14,543 million), representing a decrease of 2.7% against the corresponding period last year. During the period, gross profit was RMB1,670 million (the corresponding period in 2025: RMB1,348 million), representing an increase of 23.9% against the corresponding period last year, and the overall gross profit margin increased to approximately 11.8% (the corresponding period in 2025: 9.3%). The improvement reflected the growing traction of the Group's strategy of leveraging new projects to drive absorption of legacy inventory.

BUSINESS REVIEW *(continued)*

REVENUE AND OPERATING RESULTS *(continued)*

In terms of expenses, the Group maintained tight cost discipline. Distribution and selling expenses for the period decreased by RMB5 million against the corresponding period last year to RMB564 million (the corresponding period in 2025: RMB569 million) and the ratio of distribution and selling expenses to the Group's contracted property sales maintained at less than 4% for both the current period and corresponding period last year. In addition, administrative expenses for the period decreased by RMB8 million against the corresponding period last year to RMB282 million (the corresponding period in 2025: RMB290 million) and the ratio of the administrative expenses to revenue maintained at less than 2% for both the current period and corresponding period last year.

Mainly affected by the above-mentioned increase in gross profit and cost reduction measures, operating profit for the period amounted to RMB1,015 million (the corresponding period in 2025: RMB622 million), representing an increase of 63.3% against the corresponding period last year.

The total interest expense for the period decreased by RMB40 million against the corresponding period last year to RMB670 million (the corresponding period in 2025: RMB710 million), which was mainly due to the Group's continuing maintenance of effective interest cost control measures during the period. Finance costs, after capitalization of RMB653 million (the corresponding period in 2025: RMB691 million) to the on-going property development projects, was RMB17 million (the corresponding period in 2025: RMB19 million) for the period.

Share of losses of associates for the period amounted to RMB44 million (the corresponding period in 2025: losses of RMB18 million), while the share of losses of joint ventures for the period amounted to RMB39 million (the corresponding period in 2025: losses of RMB36 million). During the period, property sales of certain real estate development projects of associates and joint ventures were also affected by the ongoing market consolidation.

Income tax expense comprised enterprise income tax and land appreciation tax ("LAT"). Income tax expense for the period increased by RMB389 million to RMB556 million (the corresponding period in 2025: RMB167 million) as compared with the corresponding period last year, mainly due to the adjustments upon the settlements of LAT in the corresponding period last year.

BUSINESS REVIEW *(continued)*

REVENUE AND OPERATING RESULTS *(continued)*

Overall, for the six months ended 30 June 2026, profit attributable to owners of the Company amounted to RMB328 million (the corresponding period in 2025: RMB284 million), representing an increase of 15.4% against corresponding period last year. Basic earnings per share were RMB9.2 cents (the corresponding period in 2025: RMB8.0 cents).

LAND BANK

Management considers a well-scaled, high-quality land bank to be a property developer's most critical assets and the foundation of sustainable growth. To navigate the challenging market, the Group continues to sharpen its investment assessment capabilities, actively capturing structural opportunities. It acquires quality land parcels at disciplined prices, continuously replenishing and upgrading its land bank. Constrained by a significant reduction in land supply, the land cost and saleable value in relation to the new land bank replenished in the first half of the year decreased considerably when compared to the same period last year.

During the six months ended 30 June 2026, the Group Series of Companies acquired four projects at an aggregate consideration of RMB2,078 million in three key cities where it operates, including Taizhou, Yinchuan and Tangshan, whereby gross floor area of approximately 484,000 sq.m., of which approximately 484,000 sq.m. was attributable to the Group.

In July 2026, the Group Series of Companies further acquired a project at a consideration of RMB549 million in Huizhou, whereby gross floor area of approximately 161,300 sq.m., of which approximately 161,300 sq.m. was attributable to the Group. The Group is committed to maintaining its investment scale. In view of the opportunities arising from increasing land supply, the Group will further step up capital deployment in the second half of the year to support future growth.

Furthermore, during the period, the Group also acquired the remaining equity interests of two cooperative projects in Hefei for an aggregate consideration of approximately RMB104 million, which provided the Group with greater flexibility to dispose of the remaining assets, and enhanced the overall operational efficiency of the Group.

LAND BANK *(continued)*

The table below shows the details of land parcels acquired during the six months ended 30 June 2026:

No.	City	Name of project	Attributable Interest	Total GFA (sq.m.)
1	Taizhou	Medical High Tech Zone Project (Central Mansion)	100%	86,700
2	Yinchuan	Jinfeng District Project (Central Mansion)	100%	299,400
3	Tangshan	Lubei District Project #1	100%	62,600
4	Tangshan	Lubei District Project #2	100%	35,300
Total				**484,000**

As at 30 June 2026, the gross floor area of total land bank of the Group Series of Companies in the Chinese Mainland reached 11,430,500 sq.m. (31 December 2025: 11,992,300 sq.m.), of which 908,400 sq.m. (31 December 2025: 994,500 sq.m.) was held by associates and joint ventures collectively. The gross floor area of land bank attributable to the Group (including the interests in associates and joint ventures) was 9,804,100 sq.m. (31 December 2025: 10,255,100 sq.m.). As at 30 June 2026, the Group Series of Companies held a land bank distributed across 31 cities.

SEGMENT INFORMATION

PROPERTY DEVELOPMENT

The Group remained focused on mid-tier cities in the Chinese Mainland, anchoring its product strategy on trade-up housing demand. With deep insight into each city's distinct demand structure, it tailored offerings to local market conditions and target customer profiles. Its research and development centre continued to deepen product expertise, integrating the Good Housing framework into product delivery to offer customers higher-quality homes. Product competitiveness and brand equity across the Group's markets continued to strengthen.

SEGMENT INFORMATION *(continued)*

PROPERTY DEVELOPMENT *(continued)*

For the six months ended 30 June 2026, contracted property sales of the Group Series of Companies amounted to RMB19,138 million (the corresponding period in 2025: RMB16,610 million), representing an increase of 15.2% against the corresponding period last year. The contracted area sold was 1,647,100 sq.m. (the corresponding period in 2025: 1,472,400 sq.m.), representing an increase of 11.9% against the corresponding period last year. Of the contracted property sales, RMB896 million for an aggregated contracted area of 75,300 sq.m. (the corresponding period in 2025: contracted property sales amounted to RMB973 million for an aggregated contracted area of 99,200 sq.m.) was contributed by associates and joint ventures. Besides, as at 30 June 2026, the balance of preliminary sales pending the completion of sales and purchase agreements was RMB720 million for an aggregated contracted area of 55,100 sq.m..

Contracted property sales from major projects during the six months ended 30 June 2026:

City	Name of project	Contracted Area (sq.m.)	Amount (RMB Million)
Hefei	Luxury Mansion / Infinity Vision / Inner Mansion / Central Manor III / Luxury Mansion II^ / Central Manor II / Mount and Lake	154,604	3,054
Lanzhou	Center Mansion / Antara / China Overseas Platinum Garden / Paragon / Eternal Vision / The Platinum Mansion / Infinity Vision	156,492	1,860
Huizhou	One Sino Residences / Megacity Times / Glorious Palace	140,341	1,808
Tangshan	One Sino Residences / Maple Palace	80,346	1,353
Yinchuan	Private Mansion / One Sino Residences / Unique Palace / Sea Advanced Collection / Genius Garden	86,343	1,006

SEGMENT INFORMATION *(continued)*

PROPERTY DEVELOPMENT *(continued)*

Contracted property sales from major projects during the six months ended 30 June 2026: *(continued)*

City	Name of project	Contracted Area (sq.m.)	Amount (RMB Million)
Nantong	Center Mansion II / Hills Scenery / Center Mansion	57,162	972
Shantou	The Rivera North City / Guan Yun Fu / Golden Coast / Platinum Mansion	82,527	795
Yangzhou	The Paragon IV / The Paragon Yard / The Paragon / Jiangnan Courtyard	58,062	782
Taizhou	Jinmao Palace* / Royal Mansion	60,296	675
Hohhot	Private Mansion	51,344	645
Ganzhou	The One Future / Central Mansion	50,925	507
Nanning	Infinity Vision / One Sino Residences / Harrow Community	49,247	489
Huai'an	Honor Mainstays / Central Mansion	43,394	487
Xuzhou	Lake City Mansion / Jewel Manor / Future Land	40,593	423
Quanzhou	Private Mansion / Master Mansion / Infinity Vision	25,154	329
Shaoxing	Lake Mansion / Marina One	14,375	310
Zibo	Genius Garden / Jade Park^ / Glory Lake The Pu Yue	46,662	302
Weifang	Da Guan Tian Xia	39,237	295
Baotou	Infinity Vision	36,386	294
Yancheng	Origin of City / Mansion One / Sanguinely Life^	32,405	294
Zhuzhou	Elegance Mansion / Majestic Mansion	36,030	257
Jining	Elegant Mansion	23,234	240
Jilin	Metropolis Times / Glorioushire	40,981	208

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

^ These projects are held by the associates of the Group

SEGMENT INFORMATION *(continued)*

PROPERTY DEVELOPMENT *(continued)*

During the period, gross floor area of approximately 1,111,800 sq.m. (the corresponding period in 2025: 1,570,400 sq.m.) of the Group's construction sites were completed for occupation and of which, approximately 73% (the corresponding period in 2025: 75%) had been sold by the end of the period. The Group continued to focus on promoting sales, responding promptly to market shifts to safeguard its financial soundness.

For the six months ended 30 June 2026, the recognized revenue of the Group for this segment was RMB13,883 million (the corresponding period in 2025: RMB14,308 million), representing a decrease of 3.0% against the corresponding period last year. The revenue for the current period was mainly from the sales of high-rise and low-rise residential projects. Driven primarily by continued optimization of project pricing and cost control, the gross profit margin of this segment increased to approximately 11.5% (the corresponding period in 2025: 8.6%) when compared to corresponding period last year.

The Group jointly developed certain property development projects through associates and joint ventures alongside business partners. The Group's share of net losses from the associates and joint ventures included in the segment result for the period amounted to RMB85 million (the corresponding period in 2025: net losses of RMB57 million).

Overall, the segment profit for the period was recorded at RMB805 million (the corresponding period in 2025: RMB449 million).

SEGMENT INFORMATION *(continued)*

PROPERTY DEVELOPMENT *(continued)*

Recognized revenue from major projects during the six months ended 30 June 2026:

City	Name of project	Contracted Area (sq.m.)	Amount (RMB Million)
Hefei	Jewel Manor / Skyline / Mount and Lake	140,875	3,183
Yinchuan	Unique Palace / Sea Advanced Collection / Genius Garden	137,074	1,431
Ganzhou	Central Mansion / The One Future	83,107	999
Shantou	The Rivera North City / Platinum Mansion / Golden Coast / Guan Yun Fu / Guan Lan Fu	92,540	911
Xuzhou	Jewel Manor / Lake City Mansion / Future Land	70,517	905
Nantong	Center Mansion / Hills Scenery	40,075	823
Hohhot	Central Mansion / Hohhot Glorioushire / River View Mansion / Zhonghai Zhen Ru Fu / The Premier Mansion	61,644	745
Yangzhou	The Paragon Yard / The Paragon / Jiangnan Courtyard	48,577	738
Weifang	Da Guan Tian Xia / Royal Villa / The Riviera	45,536	343
Tianshui	The Platinum Pleased Mansion	37,699	340
Huai'an	Honor Mainstays / Central Mansion	27,999	331
Nanning	One Sino Residences / Harrow Community / Lake Palace / Celestial Heights	21,673	299
Zibo	Genius Garden	42,617	291
Quanzhou	Private Mansion / Master Mansion	22,239	282
Taizhou	Royal Mansion / Graceful Mansion	22,902	221
Huizhou	Megacity Times / Glorious Palace	24,503	168
Zhuzhou	Elegance Mansion	21,287	157

SEGMENT INFORMATION *(continued)*

PROPERTY DEVELOPMENT *(continued)*

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

City	Name of project	Commenced by
Yangzhou	Jiangnan Courtyard	January
Lanzhou	Eternal Vision	March
Quanzhou	Infinity Vision	March
Yinchuan	One Sino Residences	March
Hefei	Eternal Vision	April
Hefei	Luxury Mansion II	April
Jining	Elegant Mansion	April
Lanzhou	Eternal Tianfu	April
Lanzhou	Sky Praise Villa	April
Taizhou	Central Mansion	April
Tangshan	One Sino Residences	April

As at 30 June 2026, the gross floor area of properties under construction and stock of completed properties amounted to 5,959,900 sq.m. (31 December 2025: 5,875,700 sq.m.) and 2,977,100 sq.m. (31 December 2025: 3,539,100 sq.m.) respectively, totalling 8,937,000 sq.m. (31 December 2025: 9,414,800 sq.m.). Properties with gross floor area of 2,782,400 sq.m. (31 December 2025: 2,254,200 sq.m.) had been contracted for sales and were pending for handover upon completion.

SEGMENT INFORMATION *(continued)*

COMMERCIAL PROPERTY OPERATIONS

In respect of the commercial property operation business, the Group maintains a high-quality commercial property portfolio in the Chinese Mainland, continuously generating stable recurring income for the Group.

For the period ended 30 June 2026, the commercial property operation business (including non-consolidated projects) of the Group Series of Companies achieved turnover amounting to RMB268 million (the corresponding period in 2025: RMB242 million), representing an increase of 11.0% against the corresponding period last year.

As at 30 June 2026, the aggregate carrying amount of commercial properties situated in twelve cities in the Chinese Mainland held by the Group Series of Companies amounted to RMB8,366 million (31 December 2025: RMB8,066 million), comprising commercial properties including eight office buildings, twelve shopping malls and commercial area, five hotels, and four long-term leased apartments projects.

As at 30 June 2026, total leased area amounted to nearly 598,000 sq.m. (31 December 2025: 549,600 sq.m.), representing an increase of 8.8% against last year end; the occupancy rate was around 90.6% (31 December 2025: 89.8%), representing an increase of 0.8% against last year end.

For the six months ended 30 June 2026, the revenue of the Group for this segment amounted to RMB262 million (the corresponding period in 2025: RMB235 million), of which RMB147 million (the corresponding period in 2025: RMB151 million) arose from leased property rental income and RMB115 million (the corresponding period in 2025: RMB84 million) mainly arose from hotel operations. The commercial property operation business remained on a stable growth in general.

In respect of the investment properties, no fair value adjustment was recognized for the period (the corresponding period in 2025: Nil).

Overall, the segment profit for the period was RMB67 million (the corresponding period in 2025: RMB111 million).

FINANCIAL RESOURCES AND LIQUIDITY

The Group has consistently adopted prudent financial management approach and kept maintaining its healthy financial condition. The Company and its subsidiaries have gained multiple accesses to funds from both investors and financial institutions in the Chinese Mainland, Hong Kong and international market to meet its requirements in working capital, refinancing and project development. During the period, financing channels in the Chinese Mainland and Hong Kong remained readily accessible, underscoring the Group's competitive strengths. The Group also continues to successfully expand new financing channels.

In respect of financing in the Chinese Mainland, under the favourable corporate financing environment, the Group successfully issued additional tranches of corporate bonds in the Chinese Mainland during the period, totalling an aggregate amount of RMB2,200 million. Those tranches of bonds had maturities of three to four years with coupon rates of between 1.98% and 2.40% per annum. Furthermore, the Group has additionally drawn down an additional RMB150 million of operating property loans through its commercial property with a tenure of ten years during the period. During the period, the Group continued securing financings in the Chinese Mainland at lower interest rates, effectively controlling financing costs and maintaining the Group's cost of funds at the low end within the industry.

In respect of financing in Hong Kong, the Group successfully issued its first-ever offshore RMB bond in Hong Kong during the period, with an issuance amount of RMB1.3 billion, on a three-year term with a coupon rate of 3.2%, which attracted enthusiastic investments from mainstream banks, insurance institutions, fund companies and other investors. Furthermore, as most Hong Kong Dollar ("HKD") floating rate bank loans have been refinanced into RMB fixed rate bank loans with lower interest rates, the overall interest expenses in Hong Kong has further decreased.

During the six months ended 30 June 2026, the Group secured new credit facilities of RMB8,274 million from leading financial institutions. After taking into account drawdowns of RMB8,606 million, repayment of loans of RMB10,790 million and decrease of RMB45 million due to translation of HKD loan during the period, total bank and other borrowings (excluding guaranteed notes and corporate bonds) decreased by RMB2,229 million as compared to the end of last year to RMB31,678 million (31 December 2025: RMB33,907 million).

FINANCIAL RESOURCES AND LIQUIDITY *(continued)*

The total bank and other borrowings (excluding guaranteed notes and corporate bonds) included RMB loans of RMB30,845 million (31 December 2025: RMB32,417 million) and HKD loans of HK$960 million (equivalent to RMB833 million) (31 December 2025: HK$1,658 million <equivalent to RMB1,490 million>). About 97.4% and 2.6% (31 December 2025: 95.6% and 4.4%) of the Group's total bank and other borrowings (excluding guaranteed notes and corporate bonds) were denominated in RMB and HKD respectively.

As at 30 June 2026, bank and other borrowings amounted to RMB14,838 million (31 December 2025: RMB15,062 million) were charged at fixed interest rates ranging from 2.4% to 4.0% (31 December 2025: 2.5% to 4.0%) per annum, while the remaining bank and other borrowings of RMB16,840 million (31 December 2025: RMB18,845 million) were charged at floating interest rates ranging from 2.4% to 4.2% (31 December 2025: 2.4% to 4.7%) per annum. About 46.8% and 53.2% (31 December 2025: 44.4% and 55.6%) of the Group's total bank and other borrowings (excluding guaranteed notes and corporate bonds) were charged at fixed and floating interest rates respectively. About 21.5% (31 December 2025: 27.9%) of bank and other borrowings is repayable within one year.

As at 30 June 2026, the outstanding guaranteed notes and corporate bonds issued by the Group amounted to RMB1,300 million (31 December 2025: Nil) and RMB5,000 million (31 December 2025: RMB5,000 million), respectively, totalling RMB6,300 million (31 December 2025: RMB5,000 million).

To rein in financing costs, the Group continued to reduce its overall debt levels during the period. As at 30 June 2026, the Group's total borrowings (including guaranteed notes and corporate bonds) amounted to RMB37,978 million (31 December 2025: RMB38,907 million), which decreased by RMB929 million and of which about 97.8% and 2.2% (31 December 2025: 96.2% and 3.8%) were denominated in RMB and HKD/United States Dollar ("USD") respectively. The proportion of total borrowings denominated in RMB continued to remain at an appropriately high level. As at 30 June 2026, the average tenure of total borrowings of the Group was extended to 3.4 years (31 December 2025: 3.3 years).

FINANCIAL RESOURCES AND LIQUIDITY *(continued)*

For the six months ended 30 June 2026, in respect of total borrowings (including guaranteed notes and corporate bonds) of the Group, the weighted average borrowing cost during the period was 3.3% per annum, which slightly decreased from 3.4% per annum for the year ended 31 December 2025.

For the six months ended 30 June 2026, sales deposits collection from properties sales remained satisfactory. Receipts from sales of the Group Series of Companies reached RMB17,972 million for the period with the cash collection ratio exceeded 93.9%. The operating cash flow of the Group continued to record a net inflow of RMB5,974 million for the period. Cash and bank balances was RMB30,999 million (31 December 2025: RMB26,865 million) in total as at 30 June 2026, which increased by RMB4,134 million against that as at last year end. Cash and bank balances accounted for 26.6% of the Group's total assets as at 30 June 2026 (31 December 2025: 22.6%), which maintained at a very healthy level. Of which, 99.3% (31 December 2025: 99.5%) was denominated in RMB while the remaining were in HKD and USD.

As at 30 June 2026, net working capital of the Group amounted to RMB62,724 million (31 December 2025: RMB58,879 million), with a current ratio of 2.4 (31 December 2025: 2.2).

As at 30 June 2026, the net gearing ratio, expressed as a percentage of net debts (i.e. total borrowings, including guaranteed notes and corporate bonds, net of cash and bank balances) to total equity, was 18.5% (31 December 2025: 31.7%). The liabilities-to-assets ratio of the Group was 67.6% (31 December 2025: 67.9%), which continuously improved over the past few years. The management closely monitors the financial position of the Group to ensure healthy development of the operation scale and business.

Besides, according to the "Three Red Lines" real estate financial supervision policy in the Chinese Mainland, as at 30 June 2026, the liabilities-to-assets ratio (excluding pre-sales proceeds) was 60.0% (31 December 2025: 61.4%), net gearing ratio was 18.5% (31 December 2025: 31.7%) and cash-to-short-term debt ratio was 3.6 times (31 December 2025: 1.8 times). Therefore, the Group did not breach any of the red lines and maintained its status as a "Green Category" enterprise, and the above-mentioned indicators continue to improve over the past few years at a healthy level.

FINANCIAL RESOURCES AND LIQUIDITY *(continued)*

Taking into account of the unutilized bank credit facilities available to the Group of RMB11,777 million (31 December 2025: RMB12,940 million), the Group's total available funds (including cash and bank balances) reached RMB42,776 million as at 30 June 2026 (31 December 2025: RMB39,805 million).

Given rapidly changing conditions in the property and capital markets and shifting government policies, liquidity risk management is critical to sustaining the Group's stable and sustainable growth. The Group continues to enforce centralized financing and cash management policies, maintaining healthy cash flow and minimizing financial risk to safeguard sound operations and a solid financial position. Amid a complex and unpredictable geopolitical environment and markedly intensified financial market volatility, the Group maintains close dialogue with its financial institution partners, ensures compliance with financing covenants, and secures their continued support.

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

FOREIGN EXCHANGE EXPOSURE

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

However, as at 30 June 2026, about 2.2% (31 December 2025: 3.8%) of the Group's total borrowings (including guaranteed notes and corporate bonds) were still denominated in HKD/USD. Hence, by taking into account of the debt financing structure, the Group is subject to foreign exchange risk from the volatility of HKD/USD against RMB exchange rate.

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

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

COMMITMENTS AND GUARANTEE

As at 30 June 2026, the Group had commitments totalling RMB8,621 million (31 December 2025: RMB9,651 million) mainly comprising contracted payments for land acquisitions and construction works.

In addition, as at 30 June 2026, the Group issued guarantees to certain banks and government agencies for facilitating end-user mortgages in connection with its property sales in the Chinese Mainland as a usual commercial practice with an aggregate amount of RMB8,444 million (31 December 2025: RMB8,919 million) and to certain bank for the credit facility granted to a joint venture with an amount of RMB20 million (31 December 2025: RMB89 million).

CAPITAL EXPENDITURE AND CHARGES ON ASSETS

The Group had capital expenditures totalling RMB5 million (the corresponding period in 2025: RMB1 million) during the period, mainly included additions of motor vehicles and furniture, fixtures and office equipment.

As at 30 June 2026, the Group obtained property project development loans of RMB2,197 million (31 December 2025: RMB2,138 million) and operational property loans of RMB3,544 million (31 December 2025: RMB3,469 million), respectively, from certain banks in the Chinese Mainland. These loans were secured by the following assets, including:

(i) certain inventories of properties with an aggregate carrying value of RMB4,371 million (31 December 2025: RMB4,818 million);

(ii) certain investment properties with an aggregate carrying value of RMB4,157 million (31 December 2025: RMB4,157 million); and

(iii) certain property, plant and equipment and the related right-of-use assets with an aggregate carrying value of RMB594 million (31 December 2025: RMB117 million).

EMPLOYEES

As at 30 June 2026, the Group has 2,099 employees (31 December 2025: 2,218). The decrease in the number of employees was mainly due to the streamline of organizational structure and staffing to meet the requirements of different development stages of the Group during the period.

The Group is keen to motivate and nourish talent and reviews the remuneration policies and packages on a regular basis to recognize employee contributions and respond to changes in the employment market. The pay levels of the employees are determined based on their responsibilities, performance and the prevailing market condition, with discretionary bonuses awarded based on individual performance. Other benefits, including provident fund and retirement pension schemes, are maintained at appropriate levels. Employees continue to receive training and development opportunities to build capabilities in step with business growth.

Condensed Consolidated Income Statement

The unaudited condensed consolidated results of the Group for the six months ended 30 June 2026 and the comparative figures for the corresponding period in 2025 are as follows:

	Notes	Six months ended 30 June 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Revenue	4	**14,144,571**	14,543,468
Cost of sales and services provided		**(12,474,768)**	(13,195,524)
Gross profit		**1,669,803**	1,347,944
Other income and gains, net	6	**191,707**	132,558
Distribution and selling expenses		**(564,099)**	(568,578)
Administrative expenses		**(282,006)**	(290,027)
Operating profit		**1,015,405**	621,897
Finance costs	7	**(17,298)**	(18,584)
Share of results of associates		**(44,024)**	(17,734)
Share of results of joint ventures		**(39,450)**	(35,762)
Profit before income tax	8	**914,633**	549,817
Income tax expense	9	**(556,456)**	(167,400)
Profit for the period		**358,177**	382,417
Profit for the period attributable to:			
Owners of the Company		**327,553**	283,841
Non-controlling interests		**30,624**	98,576
		358,177	382,417
		RMB Cents	RMB Cents
Earnings per share	11		
Basic		**9.2**	8.0
Diluted		**9.2**	8.0

Condensed Consolidated Statement of Comprehensive Income

	Six months ended 30 June 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Profit for the period	**358,177**	382,417
Other comprehensive income		
Item that will not be reclassified to profit or loss		
Exchange differences on translation of the Company's financial statements	**(283,268)**	(218,454)
Items that may be reclassified to profit or loss		
Exchange differences on translation of subsidiaries' financial statements	**854,536**	871,934
Losses on net investment hedges	**(597,478)**	(328,017)
Other comprehensive income for the period, net of tax	**(26,210)**	325,463
Total comprehensive income for the period	**331,967**	707,880
Total comprehensive income attributable to:		
Owners of the Company	**301,343**	609,304
Non-controlling interests	**30,624**	98,576
	331,967	707,880

Condensed Consolidated Statement of Financial Position

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Assets and Liabilities			
Non-current assets			
Investment properties		**5,594,312**	5,594,312
Property, plant and equipment	12	**1,114,309**	1,167,014
Right-of-use assets		**388,551**	397,039
Interests in associates		**474,862**	518,696
Interests in joint ventures		**339,525**	359,951
Deferred tax assets		**798,776**	984,402
		8,710,335	9,021,414
Current assets			
Inventories of properties		**67,168,895**	71,121,208
Other inventories		**4,646**	2,954
Contract costs		**44,289**	44,289
Trade and other receivables	13	**750,146**	825,607
Prepayments and deposits	14	**2,570,374**	4,265,194
Amounts due from associates		**898,452**	850,011
Amounts due from joint ventures		**399,541**	388,566
Amounts due from non-controlling shareholders		**3,094,492**	3,348,730
Tax prepaid		**1,960,897**	1,966,248
Cash and bank balances	15	**30,998,942**	26,864,619
		107,890,674	109,677,426
Current liabilities			
Trade and other payables	16	**9,427,132**	11,517,590
Pre-sales proceeds		**22,125,531**	20,075,687
Amounts due to associates		**183,166**	183,166
Amounts due to joint ventures		**380,979**	380,344
Amounts due to non-controlling shareholders		**4,747,517**	5,302,128
Amounts due to related companies – due within one year		**261,145**	261,145
Lease liabilities – due within one year		**9,443**	11,081
Guaranteed notes and corporate bonds – due within one year	18	**–**	2,200,000
Taxation liabilities		**1,228,183**	1,406,889
Bank and other borrowings – due within one year	17	**6,803,124**	9,460,090
		45,166,220	50,798,120
Net current assets		**62,724,454**	58,879,306
Total assets less current liabilities		**71,434,789**	67,900,720

Condensed Consolidated Statement of Financial Position

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Non-current liabilities			
Bank and other borrowings – due after one year	17	**24,874,495**	24,447,150
Lease liabilities – due after one year		**11,073**	11,438
Guaranteed notes and corporate bonds – due after one year	18	**6,300,000**	2,800,000
Deferred tax liabilities		**2,449,340**	2,595,392
		33,634,908	29,853,980
Net assets		**37,799,881**	38,046,740
Capital and Reserves			
Share capital	19	**6,047,372**	6,047,372
Reserves		**25,973,848**	25,573,975
Equity attributable to owners of the Company		**32,021,220**	31,621,347
Non-controlling interests		**5,778,661**	6,425,393
Total equity		**37,799,881**	38,046,740

Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company							
	Share capital RMB'000	Translation reserve* RMB'000	Assets revaluation reserve* RMB'000	Statutory reserve* RMB'000	Retained profits* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2025 (Audited)	6,047,372	(1,821,685)	30,075	3,345,666	23,794,439	31,395,867	6,155,196	37,551,063
Profit for the period	–	–	–	–	283,841	283,841	98,576	382,417
Exchange differences on translation of the Company's financial statements	–	(218,454)	–	–	–	(218,454)	–	(218,454)
Exchange differences on translation of subsidiaries' financial statements	–	871,934	–	–	–	871,934	–	871,934
Losses on net investment hedges	–	(328,017)	–	–	–	(328,017)	–	(328,017)
Total comprehensive income for the period	–	325,463	–	–	283,841	609,304	98,576	707,880
Contributions from non-controlling shareholders	–	–	–	–	–	–	364,200	364,200
2024 final dividend approved	–	–	–	–	(227,602)	(227,602)	–	(227,602)
Transactions with owners	–	–	–	–	(227,602)	(227,602)	364,200	136,598
At 30 June 2025 (Unaudited)	6,047,372	(1,496,222)	30,075	3,345,666	23,850,678	31,777,569	6,617,972	38,395,541

	Attributable to owners of the Company							
	Share capital RMB'000	Translation reserve* RMB'000	Assets revaluation reserve* RMB'000	Statutory reserve* RMB'000	Retained profits* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2026 (Unaudited)	6,047,372	(1,692,258)	30,075	3,498,654	23,737,504	31,621,347	6,425,393	38,046,740
Profit for the period	–	–	–	–	327,553	327,553	30,624	358,177
Exchange differences on translation of the Company's financial statements	–	(283,268)	–	–	–	(283,268)	–	(283,268)
Exchange differences on translation of subsidiaries' financial statements	–	854,536	–	–	–	854,536	–	854,536
Losses on net investment hedges	–	(597,478)	–	–	–	(597,478)	–	(597,478)
Total comprehensive income for the period	–	(26,210)	–	–	327,553	301,343	30,624	331,967
Dividend attributable to non-controlling shareholders	–	–	–	–	–	–	(167,793)	(167,793)
Acquisition of additional equity interests in subsidiaries while retaining control	–	–	–	–	175,720	175,720	(509,563)	(333,843)
2025 final dividend approved	–	–	–	–	(77,190)	(77,190)	–	(77,190)
Transactions with owners	–	–	–	–	98,530	98,530	(677,356)	(578,826)
At 30 June 2026 (Unaudited)	6,047,372	(1,718,468)	30,075	3,498,654	24,163,587	32,021,220	5,778,661	37,799,881

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

Condensed Consolidated Statement of Cash Flows

	Note	Six months ended 30 June 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Net cash from operating activities		**5,973,809**	1,172,600
Investing activities			
Purchase of property, plant and equipment		**(4,570)**	(1,408)
Interest received		**97,996**	102,565
Proceeds from disposal of property, plant and equipment		**82**	9,376
Advances to associates		**(238,473)**	–
Repayments from associates		**189,842**	–
Advances to joint ventures		**(30,402)**	(368)
Repayments from joint ventures		**19,427**	313
Net cash from investing activities		**33,902**	110,478
Financing activities			
Proceeds from bank and other borrowings		**8,606,015**	8,099,754
Repayments of bank and other borrowings		**(10,790,483)**	(7,249,373)
Proceeds from issue of guaranteed notes		**1,300,000**	–
Proceeds from issue of corporate bonds		**2,200,000**	1,500,000
Redemption of corporate bonds		**(2,200,000)**	(500,000)
Advances from associates		**–**	14,000
Advances from joint ventures		**1,808**	880
Repayments to joint ventures		**(1,173)**	(938)
Cash advances from non-controlling shareholders		**32,557**	105,415
Repayments of cash advances from non-controlling shareholders		**(680,355)**	(399,768)
Advances to non-controlling shareholders		**(230,783)**	(596,000)
Payment of principal element of leases		**(9,497)**	(10,372)
Payment of other interests		**(655,135)**	(658,015)
Contributions from non-controlling shareholders		**–**	2,500
Acquisitions of additional equity interests in subsidiaries while retaining control		**(149,635)**	–
Net cash (used in)/from financing activities		**(2,576,681)**	308,083
Net increase in cash and cash equivalents		**3,431,030**	1,591,161
Cash and cash equivalents at the beginning of period		**21,367,000**	21,735,740
Effect of foreign exchange rate changes on cash and cash equivalents		**(6,918)**	(24,921)
Cash and cash equivalents at the end of period		**24,791,112**	23,301,980
Analysis of the balance of cash and cash equivalents			
Cash and bank balances as per condensed consolidated statement of financial position		**30,998,942**	28,525,649
Less: restricted bank balances	15	**(6,207,830)**	(5,223,669)
		24,791,112	23,301,980

1. GENERAL INFORMATION

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

The principal activities of the Company and its subsidiaries (collectively, the "Group") mainly comprise property development and commercial property operations. The Group's business activities are principally carried out in certain regions in the Chinese Mainland.

The unaudited condensed consolidated financial statements for the six months ended 30 June 2026 (the "Interim Financial Statements") have been prepared in accordance with Hong Kong Accounting Standards ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Interim Financial Statements do not include all of the information required for annual financial statements and thereby they should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025 (the "2025 Annual Financial Statements").

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

The financial information relating to the year ended 31 December 2025 that is included in this Interim Financial Statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

1. GENERAL INFORMATION *(continued)*

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

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

The Interim Financial Statements are unaudited, but have been reviewed by the Audit Committee of the Company. The Interim Financial Statements were approved for issue on 24 August 2026.

2. BASIS OF PREPARATION

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

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

Save as described below and in note 3 "Adoption of HKFRS Accounting Standards ("HKFRS")", the accounting policies used in preparing the Interim Financial Statements are consistent with those of the 2025 Annual Financial Statements, as described in those annual financial statements.

Income tax

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

3. ADOPTION OF HKFRS

3.1 New and amended standards adopted by the Group

The Group has applied the following amendments for the first time for its annual reporting period commencing 1 January 2026:

HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments
HKFRS 9 and HKFRS 7 (Amendments)	Contracts Referencing Nature-dependent Electricity
HKAS 7, HKFRS 1, HKFRS 7, HKFRS 9 and HKFRS 10 (Amendments)	Annual Improvements to HKFRS Accounting Standards – Volume 11

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

3. ADOPTION OF HKFRS *(continued)*

3.2 New and amended standards and interpretations not yet adopted

Certain new or amended accounting standards and interpretations have been published that are not mandatory for 30 June 2026 reporting period and have not been early adopted by the Group.

		Effective for annual periods beginning on or after
HKAS 21 (Amendments)	Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19 and HKFRS 19 (Amendments)	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5 (Amendment)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

HKFRS 18 will replace HKAS 1 *Presentation of Financial Statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the consolidated income statements and providing management-defined performance measures within the financial statements.

3. ADOPTION OF HKFRS *(continued)*

3.2 New and amended standards and interpretations not yet adopted *(continued)*

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. The Group expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

Except for the abovementioned changes in presentation and disclosure, these pronouncements are not expected to have a material impact on the results or the financial position of the Group.

4. REVENUE

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

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Sales of properties	**13,882,960**	14,308,715
Commercial property operations	**261,611**	234,753
Total revenue	**14,144,571**	14,543,468

5. SEGMENT INFORMATION

The operating segments are reported in a manner consistent with the way in which information is reported internally to the Group's management for the purposes of resources allocation and assessment of segment performance.

For the period ended 30 June 2026, the two reportable segments of the Group and the type of revenue are as follows:

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

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

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

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

5. SEGMENT INFORMATION *(continued)*

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

	Property development RMB'000	Commercial property operations RMB'000	Consolidated RMB'000
Six months ended 30 June 2026 (Unaudited)			
Revenue from contracts with customers disaggregated by timing of revenue recognition	13,882,960	114,677	13,997,637
– Recognition at point in time	13,882,960	–	13,882,960
– Recognition over time	–	114,677	114,677
Revenue from other sources			
– Rental income from commercial properties	–	146,934	146,934
Reportable segment revenue	13,882,960	261,611	14,144,571
Reportable segment profit	805,068	66,904	871,972
Unallocated other income and gains, net			77,907
Finance costs			(17,298)
Other corporate expenses			(17,948)
Profit before income tax			914,633
As at 30 June 2026 (Unaudited)			
Reportable segment assets	104,715,419	7,887,209	112,602,628
Tax assets			2,759,673
Corporate assets^			1,238,708
Total consolidated assets			116,601,009
Reportable segment liabilities	36,766,192	148,657	36,914,849
Tax liabilities			3,677,523
Bank and other borrowings			31,677,619
Guaranteed notes and corporate bonds			6,300,000
Amount due to a related company			75,026
Other corporate liabilities			156,111
Total consolidated liabilities			78,801,128

5. SEGMENT INFORMATION *(continued)*

	Property development RMB'000	Commercial property operations RMB'000	Consolidated RMB'000
Six months ended 30 June 2025 (Unaudited)			
Revenue from contracts with customers disaggregated by timing of revenue recognition	**14,308,715**	**84,025**	**14,392,740**
– Recognition at point in time	14,308,715	–	14,308,715
– Recognition over time	–	84,025	84,025
Revenue from other sources			
– Rental income from commercial properties	–	150,728	150,728
Reportable segment revenue	14,308,715	234,753	14,543,468
Reportable segment profit	449,047	111,022	560,069
Unallocated other income and gains, net			27,628
Finance costs			(18,584)
Other corporate expenses			(19,296)
Profit before income tax			549,817
As at 31 December 2025 (Audited)			
Reportable segment assets	106,573,506	7,982,827	114,556,333
Tax assets			2,950,650
Corporate assets^			1,191,857
Total consolidated assets			118,698,840
Reportable segment liabilities	37,476,486	132,615	37,609,101
Tax liabilities			4,002,281
Bank and other borrowings			33,907,240
Guaranteed notes and corporate bonds			5,000,000
Amount due to a related company			75,026
Other corporate liabilities			58,452
Total consolidated liabilities			80,652,100

^ Corporate assets as at 30 June 2026 mainly included property, plant and equipment of RMB62,260,000 (31 December 2025: RMB65,385,000), right-of-use assets of RMB82,540,000 (31 December 2025: RMB82,353,000) and cash and bank balances of RMB1,090,286,000 (31 December 2025: RMB1,040,953,000), which are managed on a group basis.

6. OTHER INCOME AND GAINS, NET

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Interest income on:		
– Bank deposits	**97,996**	102,565
Total interest income on financial assets measured at amortized cost	**97,996**	102,565
Net foreign exchange gains	**65,621**	14,056
Others	**28,090**	15,937
	191,707	132,558

7. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Interest on bank and other borrowings	**565,598**	567,950
Interest on corporate bonds	**74,322**	93,964
Interest on guaranteed notes	**21,110**	46,407
Interest on an amount due to a non-controlling shareholder	**7,105**	–
Interest on an amount due to a related company	**1,782**	1,782
Interest on lease liabilities	**278**	383
Total interest expenses on financial liabilities measured at amortized cost	**670,195**	710,486
Less: Amount capitalized	**(652,897)**	(691,902)
	17,298	18,584

8. PROFIT BEFORE INCOME TAX

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Profit before income tax is arrived at after charging/(crediting):		
Depreciation:		
Property, plant and equipment	**57,256**	46,015
Right-of-use assets	**15,713**	14,691
Total depreciation	**72,969**	60,706
Cost of sales and services provided comprise		
– Amount of inventories recognized as cost of sales	**11,802,752**	12,818,211
Staff costs	**374,528**	384,722
Net foreign exchange gains	**(65,621)**	(14,056)

9. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Hong Kong profits tax	**–**	–
The Chinese Mainland		
– Enterprise income tax ("EIT")	**531,318**	579,148
– Land appreciation tax ("LAT")	**25,138**	(411,748)
	556,456	167,400

9. INCOME TAX EXPENSE *(continued)*

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

EIT arising from the Chinese Mainland is calculated at 25% (six months ended 30 June 2025: 25%) on the estimated assessable profits.

The Chinese Mainland LAT is levied at progressive rates from 30% to 60% (six months ended 30 June 2025: 30% to 60%) on the estimated appreciation of land value, being the proceeds of sales of properties less deductible expenditure including cost of land use rights and development and construction expenditure.

10. DIVIDENDS

The Board has declared that an interim dividend of HK$0.015 (six months ended 30 June 2025: HK$0.01) per share, amounting to HK$53,391,000, equivalent to approximately RMB45,770,000 (six months ended 30 June 2025: HK$35,594,000, equivalent to approximately RMB32,670,000), will be paid to the shareholders of the Company whose names appear in the Register of Members on 21 September 2026.

At the reporting date, a dividend of HK$0.025 per share, amounting to HK$88,984,000, equivalent to approximately RMB77,190,000, was recognized as distribution of the final dividend for the financial year ended 31 December 2025. At 30 June 2025, a dividend of HK$0.07 per share, amounting to HK$249,156,000, equivalent to approximately RMB227,602,000, was recognized as distribution of the final dividend for the financial year ended 31 December 2024.

11. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Earnings		
Profit for the period attributable to owners of the Company	**327,553**	283,841

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	'000	'000
Weighted average number of ordinary shares		
Weighted average number of ordinary shares in issue during the period	**3,559,375**	3,559,375

Diluted earnings per share for the six months ended 30 June 2026 and 2025 are the same as the basic earnings per share as there have been no dilutive potential ordinary shares in existence during both periods.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group incurred capital expenditure classified as property, plant and equipment of RMB4,570,000 (six months ended 30 June 2025: RMB1,408,000), which represented approximately RMB3,472,000 (six months ended 30 June 2025: RMB1,158,000) in furniture, fixtures and office equipment and approximately RMB1,098,000 (six months ended 30 June 2025: RMB250,000) in motor vehicles.

13. TRADE AND OTHER RECEIVABLES

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Trade receivables	**312,141**	355,235
Less: Provision for impairment	**(1,367)**	(1,367)
Trade receivables, net	**310,774**	353,868
Other receivables	**445,622**	477,989
Less: Provision for impairment	**(6,250)**	(6,250)
Other receivables, net	**439,372**	471,739
	750,146	825,607

13. TRADE AND OTHER RECEIVABLES *(continued)*

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

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
30 days or below	**208,427**	225,952
31–60 days	**923**	639
61–90 days	**3,631**	1,379
91–180 days	**3,705**	55,296
181–360 days	**57,453**	26,437
Over 360 days	**38,002**	45,532
	312,141	355,235

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

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

14. PREPAYMENTS AND DEPOSITS

The balance of prepayments and deposits as at 30 June 2026 mainly comprise prepayments for value added tax and other taxes and deposits and consideration paid by the Group for the acquisition of lands in the Chinese Mainland.

15. CASH AND BANK BALANCES

At 30 June 2026, cash and bank balances included cash and cash equivalents of RMB24,791,112,000 (31 December 2025: RMB21,367,000,000) and other bank balances of RMB6,207,830,000 (31 December 2025: RMB5,497,619,000), which mainly represented pre-sales proceeds from sales of properties in the Chinese Mainland and was subject to usage restrictions.

16. TRADE AND OTHER PAYABLES

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Trade payables	**8,097,879**	10,059,488
Other payables and accruals	**930,137**	1,134,138
Dividend payables	**77,176**	–
Deposits received	**321,940**	323,964
	9,427,132	11,517,590

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

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
30 days or below	**2,013,501**	3,475,274
31–60 days	**189,965**	514,057
61–90 days	**173,479**	309,465
91–180 days	**1,070,534**	1,342,609
181–360 days	**2,252,935**	1,697,513
Over 360 days	**2,397,465**	2,720,570
	8,097,879	10,059,488

17. BANK AND OTHER BORROWINGS

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Bank borrowings	**31,677,619**	33,907,240
Other borrowings	**–**	–
	31,677,619	33,907,240
Analysis into:		
Current liabilities	**6,803,124**	9,460,090
Non-current liabilities	**24,874,495**	24,447,150
	31,677,619	33,907,240
Analysis into:		
Secured (note 20)	**5,741,490**	5,606,560
Unsecured	**25,936,129**	28,300,680
	31,677,619	33,907,240

Bank borrowings were scheduled for repayment as follows:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Bank borrowings		
On demand or within one year	**6,803,124**	9,460,090
More than one year, but not exceeding two years	**7,330,541**	8,795,146
More than two years, but not exceeding five years	**14,991,376**	13,094,736
Over five years	**2,552,578**	2,557,268
	31,677,619	33,907,240

17. BANK AND OTHER BORROWINGS *(continued)*

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

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
HK$	**832,610**	1,490,203
RMB	**30,845,009**	32,417,037
	31,677,619	33,907,240

As at 30 June 2026, the Group's bank borrowings have been arranged as follows:

– borrowings denominated in HK$ amounting to RMB832,610,000 (31 December 2025: RMB1,490,203,000) are interest-bearing at floating rates ranging from 3.6% to 4.2% (31 December 2025: 4.5% to 4.7%) per annum; and

– borrowings denominated in RMB amounting to RMB16,007,330,000 (31 December 2025: RMB17,355,241,000) are interest-bearing at floating rates ranging from 2.4% to 3.9% (31 December 2025: 2.4% to 3.9%) per annum while the remaining balance of RMB14,837,679,000 (31 December 2025: RMB15,061,796,000) are interest-bearing at fixed rates ranging from 2.4% to 4.0% (31 December 2025: 2.5% to 4.0%) per annum.

As at 30 June 2026, the Group designated certain RMB denominated borrowings with an aggregate carrying amount of RMB15,335,509,000 (31 December 2025: RMB15,444,866,000) to hedge the exposure arising from the net investments in certain subsidiaries of the Group with operations in the Chinese Mainland. For the six months ended 30 June 2026, losses arising from the aforesaid hedging instruments of RMB597,478,000 (six months ended 30 June 2025: RMB328,017,000) have been recognized in other comprehensive income as an effective hedge.

18. GUARANTEED NOTES AND CORPORATE BONDS

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Guaranteed notes (note (a))	1,300,000	–
Corporate bonds (note (b))	5,000,000	5,000,000
	6,300,000	5,000,000
Analysis into:		
Current liabilities	–	2,200,000
Non-current liabilities	6,300,000	2,800,000
	6,300,000	5,000,000

(a) During the six months ended 30 June 2026, the Group issued the following guaranteed notes:

Issued during the period:

Issue date	Principal amount RMB'000	Issue price	Fixed interest rate per annum	Maturity date	Carrying amount at 30 June 2026 (Unaudited) RMB'000
6 February 2026	1,300,000	100%	3.2%[ii]	6 February 2029	1,300,000

Notes:

(i) The guaranteed notes is unconditionally and irrevocably guaranteed by the Company and listed on the Stock Exchange.

(ii) Payable semi-annually.

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

(b) During the six months ended 30 June 2026, the Group issued and redeemed the following corporate bonds:

Issued during the period:

Issue date	Principal amount RMB'000	Issue price	Fixed interest rate per annum	Maturity date	Carrying amount at 30 June 2026 (Unaudited) RMB'000
29 January 2026	1,000,000[(i)]	100%	2.40%[(ii)]	2 February 2029	**1,000,000**
20 April 2026	1,200,000[(i)]	100%	1.98%[(ii)]	20 April 2030	**1,200,000**
Total					**2,200,000**

Fully redeemed during the period:

Issue date	Principal amount RMB'000	Issue price	Fixed interest rate per annum	Redemption value (Unaudited) RMB'000
24 February 2023	1,000,000	100%	3.90%	**1,000,000**
31 March 2023	1,200,000	100%	3.80%	**1,200,000**
Total				**2,200,000**

Notes:

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

(ii) Payable annually.

19. SHARE CAPITAL

	Number of ordinary shares	Carrying amount RMB'000
Issued and fully paid – ordinary shares with no par:		
At 1 January 2025 (Audited), 31 December 2025 (Audited), 1 January 2026 (Unaudited) and 30 June 2026 (Unaudited)	**3,559,374,732**	**6,047,372**

20. PLEDGE OF ASSETS

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

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Pledge for borrowings and banking facilities of the Group		
– Inventories of properties	**4,370,909**	4,817,837
– Investment properties	**4,156,854**	4,156,854
– Property, plant and equipment	**573,080**	95,291
– Right-of-use assets	**20,715**	21,504
	9,121,558	9,091,486

21. OTHER COMMITMENTS

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

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Contracted for but not provided for in the consolidated financial statements:		
– Acquisition of land	**685,300**	994,991
– Property development	**7,935,421**	8,655,834
	8,620,721	9,650,825

22. FINANCIAL GUARANTEES

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

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Mortgage loans granted by banks and government agencies to certain purchasers of the Group's properties	**8,443,623**	8,919,200
Bank loan granted by a bank to a joint venture	**19,735**	88,606
	8,463,358	9,007,806

In the opinion of the directors, the financial impact arising from providing the above financial guarantees is insignificant and accordingly, they are not accounted for in these financial statements as at 30 June 2026 and 31 December 2025.

23. RELATED PARTY TRANSACTIONS

The table set forth below summarizes the name of the major related parties which are entities as defined in HKAS 24 (Revised) *Related Party Disclosures* and the nature of their relationship with the Group as at 30 June 2026:

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

23. RELATED PARTY TRANSACTIONS *(continued)*

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

	Notes	Six months ended 30 June 2026 (Unaudited) RMB'000	Six months ended 30 June 2025 (Unaudited) RMB'000
Nature of transactions			
COLI and its subsidiaries			
Royalty expenses#	(i)	**141,446**	145,435
Rental income#	(ii)	**7,645**	8,985
Rental payments#	(ii)	**4,729**	4,724
Design service expenses#	(iii)	**7,947**	578
Purchase of materials#	(iv)	**342,450**	381,393
CSCECL and its subsidiaries (exclusive of COHL and its subsidiaries)			
Property construction costs#	(iv)	**236,307**	83,486
COHL			
License fee payments#	(ii)	**1,912**	2,031
Air-conditioning and management charge payments#	(ii)	**298**	307
COPH and its subsidiaries			
Property management expenses#	(iii)	**77,930**	104,162
Interest expenses	(v)	**1,782**	1,782
CSC and its subsidiaries (exclusive of CSCD and its subsidiaries)			
Property construction costs#	(iv)	**97,740**	27,601
CSCD and its subsidiaries			
Construction supervision expenses#	(iii)	**2,492**	2,550
Non-controlling shareholder			
Interest expenses	(v)	**7,105**	–
PRC government departments/agencies			
Land use rights acquisitions		**2,078,020**	6,187,040
Key management (including directors)			
Remuneration		**3,300**	3,362

These related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

23. RELATED PARTY TRANSACTIONS *(continued)*

Notes:

(i) Royalty fee is charged at annual fee as specified in the contracts.

(ii) Rental and utility income and rental payments are charged in accordance with respective tenancy agreements.

(iii) Design service fee, property management fee and construction supervision fee are charged in accordance with respective contracts.

(iv) Purchase of materials and property construction fee are charged in accordance with respective contracts. The amounts represent aggregated transaction amounts recognized during the period in relation to contracts signed in the current and prior periods.

(v) Interest expenses are charged at interest rates on the respective outstanding amounts due.

24. FAIR VALUE MEASUREMENT

(a) Financial instruments

As at 30 June 2026 and 31 December 2025, the Group did not have any financial instruments measured at fair value. Accordingly, no analysis on fair value hierarchy is presented.

During the six months ended 30 June 2026, there were no transfers among Level 1, Level 2 and Level 3 in the fair value hierarchy (six months ended 30 June 2025: Nil).

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

24. FAIR VALUE MEASUREMENT *(continued)*

(a) Financial instruments *(continued)*

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

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

The fair values of the guaranteed notes and corporate bonds are determined with reference to quotation published by leading financial market data providers or quoted market prices available on the relevant stock exchanges, as appropriate. The fair value measurement of these financial instruments is within Level 1 of the fair value hierarchy. As at 30 June 2026, the aggregate fair value of guaranteed notes and corporate bonds amounted to RMB6,307,840,000 (31 December 2025: RMB4,995,320,000).

(b) Non-financial assets

The fair value of the investment properties as at 30 June 2026 is a Level 3 recurring fair value measurement and determined by using the same approach as the last year end. During the six months ended 30 June 2026, there were no transfers among Level 1, Level 2 and Level 3 in the fair value hierarchy (six months ended 30 June 2025: Nil).

Other Information

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board declared an interim dividend of HK1.5 cents per share (2025: HK1 cent per share) for the six months ended 30 June 2026. The interim dividend will be payable in cash.

Relevant Dates for Interim Dividend Payment

Ex-dividend date	17 September 2026
Latest time to lodge transfer documents for registration with the Company's share registrar	At 4:30 p.m. on 18 September 2026
Book closure period and record date for interim dividend	21 September 2026
Payment date of interim dividend	16 October 2026

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

SHARE CAPITAL

The Company's total number of shares in issue as at 30 June 2026 was 3,559,374,732 ordinary shares.

MODEL CODE FOR SECURITIES TRANSACTIONS

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

Having made specific enquiries to all directors of the Company, they confirmed that they have complied with the Code of Conduct throughout the six months ended 30 June 2026.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 30 June 2026, the directors and chief executive of the Company, and their respective associates had the following interests in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Long Positions in Shares of the Company

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

Notes:

(1) The percentage is based on the total number of shares of the Company in issue as at 30 June 2026 (i.e. 3,559,374,732 shares).

(2) These shares of the Company are held by a trust for the benefit of Mr. Yung Kwok Kee, Billy and his family members.

(3) These shares of the Company are held by Extra-Fund Investment Limited, a wholly-owned subsidiary of Shell Electric Holdings Limited, which in turn is owned as to 80.55% by Red Dynasty Investments Limited, a company wholly-owned by Mr. Yung Kwok Kee, Billy.

(4) Mr. Yung Kwok Kee, Billy is deemed to be interested in 10,000,000 shares of the Company through the interest of his spouse, Ms. Vivian Hsu.

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

Save as disclosed above, as at 30 June 2026, no interests and short positions were held or deemed or taken to be held by any directors or chief executive of the Company or their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or pursuant to the Model Code or which are required pursuant to Section 352 of the SFO to be entered in the register referred to therein.

Saved as disclosed above, during the six months ended 30 June 2026, none of the directors and chief executive of the Company (including their spouses and children under the age of 18) had any interests in, or had been granted any rights to subscribe for the shares, options and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), or had exercised any such rights.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SECURITIES

As at 30 June 2026, the following substantial shareholders of the Company and other persons (other than the directors or chief executive of the Company) had interests in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Long Positions in Shares of the Company

Name of shareholders	Capacity	Nature of interests	Number of shares held	Aggregate long position	Percentage of shares in issue[1]
China State Construction Engineering Corporation ("CSCEC")	Interest of controlled corporation[2]	Interest in controlled corporation	1,410,758,152	1,410,758,152	39.63%
Diamond Key Enterprises Inc. ("Diamond Key")	Beneficial owner[3]	Beneficial	190,910,903	190,910,903	5.36%
On Fat Profits Corporation ("On Fat")	Beneficial owner[3]	Beneficial	181,706,786	181,706,786	5.11%
UBS TC (Jersey) Ltd ("UBS TC")	Trustees of trusts[3]	Other	372,617,689	372,617,689	10.47%
Ms. Vivian Hsu	Beneficial owner Interest of spouse[4]	Personal Family	10,000,000 454,390,730	464,390,730	13.05%
FIL Limited ("FIL")	Interest of controlled corporation[5]	Interest in controlled corporation	283,922,513	283,922,513	7.98%
Pandanus Partners L.P. ("Pandanus Partners")	Interest of controlled corporation[5]	Interest in controlled corporation	283,922,513	283,922,513	7.98%
Pandanus Associates Inc. ("Pandanus Associates")	Interest of controlled corporation[5]	Interest in controlled corporation	283,922,513	283,922,513	7.98%
Fidelity Funds	Beneficial owner	Beneficial	213,261,469	213,261,469	5.99%

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SECURITIES

(continued)

Notes:

(1) The percentage is based on the total number of shares of the Company in issue as at 30 June 2026 (i.e. 3,559,374,732 shares).

(2) CSCEC holds as to approximately 57.70% of the shareholding interest in China State Construction Engineering Corporation Limited ("CSCECL"). CSCECL wholly owns China Overseas Holdings Limited which, in turn, holds as to 56.10% of the shareholding interest in China Overseas Land & Investment Limited ("COLI"). COLI wholly owns Big Crown Limited ("Big Crown") and China Overseas Project Development Limited ("China Overseas Project Development"), and Big Crown wholly owns Star Amuse Limited ("Star Amuse"). Star Amuse and China Overseas Project Development hold 1,357,257,348 shares and 53,500,804 shares of the Company, respectively.

(3) 372,617,689 shares of the Company held by UBS TC (including 190,910,903 shares and 181,706,786 shares of the Company held by Diamond Key and On Fat, respectively) are disclosed in the section headed "Directors' and Chief Executive's Interests in Securities" above as being held under a trust with Mr. Yung Kwok Kee, Billy and his family members as the beneficiaries. None of the directors of the Company are directors or employees of Diamond Key and On Fat.

(4) Ms. Vivian Hsu is deemed to be interested in 454,390,730 shares of the Company through the interest of her spouse, Mr. Yung Kwok Kee, Billy.

(5) Pandanus Associates is interested in 283,922,513 shares of the Company, of which 26,747,246 shares of the Company are reported as unlisted derivatives settled in cash. Pandanus Associates acts as general partner of and has 100% control over Pandanus Partners which in turn holds as to 48.83% of the shareholding interest in FIL. FIL is interested in these 283,922,513 shares of the Company through a series of subsidiaries.

Save as disclosed above, the Company had not been notified by any other person (other than the directors or chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 30 June 2026.

Other Information

CORPORATE GOVERNANCE

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

The Company has applied the corporate governance principles and complied with all the code provisions (where applicable, some of the recommended best practices) set out in the Corporate Governance Code in Appendix C1 to the Listing Rules during the six months ended 30 June 2026.

DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

The facility agreement, which has been entered into by the Company in the following terms and conditions and continues to subsist at 30 June 2026, is set out below:

Date:	25 August 2025
Amount:	Loan facilities up to RMB3 billion equivalent
Term:	36 months commencing from the first utilisation date

The facility agreement stipulates that, COLI shall remain the single largest shareholder of the Company and hold at least 30% of the issued share capital of the Company, and be able to nominate or have nominated not less than two-third of the Executive Directors and Non-executive Directors of the Company; otherwise the above facilities shall be cancelled and all outstanding amounts shall become immediately due and payable.

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

Other Information

CHANGES IN DIRECTORS' INFORMATION

Changes in directors' information since the date of the 2025 annual report of the Company, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, are set out below:

- Mr. Lam Kin Fung, Jeffrey has been appointed as the chairperson of the board of directors of Hung Shui Kiu Industry Park Company Limited with effect from June 2026.

- Mr. Fan Chun Wah, Andrew has been appointed as an independent non-executive director of COSCO SHIPPING Holdings Co., Ltd.* with effect from July 2026.

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

Save as disclosed below, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Group's listed securities during the six months ended 30 June 2026 and up to the date of this report.

In February 2026, 中海宏洋地產集團有限公司 (China Overseas Grand Oceans Property Group Limited* ("COGOP"), a wholly-owned subsidiary of the Company), completed the issuance of the first tranche of 2026 corporate bond due February 2029 in the principal amount of RMB1,000,000,000 with the interest rate of 2.4% which is irrevocably and unconditionally guaranteed by the Company and listed on the Shanghai Stock Exchange. The proceeds are used for redeeming existing bonds.

In February 2026, China Overseas Grand Oceans Finance V (Cayman) Limited, a wholly-owned subsidiary of the Company, completed the issuance of the guaranteed notes due February 2029 in the principal amount of RMB1,300,000,000 with the interest rate of 3.2% which is irrevocably and unconditionally guaranteed by the Company and listed on the Stock Exchange. The proceeds are used for refinancing the existing indebtedness of the Group.

* *English translation for identification purpose only.*

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

(continued)

In February 2026, COGOP fully redeemed at par the first tranche of 2023 corporate bond issued in February 2023 in the principal amount of RMB1,000,000,000 with the interest rate of 3.9% which was irrevocably and unconditionally guaranteed by the Company and listed on the Shanghai Stock Exchange.

In April 2026, COGOP completed the issuance of the second tranche of 2026 corporate bond due April 2030 in the principal amount of RMB1,200,000,000 with the interest rate of 1.98% which is irrevocably and unconditionally guaranteed by the Company and listed on the Shanghai Stock Exchange. The proceeds are used for redeeming existing bonds.

In April 2026, COGOP early and fully redeemed the second tranche of 2023 corporate bond issued in April 2023 and due April 2028 in the principal amount of RMB1,200,000,000 with the interest rate of 3.8% which was irrevocably and unconditionally guaranteed by the Company and listed on the Shanghai Stock Exchange.

REVIEW OF INTERIM REPORT BY AUDIT COMMITTEE

The Audit Committee of the Board has reviewed the Company's unaudited interim report for the six months ended 30 June 2026, and discussed with the Company's management regarding auditing, internal control and other important matters.

中國海外宏洋集團有限公司
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