



给您一个五星级的家

COUNTRY GARDEN

Holdings Company Limited

碧桂園控股有限公司



(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2007

2026

INTERIM REPORT



WHAT IS COUNTRY GARDEN

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

We are committed to robotics and technology-enabled construction

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

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

We set up a technology-enabled construction group to develop a smart construction system that encompasses construction robots, a new type of prefabricated construction, smart equipment and digitalization through building information modeling (BIM). The effort aims at a perfect combination of workplace safety, quality, efficiency, environmental protection and technology. The company is also developing the businesses of general contracting and labour sub-contracting as it initiates and promotes a transformation in the traditional construction sector.

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

We build good housing and good communities

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

We fulfil social responsibility

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

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

**COUNTRY
GARDEN**

Make the world a better place for having us in it

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CORPORATE PROFILE

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

Since its establishment, Country Garden has been benefitting from China's thriving economy. Its business presence has been extended from Guangdong province to other economically vibrant regions of the country. Country Garden had projects of property development and operation in a number of locations of strategic importance in all the provinces, municipalities and autonomous regions of the country by the end of the first half of 2026.

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



CORPORATE PROFILE



CORE VALUES

The
COUNTRY
GARDEN
that I dream of



CORE VALUES

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

— YEUNG Kwok Keung

1

VALUE

A transparent company with a conscience and social responsibility

2

VISION

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

3

CORPORATE MISSION

Make the world a better place for having us in it

4

CORPORATE SPIRIT

Good for people and good for society

5

BRAND

Five-star living for you

CHAIRMAN STATEMENT



YANG Huiyan / Chairman

The year 2026 is a pivotal year for the Group as it shifts from “ensuring property delivery” to “normal business operations”. In the first half of the year, the real estate industry continued to undergo profound adjustment and risk resolution. Market divergence widened from the macro level down to specific regions and projects, with first-tier and strong second-tier cities bottoming out faster while third- and fourth-tier cities remained in a phase of adjustment.

The Central Government consistently emphasized and implemented policies aiming at “stabilizing the real estate market”. The Government Work Report in March 2026 set the tone of “striving to stabilize the real estate market”; the meeting of the Political Bureau of the CPC Central Committee in April called for “efforts to stabilize

the real estate market and advance urban renewal”; the State Council issued the 15th Five-Year Plan for Urban Renewal in May; and the meeting of the Political Bureau of the CPC Central Committee on 30 July further integrated real estate into the broader strategy of “building a strong security barrier”, explicitly demanding the “stabilization of the real estate market”. With the deepening effect of these policies, demand driven by essential and improved housing needs was gradually released, and market expectations improved marginally. However, the land market maintained a trend of quality improvement coupled with rational supply. Momentum for new construction starts needed to be further boosted, and time was still needed for existing-inventory destocking. The industry still lacked solid support for comprehensive stabilization, and the foundation for recovery required consolidation.

CHAIRMAN STATEMENT

In this context, the Group concentrated on its core objectives of “project completion and delivery, risk mitigation, asset and liability restoration, and sustainable operations”. It prioritized the completion of guaranteed property deliveries, the implementation of debt restructuring, and operational transitions for the first half of the year. The Group carefully quantified key tasks and actively engaged with various national and local support policies, aiming to maintain its basic operational stability while laying the groundwork for a steady return to normal operations.

Project completion and delivery is the top priority of the Company. We consistently put property owners’ expectations for safe and stable housing first, fulfilling our promises to property owners through timely and high-quality deliveries. The Group has designated 2026 as the “key year for ensuring property delivery” of the Company, actively employing supportive risk-prevention policies such as the “whitelist” mechanism, raising funds through various channels, and coordinating resources from all parties to fully guarantee project construction and delivery. The Group requires all



Country Garden
IN+ Town Project,
Hainan Lingshui

CHAIRMAN STATEMENT

regional projects to define clear goals, enforce accountability, and ensure early detection, intervention, and resolution of special individual cases, striving to resolve them completely before year-end for a successful conclusion. In the final delivery phase, the Group follows the principles of “firm thoroughness and customer satisfaction”, treating each delivery as a vital opportunity to build customer trust, resume normal operations, and achieve sustainable growth.

At the operational level, for the six months ended 30 June 2026, the Group and its joint ventures and associates together achieved contracted sales attributable to the shareholders of the Company of approximately RMB14.25 billion, with contracted sales GFA attributable to shareholders of the Company of approximately 1.825 million sq.m.. Sales remained steady in the first six months, with completion rates aligning with the annual target schedule. Customer-centric in its approach, the Group enhanced its three core competitive strengths, namely “product excellence, service excellence, and cost efficiency”, to continuously strengthen its operational foundation, improve market expectations, boost confidence in restructuring, and maintain sustainable operations. In terms of products, the Group formed a dedicated task force for product research and development and design, closely following the national policy direction on “quality housing” construction. It continuously developed new fourth-generation residential products and promoted systematic improvements in product innovation and design quality to offer customers a superior living experience. Meanwhile, it established an artificial intelligence (“AI”) quality-and-efficiency improvement task force to actively respond to the national call to “develop smart construction”. This involved fostering an innovative culture, building consensus on technological development, exploring the application of AI-assisted front-end planning, deriving product planning from market demand, reshaping product libraries and supply chain systems, and driving the integrated implementation of project achievements. On the operational side, the Group adapted to market changes by adjusting its organizational structure, strictly controlling administrative expenses and selling expenses, continuously improving operational efficiency, and promoting the implementation of operational strategies under the completed property sales model.

Regarding asset and liability restoration, the offshore debt restructuring proposal involving an aggregate amount of approximately USD17.7 billion officially came into effect on 30 December 2025, smoothly advancing to a new phase of credit repair and performance execution. At the same time, the restructuring proposals for nine onshore corporate bonds with an aggregate principal amount of approximately RMB13.77 billion were all approved in 2025. Following the terms of these proposals, the Group exercised the cash repurchase option capped at RMB450 million in February 2026, and completed the related repurchase activities in April. Moving forward, the Group will continue to facilitate the implementation of other restructuring options, including the stock option and the general creditor claim option. In recent years, through a series of debt restructuring measures, the Company has substantially reduced its interest-bearing liabilities, further lowered existing financing costs, and significantly optimized the current debt maturity profile. This has created a crucial window for operations to proceed without constraints, allowing the Group to concentrate more on property delivery and business operations, steadily promoting the improvement of the balance sheet by “trading time for space”.

The “One Core and Two Wings” strategy (with property development as the core, and technology-enabled construction and management and construction services as the two wings) is closely aligned with the industry’s shift toward high-quality transformation and the spirit of the national “15th Five-Year Plan”. Phoenix Management Company has undertaken over 200 management and construction projects, with a total entrusted management area of nearly 20 million sq.m.. Leveraging its mature operational management capabilities, it has earned recognition from multiple industry research institutions, providing customers with customized management and construction solutions. Bright Dream Robotics has achieved a series of breakthroughs in fields such as core construction robot technologies, systematic application of multi-robot construction, and intelligent digital construction systems. More than 20 product models have been deployed in key operational scenarios including

CHAIRMAN STATEMENT

concrete construction, interior decoration, exterior wall spraying, and flooring. It has delivered over 5,200 units, with an application area exceeding 40 million square meters. Its business spans 34 provincial-level administrative regions in China (including Hong Kong, Macao, and Taiwan) and extends to several overseas markets, serving more than 1,600 projects in total.

Looking ahead to the second half of the year, the industry continues to undergo profound adjustment. The Group will firmly seize the historic opportunity presented by the overlap of “project completion and delivery” and “operational transition”. It will focus on “building core competitiveness”, build upon the “three core strengths” as its foundation and leverage the “two wings” as its driving force. The Group will continue to explore the integrated application of “New Technology + AI”, promote a data-driven transformation, fully commit to successfully ensuring property delivery, continuously improve its balance sheet, and steadily enhance operating cash flows, laying the foundation for navigating market cycles and achieving sustainable development.

The Group remains dedicated to its original aspiration of ensuring property delivery and maintaining stable operations. It will sharpen its core competitiveness amid industry changes, address market uncertainties with determined efforts, and strive to return to a path of healthy and sustainable normal operations as soon as possible.

On behalf of the Board, I would like to extend my deepest gratitude to the governments and regulatory authorities at all levels, financial institutions, partners, investors, and all property owners for their unwavering support to the Group. Every step forward for Country Garden is inseparable from your trust and companionship. We will take more practical actions to live up to every expectation.

YANG Huiyan
Country Garden Holdings Company Limited
Chairman

Foshan, Guangdong Province, the PRC, 28 August 2026

This report contains forward-looking statements. Such statements are made based on the current assumptions and expectations of the Group, involving known and unknown risks, uncertainties, and other factors, which may cause actual results, performance, or achievements to differ materially from those expressed or implied in the forward-looking statements. Shareholders and potential investors should not place undue reliance on such forward-looking statements and should exercise caution.

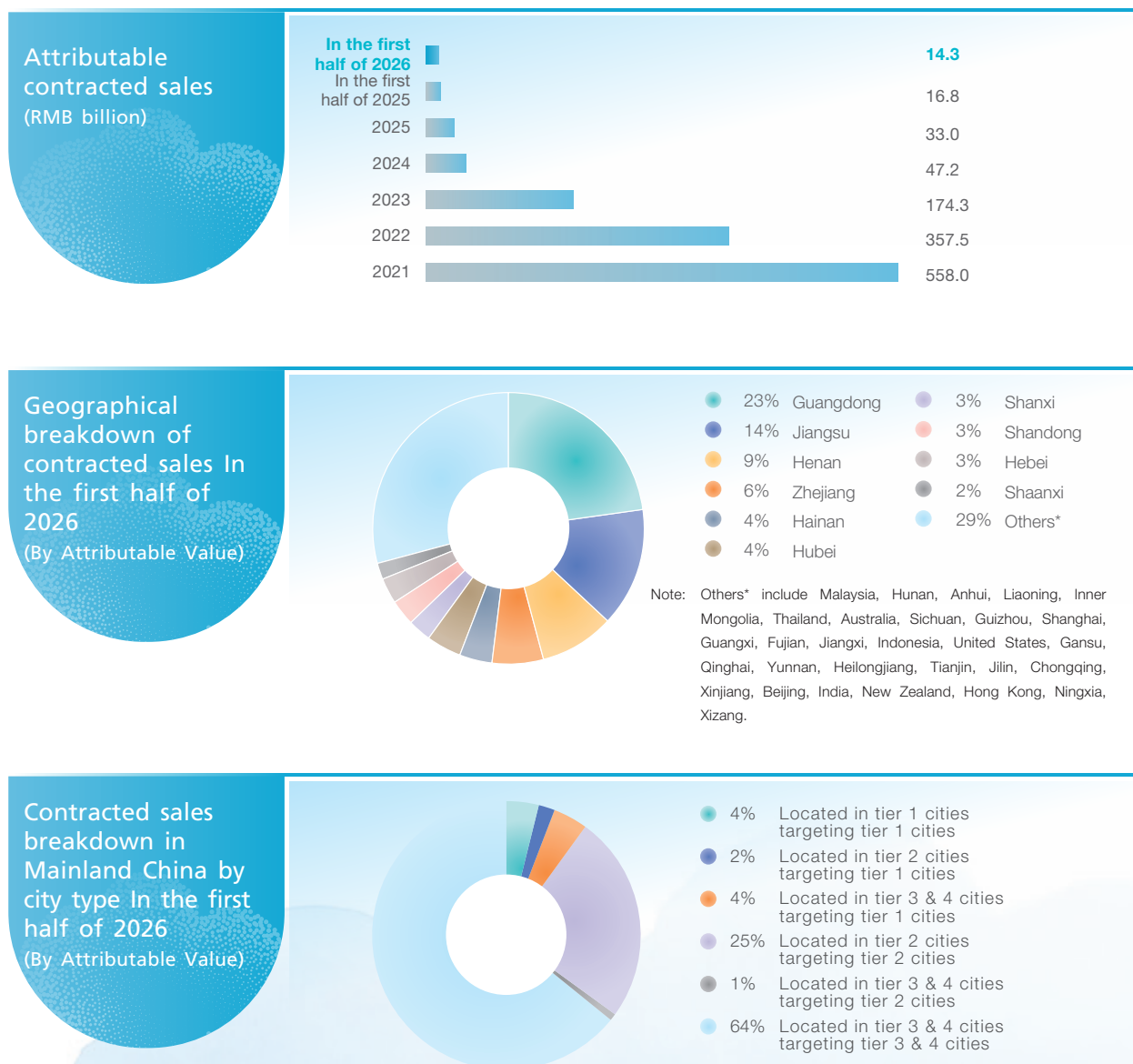
BUSINESS OVERVIEW

PROPERTY DEVELOPMENT

Contracted Sales

In the first half of 2026, the Group together with its joint ventures and associates achieved contracted sales attributable to the shareholders of the Company of approximately RMB14.25 billion with contracted sales GFA attributable to the shareholders of the Company of approximately 1.825 million sq.m..

In the first half of 2026, the attributable contracted sales outside Guangdong Province was around 77% of that of the Group, reflecting the Group's efforts in geographic diversification.



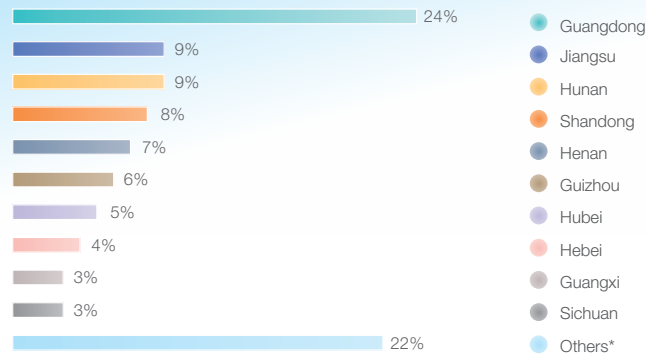
BUSINESS OVERVIEW

In terms of tier cities, around 64% of the attributable contracted sales in Mainland China was contributed by projects located in tier 3 & 4 cities targeting tier 3 & 4 cities, around 25% was contributed by projects located in tier 2 cities targeting tier 2 cities and 11% was contributed by the others.

Landbank — Mainland China

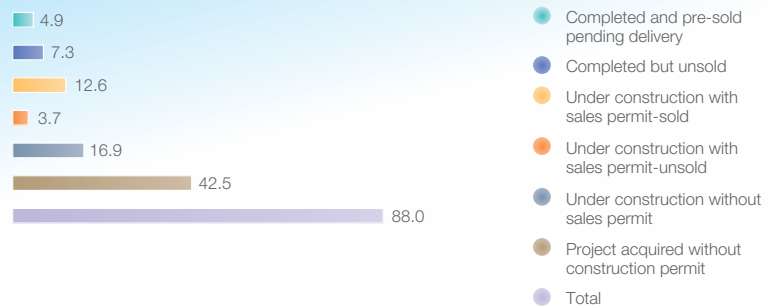
As of 30 June 2026, the acquired attributable GFA in Mainland China together with its joint ventures and associates was 87.96 million sq.m.. 76% of the landbank was located outside of Guangdong province.

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



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

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



BUSINESS OVERVIEW

Project Location

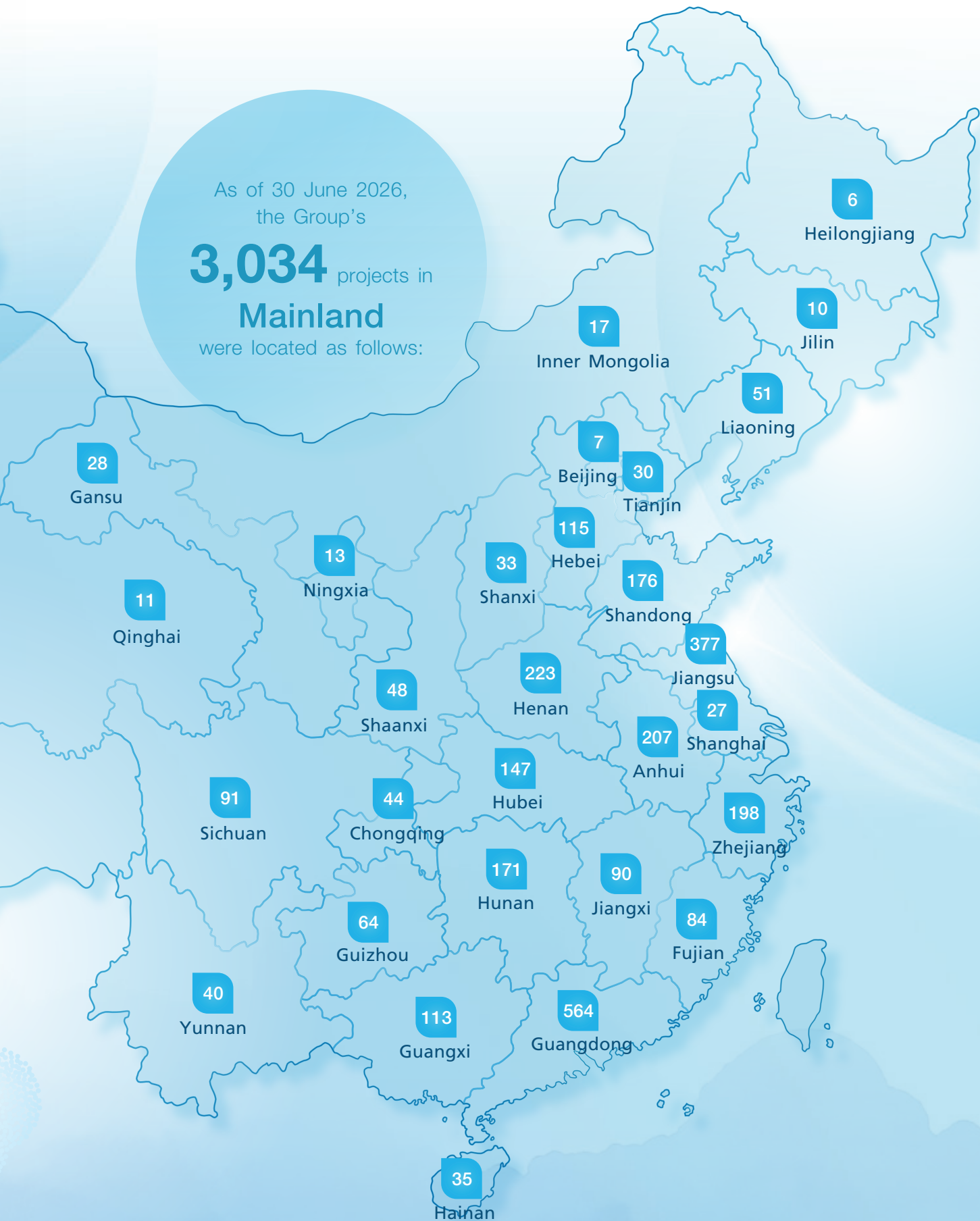
As of 30 June 2026,
the Group operated

3,067 projects under different development stages,
3,034 of these projects were located in Mainland China and
33 were outside Mainland China.



BUSINESS OVERVIEW

As of 30 June 2026,
the Group's
3,034 projects in
Mainland
were located as follows:



BUSINESS OVERVIEW

Top 50 Projects of Attributable Contracted Sales in Mainland China In the first half of 2026⁽¹⁾

Serial number	Project	City (District)	Aggregate	
			saleable GFA for entire project	
			sq.m.	
1	Haikou Hainan Heart (海口海南之心)	Haikou (Meilan)	769,495	
2	Shunde New Energy Vehicle Town (順德新能源汽車小鎮)	Foshan (Shunde)	377,290	
3	Country Garden Yunding (碧桂園雲頂)	Xi'an (Chang'an)	979,137	
4	Country Garden Sizhi Plaza (碧桂園思致廣場)	Shanghai (Jinshan)	106,126	
5	Shaoguan Country Garden — Sun Palace (韶關碧桂園•太陽城)	Shaoguan (Wujiang)	4,182,111	
6	Country Garden -Xinyue Shiguang (碧桂園•新月時光)	Changzhou (Wujin)	188,518	
7	Country Garden — Xinglong Lake (碧桂園•興隆湖畔)	Wanning (Wanning)	140,545	
8	Country Garden-Mingmen 1923 (碧桂園•名門1923)	Changzhou (Bell Tower)	91,739	
9	Country Garden-Lihua Tianjing (碧桂園•麗華天境)	Taiyuan (Wanbailin)	67,617	
10	Country Garden — Yunding (碧桂園•雲頂)	Taiyuan (Yingze)	423,329	
11	Country Garden-Jiuxi Terrace (碧桂園•玖璽臺)	Taiyuan (Xiaodian)	606,732	
12	Country Garden — Yucang Fenghui (碧桂園•玉蒼峯匯)	Wenzhou (Cangnan)	77,239	
13	Country Garden — Yujing Stage (碧桂園•瑜璟臺)	Dongguan (ChashanTown)	267,325	
14	Country Garden-Cloud Lake Tianjing (碧桂園•雲湖天境)	Zhengzhou (Gaoxin)	85,187	
15	Country Garden — Haitang Prosperity (碧桂園•海棠盛世)	Lingshui (Lingshui)	674,171	
16	Country Garden -Yunzhu (碧桂園•雲著)	Shaoguan (Wujiang)	254,504	
17	Huangdai Country Garden (黃埭碧桂園)	Suzhou (Xiangcheng)	112,260	
18	Country Garden — Tianyu (碧桂園•天譽)	Suqian (Shuyang)	212,663	
19	Country Garden-Yunding (碧桂園•雲頂)	Shenyang (Hunnan)	574,004	
20	Country Garden — Phoenix Bay (碧桂園•鳳凰灣)	Luoyang (Xigong)	464,385	
21	Country Garden-Phoenix Hill Dawn (碧桂園•鳳鳴山曉)	Wuxi (Yixing)	147,209	
22	Country Garden-Shilijiangwan (碧桂園•十里江灣)	Jieyang (Rongcheng)	314,734	
23	Shaoguan Country Garden (韶關碧桂園)	Shaoguan (Zhenjiang)	4,332,338	
24	Yihe Country Garden — Lion Riding Fudi (頤和碧桂園•獅乘福第)	Cangzhou (Yunhe)	150,255	
25	Country Garden-Phoenix City (碧桂園•鳳凰城)	Xuchang (Changge)	485,031	
26	Country Garden — Century Center (碧桂園•世紀中心)	Foshan (Shunde)	157,590	

BUSINESS OVERVIEW

Completed property developments ⁽²⁾				Properties under development ⁽³⁾			Properties for future development ⁽⁴⁾
Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	GFA for future development
sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.
665,900	626,305	20,754	2026/5/19	88,583	30,650	2020/12/23	15,013
277,169	186,630	52,329	2024/11/6	100,121	2,325	2021/5/27	—
700,020	690,935	4,807	2024/4/30	229,486	101,252	2022/10/9	49,631
106,126	66,062	23,938	2023/9/21				—
3,127,600	3,004,781	112,662	2026/5/28	309,031	174,420	2024/1/29	745,481
117,254	88,323	11,477	2026/1/7	27,829			43,435
121,360	90,869	13,881	2025/5/20	19,185	11,758	2021/8/26	—
73,856	68,092	4,646	2024/9/29	17,883			—
67,617	51,936	8,959	2025/5/28			2023/5/23	—
247,858	247,858		2025/9/30	93,365	75,492	2021/9/16	82,106
439,400	433,651	3,255	2025/6/30	80,954	25,916	2020/5/13	86,378
77,239	54,223	10,086	2024/9/29				—
190,054	138,583	1,493	2025/12/3	77,271	7,715	2025/4/29	—
65,024	41,962	1,496	2025/9/8	20,163	683	2023/6/9	—
170,882	153,538	6,289	2026/1/5	73,186	29,775	2021/5/26	430,103
141,399	137,513	531	2026/5/21	95,083	38,718	2024/10/18	18,022
100,900	88,351	804	2026/4/23	11,360	2,007	2023/5/30	—
140,611	110,768	2,038	2025/12/31	72,052			—
119,714	79,761	5,925	2023/12/27	43,963		2021/7/6	410,327
105,374	98,848		2024/12/4	101,888	36,122	2023/2/24	257,123
118,872	106,504	878	2025/1/26	28,336		2021/12/3	—
188,889	187,770	582	2026/1/9	59,888	12,573		65,957
3,928,932	3,918,325	1,464	2025/11/25	110,896	44,409	2021/3/12	292,510
103,521	101,776		2025/6/30	46,735	31,784	2021/9/10	—
392,190	383,612	108	2025/10/31	15,262	12,041		77,579
75,438	68,735		2025/12/8	43,989	4,235	2025/9/30	38,164

BUSINESS OVERVIEW

Serial number	Project	City (District)	Aggregate saleable GFA for entire project	sq.m.
27	Country Garden Phoenix City (碧桂園鳳凰城)	Guangzhou (Zengcheng)	4,515,688	
28	Country Garden — Phoenix City (碧桂園•鳳凰城)	Zhengzhou (Zhongyuan)	698,982	
29	Country Garden-Xiyue Scholar (碧桂園•壹悅學府)	Yancheng (Dongtai)	154,991	
30	Country Garden-Yunjing (碧桂園•雲境)	Zhengzhou (Jinshui)	88,522	
31	Country Garden-Ten Mile River Bend (碧桂園•十裏江灣)	Zhangzhou (Zhangpu)	116,479	
32	Country Garden — Boya Garden (碧桂園•博雅花園)	Zhanjiang (Lianjiang)	159,822	
33	Country Garden-Star Residences (碧桂園•星作)	Hohhot (Xincheng)	181,472	
34	Qichun Country Garden (蕪春碧桂園)	Huanggang (Qichun)	377,194	
35	Country Garden-Star Opus (碧桂園•星著)	Langfang (Bazhou)	70,593	
36	Lechang Country Garden (樂昌碧桂園)	Shaoguan (Lechang)	1,475,179	
37	Country Garden — Huyu Garden (碧桂園•湖語花園)	Suzhou (Taicang)	75,656	
38	Country Garden-Phoenix Mansion (碧桂園•鳳凰名邸)	Shaoguan (Lechang)	241,769	
39	Country Garden-Financial City (金融城)	Guangzhou (Tianhe)	46,828	
40	Country Garden-Bajing Tai (碧桂園•八景臺)	Huanggang (Xishui)	309,225	
41	Country Garden-Xingyue Bay (碧桂園•星悅灣)	Shaoguan (Xinfeng)	220,762	
42	Yiwu Fotang Country Garden (義烏佛堂碧桂園)	Jinhua (Yiwu)	38,825	
43	Country Garden — Dongchen Yuanzhu (碧桂園•東宸原著)	Linyi (Fei County)	247,400	
44	Country Garden-Jiuzhou Mansion (碧桂園•九州府)	Suqian (Jingkai)	353,411	
45	Country Garden-Phoenix Kirin Mansion (碧桂園•鳳麟府)	Hengshui (Taocheng)	203,149	
46	Country Garden-Tianhui (碧桂園•天薈)	Nantong (Rudong)	74,475	
47	Country Garden — Lakeside (碧桂園•湖境)	Huanggang (Huangzhou)	248,879	
48	Country Garden — Yuerong Bay (碧桂園•悅榕灣)	Wenzhou (Ouhai)	70,689	
49	Country Garden-Qingyuan New Town (碧桂園•清苑新城)	Baoding (Qingyuan)	274,717	
50	Yunyue Bund (雲樾外灘)	Xuzhou (Yunlong)	123,834	

Note:

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

BUSINESS OVERVIEW

Completed property developments ⁽²⁾				Properties under development ⁽³⁾			Properties for future development ⁽⁴⁾
Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date	Total saleable GFA under development	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	GFA for future development
sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.
4,486,296	4,482,678		2018/6/8	29,392	15,954	2025/6/20	—
504,722	472,090	4,044	2024/6/19	84,182		2021/7/13	110,078
101,474	71,263	150	2024/9/12	53,517			—
47,423	37,936	2,456	2026/5/30	17,997	2,761	2023/12/22	23,102
74,409	58,341	15,015	2025/11/27	42,070	24,493	2020/4/29	—
91,191	90,682		2024/12/24	68,631	22,310	2025/1/22	—
141,399	119,519	3,309	2025/12/31	40,073	1,137	2024/9/3	—
162,109	162,000		2026/2/2	48,221	29,611	2021/2/5	166,864
37,359	35,307	1,651	2025/6/27	33,234	26,690	2021/12/1	—
1,237,105	1,237,105		2024/8/28	91,898	41,381	2025/1/7	146,176
59,583	48,125	1,677	2025/10/24	16,073	71	2022/2/15	—
138,224	137,755	121	2025/11/3	66,633	29,209	2024/12/23	36,912
				46,828	4,256	2024/9/3	—
179,755	178,194		2026/6/29	35,835	20,555	2025/6/27	93,635
146,152	141,096	2,845	2025/12/18	43,142	17,917	2025/4/21	31,468
38,825	22,408	2,625	2025/1/6				—
67,146	46,624	18,774	2024/12/27	180,254	138,940	2021/4/27	—
55,497	36,787	1,238	2025/4/9	47,247			250,667
				151,631	118,090	2021/8/17	51,518
74,475	62,496		2024/3/28				—
147,957	144,089	1,270	2026/1/16	62,794	10,468	2021/6/4	38,128
70,689	51,048	925	2025/11/25				—
203,037	201,928		2022/5/1	71,680	41,893	2019/6/10	—
104,413	80,447	2,900	2025/4/22	19,421	202	2021/12/8	—

BUSINESS OVERVIEW

Landbank GFA breakdown by location in Mainland China⁽¹⁾

		Completed property developments ⁽²⁾			Properties under development ⁽³⁾		Properties for future development ⁽⁴⁾
Province/Location	Aggregate saleable GFA	Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Total saleable GFA under development	Total saleable GFA pre-sold	GFA for future development
	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.
Guangdong	143,464,555	125,435,169	122,198,667	1,334,823	6,261,672	1,352,228	11,767,714
Jiangsu	59,863,587	53,175,607	51,688,726	197,218	2,948,542	476,641	3,739,438
Anhui	44,019,990	42,515,931	42,168,550	48,664	823,282	233,657	680,777
Henan	37,300,699	31,630,971	31,222,038	53,882	3,099,486	1,714,936	2,570,242
Hunan	36,257,852	29,736,352	28,822,343	429,275	2,649,043	1,228,524	3,872,457
Shandong	29,396,994	22,716,727	22,180,103	272,410	3,033,579	1,803,610	3,646,688
Hubei	27,901,036	23,802,247	23,433,575	191,031	1,287,943	352,331	2,810,846
Guangxi	22,412,094	20,007,253	19,641,741	256,593	1,019,260	388,063	1,385,581
Zhejiang	19,611,862	19,112,154	18,511,246	69,987	499,594	131,525	114
Guizhou	18,194,412	13,674,353	13,051,031	232,260	1,677,550	181,783	2,842,509
Hebei	15,238,714	12,031,353	11,790,066	22,102	1,806,439	865,847	1,400,922
Liaoning	14,851,685	13,008,432	12,734,309	67,080	857,171	263,065	986,082
Sichuan	14,075,416	11,993,586	11,509,326	416,204	926,667	660,307	1,155,163
Jiangxi	11,666,894	10,595,390	10,274,917	234,665	740,666	276,821	330,838
Shaanxi	11,417,499	9,284,035	9,234,032	15,238	1,287,180	628,440	846,284
Fujian	8,781,017	8,452,937	8,252,263	32,451	307,868	128,903	20,212
Hainan	8,341,850	7,365,331	7,105,461	101,834	528,292	170,657	448,227
Gansu	7,970,786	7,255,057	6,793,637	414,577	379,916	215,642	335,813
Shanxi	7,661,970	5,863,495	5,681,378	78,259	908,558	456,862	889,917
Chongqing	6,556,451	5,972,014	5,886,937	37,056	372,651	173,304	211,786
Yunnan	4,836,596	4,004,665	3,899,481	63,161	402,311	158,301	429,620
Inner Mongolia	4,798,867	4,055,480	3,983,592	15,728	360,658	111,984	382,729
Tianjin	3,703,919	3,112,036	2,982,594	87,199	227,638	155,224	364,245
Xinjiang	3,291,156	1,720,396	1,571,113	139,466	417,541	308,572	1,153,219
Qinghai	1,992,763	1,852,075	1,845,299	143	131,796	99,805	8,892
Ningxia	1,441,791	1,404,163	1,398,019	0	37,628	37,487	0

BUSINESS OVERVIEW

		Completed property developments ⁽²⁾			Properties under development ⁽³⁾		Properties for future development ⁽⁴⁾
Province/Location	Aggregate saleable GFA	Total completed saleable GFA	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Total saleable GFA under development	Total saleable GFA pre-sold	GFA for future development
	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.
Jilin	1,265,619	1,207,366	1,096,008	74,102	29,518	11,901	28,735
Shanghai	1,186,735	1,139,798	1,021,854	28,334	46,937	46,937	0
Heilongjiang	1,000,196	899,035	868,016	8,513	101,161	0	0
Beijing	669,356	436,916	376,038	19,599	76,289	0	156,151
Xizang	164,259	154,254	153,559	219	10,005	0	0
Total	569,336,620	493,614,578	481,375,919	4,942,073	33,256,841	12,633,357	42,465,201

Note:

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

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue was primarily derived from two business segments as follows: Property Development and Technology-enabled Construction. Revenue of the Group decreased by 39.3% to approximately RMB44,081 million in the first half of 2026 from approximately RMB72,570 million for the corresponding period in 2025. 96.1% of the Group's revenue was generated from the Property Development segment (corresponding period in 2025: 96.5%), and 3.9% from Technology-enabled Construction and Others segments (corresponding period in 2025: 3.5%).

Property Development

Due to the decrease in GFA delivered, revenue generated from property development decreased by 39.5% to approximately RMB42,356 million for the six months ended 30 June 2026 from approximately RMB70,028 million for the corresponding period in 2025. The recognised average selling price of property delivered (value-added taxes not included) was approximately RMB6,823 per sq.m. for the six months ended 30 June 2026.

Technology-enabled Construction

Technology-enabled Construction revenue from external parties decreased by 67.7% to approximately RMB474 million for the six months ended 30 June 2026 from approximately RMB1,466 million for the corresponding period in 2025, primarily due to the decrease in new construction volume resulting from sluggish market of real estate.

Others

Others segment mainly includes property investment and hotel operation. Revenue from external parties of Others segment increased by 16.3% to approximately RMB1,251 million for the six months ended 30 June 2026 from approximately RMB1,076 million for the corresponding period in 2025.

Gross Loss

In the first half of 2026, the Group recorded a gross loss of approximately RMB5,990 million (corresponding period in 2025: a gross loss of approximately RMB6,457 million), mainly attributable to the net write-down of properties under development and completed properties held for sale by the Group, amounting to approximately RMB6,173 million.

Excluding the impact of such net write-down of properties on the gross loss, the Group's gross profit for the six months ended 30 June 2026 would have been approximately RMB183 million.

Selling and Marketing Costs and Administrative Expenses

In the first half of 2026, the Group's selling and marketing costs and administrative expenses amounted to approximately RMB3,197 million, representing a year-on-year decrease of 19.7%, mainly attributable to the Group's strict control over non-core and non-essential operating expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance Costs – Net

The Group recorded net finance costs of approximately RMB2,389 million in the first half of 2026 (corresponding period in 2025: approximately RMB1,645 million).

During the period, the Group recorded net foreign exchange gains of approximately RMB920 million (corresponding period in 2025: net foreign exchange gains of approximately RMB760 million) due to changes in the trend of exchange rate fluctuations and finance income of approximately RMB162 million (corresponding period in 2025: approximately RMB166 million). Interest expenses amounted to approximately RMB4,135 million for the six months ended 30 June 2026 (corresponding period in 2025: approximately RMB6,665 million), of which approximately RMB664 million had been capitalised on qualifying assets (corresponding period in 2025: approximately RMB4,094 million).

Loss before Income Tax

In the first half of 2026, the Group recorded loss before income tax of approximately RMB12,224 million (corresponding period in 2025: loss before income tax of approximately RMB15,353 million), mainly because of the following reasons:

- (1) Affected by the overall performance of the real estate market, the net write-down of approximately RMB6,173 million was provided for properties under development and completed properties held for sale;
- (2) Affected by multiple adverse factors such as macroeconomic environment, industry environment, and negative financial conditions of counterparties, the net impairment losses on financial assets and guarantees of approximately RMB3,791 million were provided;
- (3) The Group recorded selling and marketing costs and administrative expenses of approximately RMB3,197 million, net finance costs of approximately RMB2,389 million and share of losses of joint ventures and associates of approximately RMB696 million; and
- (4) The Group recorded net other income and gains of approximately RMB4,105 million, mainly derived from changes in fair value of financial liabilities at fair value through profit or loss and gains on debt restructuring arrangements.

Loss Attributable to Owners of the Company

In the first half of 2026, the loss attributable to owners of the Company was approximately RMB15,616 million (corresponding period in 2025: the loss attributable to owners of the Company was approximately RMB19,078 million).

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity, Financial and Capital Resources

Cash position

As at 30 June 2026, the Group's total cash (being equal to the sum of cash and cash equivalents and restricted cash) amounted to approximately RMB16,675 million (31 December 2025: approximately RMB18,653 million), including approximately RMB5,737 million in cash and cash equivalents and approximately RMB10,938 million in restricted cash.

As at 30 June 2026, 83.3% (31 December 2025: 87.0%) of the Group's total cash was denominated in RMB and 16.7% (31 December 2025: 13.0%) was denominated in other currencies (mainly USD, HKD and MYR).

Borrowings Composition

Borrowings decreased from approximately RMB147,959 million as at 31 December 2025 to approximately RMB142,661 million as at 30 June 2026.

As at 30 June 2026, the Group's borrowings, comprising bank and other borrowings, senior notes and corporate bonds, amounted to approximately RMB121,745 million, RMB15,329 million and RMB5,587 million respectively (31 December 2025: bank and other borrowings, senior notes and corporate bonds amounted to approximately RMB124,825 million, RMB15,354 million, RMB7,780 million respectively).

For bank and other borrowings, approximately RMB101,354 million, RMB18,534 million and RMB1,857 million will be repayable within 1 year, between 1 and 5 years and beyond 5 years respectively (31 December 2025: approximately RMB107,184 million, RMB16,233 million and RMB1,408 million respectively).

As at 30 June 2026 and 31 December 2025, the majority of the Group's borrowings were secured by the Group's certain property, plant and equipment, investment properties, properties under development and financial assets, and/or guaranteed by certain subsidiaries of the Group or secured by the pledge of certain equity interests in the Group's subsidiaries.

Capital Gearing Ratio

The capital gearing ratio is calculated by dividing the net borrowings by total capital. Net borrowings equal borrowings net of total cash (including cash and cash equivalents and restricted cash). Total capital is calculated by adding total equity and net borrowings. The Group's capital gearing ratio increased from approximately 74.5% as at 31 December 2025 to approximately 80.3% as at 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Key Risk Factors and Uncertainties

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

Risks Pertaining to the Property Market and Operations

The Group's business and prospects are closely tied to the performance of the Mainland China property market. At present, the real estate market in Mainland China remains in a state of deep adjustment and bottoming transformation, and the development of mainland cities is shifting from the stage of large-scale incremental expansion to the stage of mainly improving stock quality and efficiency. The year 2026 marks the inaugural year of the "15th Five-Year Plan" period. On the basis of "halting decline and stabilising the market" in 2024, real-estate-related policies will further deepen towards "focused efforts on stabilisation". Moreover, at its meeting on 30 July 2026, the Political Bureau of the Central Committee of the Communist Party of China further incorporated the real estate sector into the framework of "fortifying the security shield", unequivocally mandating the "stabilisation of the real estate market". Central and local authorities are pursuing coordinated implementation with city-specific differentiated policies, while concurrently deepening the development of foundational institutions and supporting policy instruments for the new development paradigm of the real estate industry. In parallel, it is necessary to objectively view the reduction and adjustment of real estate development investment amid the transition to a stock-based phase: the industry is actively curbing new increments while reorganising existing stock. It will remain in a prolonged risk-clearing phase, and comprehensive stabilisation still requires considerable time.

Since the onset of the industry's profound adjustment, our Group has rolled out comprehensive self-rescue measures centred on the core strategic pillars of "project completion and delivery, risk mitigation, asset and liability restoration, and sustainable operations", achieving important phased milestones in mitigating liquidity risks. Nevertheless, sustained operations still face a host of challenges: although significant progress in both onshore and offshore debt restructuring has provided the Group with breathing space, certain debt repayment pressures still exist; subdued sales performance continues to hamper the recovery of endogenous cash-generation capacity; negative public opinion impacts the brand, while legal and litigation risks remain and require ongoing resolution. In addition, the prevailing judicial environment creates obstacles for the management team in performing its duties, bringing uncertainties to the Group's sustainable operations. Against this backdrop, the Group's operational focus is steadily evolving from the completion of guaranteed property deliveries and stabilising and resolving debts towards project-based operations.

Interest Rate Risk

The Group's bank and other borrowings mainly bear floating rates. As at 30 June 2026, the weighted average borrowing cost of the Group's borrowings was 3.39%, a decrease of 37 basis points compared to 31 December 2025. The Group has implemented certain interest rate management measures, including closely monitoring interest rate risk and continuously maintaining communication with financial institution creditors to promote the optimization of borrowing structure and the reduction of interest rate level.

MANAGEMENT DISCUSSION AND ANALYSIS

Foreign Exchange Risk

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

Liquidity Risk

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

Guarantees

As at 30 June 2026, the Group had guarantees in respect of mortgage facilities for certain property buyers amounting to approximately RMB205,976 million (31 December 2025: approximately RMB225,522 million).

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

In addition, as at 30 June 2026, the Group had provided guarantees amounting to approximately RMB7,138 million (31 December 2025: approximately RMB6,714 million) for certain liabilities of the joint ventures, associates and other parties of the Group.

Employees and Remuneration Policy

Human resource has always been the most valuable resource of the Group. As at 30 June 2026, the Group had approximately 12,695 full-time employees.

Remuneration of employees is determined with reference to the Group's remuneration and benefit policies, employees' performance, the Group's profitability performance, industry benchmarks and prevailing market conditions. The Group participates in social insurance contribution schemes or other retirement schemes administered by local governments, and makes monthly contributions to pension insurance, medical insurance, unemployment insurance and the housing fund, as well as making regular contributions to mandatory provident fund schemes on behalf of employees. As at the date of this report, there are no material labour disputes that have adversely affected or are likely to adversely affect the Group's operations.

MANAGEMENT DISCUSSION AND ANALYSIS

To achieve sustainable business development and build core competitiveness, the Group has focused on optimising and refining its approach to talent standards and workforce structure. We have defined the profile of “Three-Quality Talent” for the new era, established standardized identification mechanisms and differentiated retention policies, and strengthened the talent care system. Strategic prioritization in resource allocation has been implemented in areas such as compensation incentives and career development pathways. Through dynamic tracking and evaluation mechanisms, we continuously refine our management strategies, forming a full-cycle closed-loop management system for talent, thereby fully unlocking the strategic value of our human resources. Through various continuing education and development training initiatives, the Group supports its employees in advancing their professional competencies, providing talent support for the Group’s operations and long-term development.

The Group has also approved and/or adopted certain share option schemes, share award scheme and management incentive plan. For further details, please refer to the sections headed “EMPLOYEE INCENTIVE MECHANISMS” and “MANAGEMENT INCENTIVE PLAN” in “CORPORATE GOVERNANCE AND OTHER INFORMATION” of this report.

Forward Looking

Currently, the policy environment is continuously optimising, and China’s real estate industry is accelerating its transition towards a new model of high-quality development. As work proceeds in a coordinated manner on initiatives including the development of “quality housing”, the establishment of a new real-estate development model, high-quality urban renewal and the upgrading of the construction industry, housing consumption has been integrated into the large-ticket durable consumer goods system. Coupled with an improved monetary and financial environment and the accelerated refinement of financing support mechanisms tailored to the new development model, favourable conditions have been created for the industry’s long-term sound and healthy development.

In the second half of 2026, the Group will enter the most critical phase of its transition from “ensuring house delivery” to normal operations. It will firmly seize this crucial window and, following the successful conclusion of its delivery obligations, complete the strategic shift to normal business operations in a smooth and orderly manner. The Group will unswervingly revolve around “building core competitiveness”, and continue to deepen the “One Core and Two Wings” strategic framework, with real estate development as the cornerstone and technology-enabled construction and management and construction services as growth engines. Leveraging its core competitive advantages in “Product Excellence, Service Excellence, and Cost Efficiency”, the Group will actively explore the integrated application of “New Technologies + AI”, drive the transformation of management toward data-driven decision-making, while consolidating asset quality and deepening organizational reform, thereby laying a solid foundation for sustainable operations.

Our Group is fully aware that fundamental shifts have taken place in the supply-demand dynamics of the current real-estate market and a full stabilization of the market will still take time. Meanwhile, our own operational transition also faces multiple challenges. Nevertheless, we firmly believe that with the continued improvement of the real estate policy environment and the profound self-adjustment of the industry, market vitality will gradually revive. Our Group will, through more scientific management and greater resilience in fulfilling our responsibilities, carry out all tasks with solid diligence, and strive to be among the first to step onto a more sound and sustainable development trajectory as the industry recovers.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

During the six months ended 30 June 2026, the Company has applied the principles and has complied with the code provisions set out in Part 2 of the Corporate Governance Code.

BOARD OF DIRECTORS

The Directors during the six months ended 30 June 2026 and up to the date of this report are set out below:

Executive Directors

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

Non-executive Director

Mr. CHEN Chong

Independent Non-executive Directors

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

AUDIT COMMITTEE

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

The Audit Committee has reviewed with the management of the Company the accounting policies and practices adopted by the Group and discussed, among other things, internal control, risk management and financial reporting matters including a review of the unaudited interim financial information of the Group for the six months ended 30 June 2026. In addition, the independent auditor of the Company, ZHONGHUI ANDA CPA Limited, has reviewed the unaudited interim financial information of the Group for the six months ended 30 June 2026 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

CORPORATE GOVERNANCE AND OTHER INFORMATION

EXTRACTS OF THE REPORT ON REVIEW OF UNAUDITED INTERIM FINANCIAL INFORMATION

The Company's independent auditor, ZHONGHUI ANDA CPA Limited (the "**Auditor**"), has disclaimed a conclusion in its report on review of the Group's unaudited interim financial information for the six months ended 30 June 2026, an extract of which is as follows:

Basis for Disclaimer of Conclusion

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

As disclosed in note 2.1 to the interim condensed financial information, the Group incurred a loss attributable to owners of the Company of approximately RMB15.6 billion for the six months ended 30 June 2026. As at 30 June 2026, the Group had borrowings of approximately RMB142.7 billion, out of which approximately RMB101.5 billion was included in current liabilities, while its total cash (including cash and cash equivalents and restricted cash) amounted to approximately RMB16.7 billion. As at 30 June 2026, the Group had bank and other borrowings, with an aggregated carrying amount of approximately RMB82.4 billion were defaulted or cross-defaulted. Furthermore, the Group is subject to a number of ongoing litigation cases primarily brought by creditors and suppliers. The above events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

In view of the above circumstances, the directors of the Company (the "**Directors**") have been undertaking a number of plans and measures to mitigate the liquidity pressure and improve its financial position, details of which are set out in note 2.1 to the interim condensed financial information. To assess the appropriateness of the going concern basis, the management of the Group prepared a cash flow forecast ("**Cash Flow Forecast**"), which takes into account the effects of the success in implementing and completing the aforesaid plans and measures as scheduled notwithstanding the inherent uncertainties associated with the outcome of these plans and measures. In particular, the positive outcome of the Cash Flow Forecast is dependent upon the following key assumptions: (a) the timely realisation of forecasted sales proceeds from pre-sale and sale of properties; (b) the successful negotiation with creditors on proposals for the settlement or restructuring of outstanding indebtedness; and (c) the successful negotiation with suppliers on proposals for the settlement of outstanding payables and the favourable resolution of ongoing litigation cases. Based on the result of the Cash Flow Forecast, the Directors are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the foreseeable future and therefore, the Group has the ability to continue as a going concern and will continue its operations for at least 12 months from 30 June 2026. Accordingly, the Directors are of the view that it is appropriate to prepare the interim financial information on a going concern basis.

However, we have not been able to obtain sufficient appropriate review evidence to evaluate the appropriateness of the above key assumptions. In particular, we were unable to conclude on the appropriateness of the assumptions underlying the forecasted sales proceeds given the prevailing conditions in the PRC property market, the inherent uncertainties associated with forecasting property sales, and the further decrease in the Group's pre-sale and revenue from the property development segment compared to the prior year. We were also unable to conclude on the likely outcome of the negotiations with creditors and suppliers, as management advised that whilst negotiations on settlement proposals are ongoing, no formal agreements have been reached as at the date of this report. Furthermore, due to the inherent uncertainties associated with the outcome of litigation, we were unable to conclude that the Group will successfully resolve the ongoing litigation cases.

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

CORPORATE GOVERNANCE AND OTHER INFORMATION

Disclaimer of Conclusion

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

GOING CONCERN AND MITIGATION MEASURES

As described in the section headed “Basis for Disclaimer of Conclusion — Scope limitation relating to the assessment on the appropriateness of the going concern basis of preparing the Interim Financial Information” in “EXTRACTS OF THE REPORT ON REVIEW OF UNAUDITED INTERIM FINANCIAL INFORMATION” on page 27 of this report, there are material uncertainties that may cast significant doubt on the Group’s ability to continue as a going concern. The Auditor was unable to obtain sufficient appropriate review evidence to conclude whether the use of the going concern basis of accounting to prepare the interim financial information of the Group was appropriate. Accordingly, the Auditor did not express a conclusion on the interim financial information of the Group for the six months ended 30 June 2026.

In order to mitigate phased liquidity pressure and improve financial condition, the Group has adopted various plans and measures. Following the approval of the restructuring proposals for nine onshore corporate bonds of the Group in 2025, the Group initiated the repurchase option in accordance with relevant terms of the resolutions of the bondholders’ meetings in February 2026, and in April 2026, the repurchase option was completed, whereby the Group repurchased onshore corporate bonds with a total principal amount of approximately RMB3.75 billion at a consideration of approximately RMB0.45 billion. In respect of offshore indebtedness, the winding-up petition was dismissed by an order of the High Court on 16 February 2026. During the six months ended 30 June 2026, the Company received voluntary conversion requests from mandatory convertible bondholders and completed the conversion of such bonds with a principal amount of approximately USD3.9 billion, and the Company issued approximately 5.45 billion shares in connection with the equitisation of the shareholder’s loan. Save for the debt restructuring arrangements above, the Group has also been actively negotiating with other PRC onshore lenders and creditors on the extension or restructuring of borrowings. In the first half of 2026, the Group and its joint ventures and associates together achieved contracted sales attributable to the shareholders of the Company of approximately RMB14.25 billion, with contracted sales GFA attributable to the shareholders of the Company of approximately 1.825 million sq.m. Sales remained steady in the first six months, with completion rates aligning with the annual target schedule. The selling and marketing costs and administrative expenses of the Group also decreased by 19.7% year-on-year. The aforementioned circumstances demonstrated the orderly implementation of the mitigation plans and measures formulated by the Group. Please refer to the announcements of the Company dated 31 March 2026 and 30 June 2026 in relation to periodic updates on the actions taken by the Company to address the disclaimer of opinion for further details.

Going forward, the Group will continue to implement the debt management measures, actively adjust its sales activities to achieve its budgeted sales volume and cash collection, respond to various supportive policies of the national and local governments, revitalise resources and dispose of assets, improve operational efficiency and engage in negotiations with suppliers and other creditors to reach amicable resolutions as soon as possible in order to deal with the ongoing litigation cases. Further details on the Group’s proposed plans and measures and the material uncertainties as to whether the Group is able to achieve its proposed plans and measures and continue as a going concern are set out in note 2.1 to the “NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION” in this report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The management of the Company is therefore of the view that the plans and measures currently adopted by the Group are effective. This is reflected in the fact that the Group has made meaningful progress in stabilising its financial position and addressing its liabilities, enabling it to better focus on housing delivery, continuing its business operations, maintaining the value of its assets, and implementing its business and asset disposal strategies that it believes have greatest potential to maximise value for all stakeholders.

Whilst the industry continues to undergo profound adjustment, which currently still presents ongoing challenges to the Group, the Group will remain dedicated to its original aspiration of ensuring property delivery and maintaining stable operations, sharpen its core competitiveness amid industry changes, and address market uncertainties with determined efforts. The Group will ensure the continued implementation and completion of its onshore and offshore debt restructuring, comprehensively strengthen project completion and delivery, steadily advance the resolution of project debt risks, and actively revitalise assets to safeguard the stability and sustainable operation of its business.

The Directors have considered the management's view and basis on major judgmental areas. Having carefully reviewed the Group's cash flow projections covering a period of not less than 12 months from 30 June 2026 prepared by the management, the Directors are of the opinion that the Group will be able to meet its financial obligations as and when they fall due within twelve months from 30 June 2026 in view of the Group's successful experience in its onshore and offshore debt restructuring as well as the orderly implementation of the proposed plans and measures which may bring about reasonably possible changes in operation performance and costs control. Accordingly, the Directors consider that the preparation of the interim financial information for the six months ended 30 June 2026 on a going concern basis is appropriate, notwithstanding the disclaimer of conclusion expressed by the Auditor.

The Audit Committee discussed and understood the concerns of the Auditor that uncertainties exist as to whether the Group's management will be able to achieve its proposed plans and measures. Through the discussions with the management of the Group and the Auditor during the meeting of the Audit Committee, the Audit Committee understood that due to scope limitation, the Auditor was unable to obtain sufficient appropriate review evidence to conclude whether the use of the going concern basis of accounting to prepare the interim financial information of the Group for the six months ended 30 June 2026 was appropriate.

The Audit Committee has also discussed with the Board and the Group's management in respect of the going concern issue. Notwithstanding the disclaimer of conclusion expressed by the Auditor, the Audit Committee, on the basis of the Cash Flow Forecast, the post-implementation status following the effectiveness of the onshore and offshore debt restructuring proposals, the orderly implementation of the plans and measures, as well as the position and basis adopted by the management and the Board in respect of the major judgmental areas as set out above, concurred with the position taken by the Group's management and the Board in respect of the basis of preparation applied by the Company.

There is no disagreement among the Board, the Group's management and the Audit Committee with the position taken by the Auditor regarding the going concern issue.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CHANGES SINCE DATE OF 2025 ANNUAL REPORT

Pursuant to rule 13.51B(1) of the Listing Rules, there is no change to information required to be disclosed by the Directors pursuant to paragraphs (a) to (e) and (g) of rule 13.51(2) of the Listing Rules between the date of the Company's 2025 annual report and up to the date of this report.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as the code of conduct for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standard regarding securities transactions set out therein throughout the six months ended 30 June 2026. No incident of non-compliance was noted by the Company for the six months ended 30 June 2026. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

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

As at 30 June 2026, the Directors and chief executive of the Company had the following interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

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

Name of Directors	Capacity	Number of Shares held	Number of underlying Shares held under equity derivatives	Total	Percentage of total issued Shares as at 30 June 2026 ⁸	Amount of debentures held
Ms. YANG Huiyan	Interest of controlled corporation	19,991,246,909 ^{1, 6}	9,417,421,323 ^{1, 5}	29,408,668,232 ^{1, 5, 6}	63.47%	—
Mr. MO Bin	Beneficial owner	86,591,006	—	86,591,006	0.18%	USD1,577,852 ⁷ USD27,760,000 ⁷
Dr. CHENG Guangyu	Beneficial owner	12,338,951	1,757,149 ²	14,096,100	—	—
	Interest of spouse	17,307,339 ³	—	17,307,339	—	—
				31,403,439	0.06%	
Mr. CHEN Chong	Interest of spouse	19,991,246,909 ^{4, 6}	9,417,421,323 ^{4, 5}	29,408,668,232 ^{4, 5, 6}	63.47%	—

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

1. These Shares or interests represent Shares or interests held by Concrete Win Limited ("**Concrete Win**") in which Ms. YANG Huiyan beneficially owns the entire issued share capital.
2. The relevant interests are share awards granted pursuant to the Share Award Scheme. The grant date was prior to appointment of Dr. CHENG Guangyu as Director on 20 December 2022.
3. These Shares represent Shares held by Ms. ZUO Ying who is the spouse of Dr. CHENG Guangyu.
4. These Shares represent Shares held by Ms. YANG Huiyan who is the spouse of Mr. CHEN Chong.
5. On 13 October 2025, Concrete Win entered into a deed of undertaking in respect of the equitisation of its approximately USD1.15 billion Shareholder loan at a price of HKD0.60 per share into 14,869,049,697 ordinary shares, which resulted in an increase in Concrete Win's interest in the ordinary Shares of the Company. These interests constitute unlisted physically settled equity derivatives and 9,417,421,323 ordinary Shares may still be issued based on the disclosure of interest notice of Concrete Win dated 23 June 2026.
6. On 13 October 2025, Concrete Win entered into an equity derivative swap referencing 1,100,000,000 ordinary Shares, which resulted in Concrete Win's interest in the referenced Shares to be exchanged from a beneficial interest in such Shares into a long interest under the equity derivative swap. These interests constitute unlisted cash settled equity derivatives based on the disclosure of interest notice of Concrete Win dated 23 June 2026.
7. On 11 April 2025, the Company and the members of the AHG entered into the restructuring support agreement (as amended and supplemented on 18 August 2025) in respect of the Proposed Restructuring, which resulted in the issuance of LTI (A) with principal amount of USD1,560,000 and the issuance of LTI (B) with principal amount of USD27,760,000 to Mr. MO Bin on 30 December 2025 (i.e. the Restructuring Effective Date (the "**RED**")). On the relevant event date of 30 June 2026, pursuant to a notes indenture dated 30 December 2025 (as amended or supplemented from time to time), the amount of LTI (A) held by Mr. MO Bin was increased to USD1,577,852 due to distribution of paid-in-kind interest based on disclosure of interest notice of Mr. MO Bin dated 10 July 2026.
8. As at 30 June 2026, the total number of issued Shares is 46,329,958,770 Shares.

Save as disclosed above, during the six months ended 30 June 2026, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, during the six months ended 30 June 2026, none of the Directors, their spouse or children under the age of 18 had any rights to subscribe for equity or debt securities of the Company or its associated corporation (within the meaning of Part XV of the SFO), nor has any of them exercised such rights.

CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 30 June 2026, according to the register kept by the Company under Section 336 of the SFO, the following companies, other than the Directors and chief executive of the Company, had, or were deemed or taken to have, an interest and/or short position in the Shares or underlying Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO:

Long and short positions in the Shares

Name of Shareholders	Capacity	Number of ordinary Shares held	Number of underlying Shares held under equity derivatives	Total	Percentage of total issued Shares as at 30 June 2026 ¹
Concrete Win Limited	Beneficial owner	19,991,246,909 (L) ^{2, 4}	9,417,421,323 (L) ^{2, 3}	29,408,668,232 (L) ^{2, 3, 4}	63.47%
JPMorgan Chase & Co.	Beneficial owner				
	Investment manager	600,071,696 (L) ⁵	1,066,604,310 (L) ⁵	1,666,676,006 (L) ⁵	3.59%
	Person having a security	70,000,000 (S) ⁵	5,618,547 (S) ⁵	75,618,547 (S) ⁵	0.16%
	interest in shares	948,737,448 (P) ⁵		948,737,448 (P) ⁵	2.04%
	Approved lending agent				

Remarks: (L): Long position; (S): Short position; (P) Lending pool

Notes:

- As at 30 June 2026, the total number of the issued Shares is 46,329,958,770 Shares.
- These Shares or interests are held by Concrete Win, the entire issued share capital of which is beneficially owned by Ms. YANG Huiyan.
- On 13 October 2025, Concrete Win entered into a deed of undertaking in respect of the equitisation of its approximately USD1.15 billion Shareholder loan at a price of HKD0.60 per share into 14,869,049,697 ordinary shares, which resulted in an increase in Concrete Win's interest in the ordinary Shares of the Company. These interests constitute unlisted physically settled equity derivatives and 9,417,421,323 ordinary Shares may still be issued based on the disclosure of interest notice of Concrete Win dated 23 June 2026.
- On 13 October 2025, Concrete Win entered into an equity derivative swap referencing 1,100,000,000 ordinary Shares, which resulted in Concrete Win's interest in the referenced Shares to be exchanged from a beneficial interest in such Shares into a long interest under the equity derivative swap. These interests constitute unlisted cash settled equity derivatives based on the disclosure of interest notice of Concrete Win dated 23 June 2026.
- Based on the disclosure of interest notice of JPMorgan Chase & Co. ("JPMorgan") dated 28 April 2026, on the relevant event date of 23 April 2026, JPMorgan held (a) long position in 600,071,696 Shares; (b) short position in 70,000,000 Shares; (c) long position in 948,737,448 Shares in lending pool; (d) long position in 9,499,000 underlying Shares which constitute unlisted cash settled derivatives; (e) short position in 5,618,547 underlying Shares which constitute unlisted cash settled derivatives; and (f) long position in 1,057,105,310 underlying Shares which constitute listed derivatives - convertible instruments.

In respect of the capacity in which such interests and short positions are held, based on the said disclosure of interest notice, the total number of Shares and underlying Shares comprise of (a) long position in 414,148,229 Shares and underlying Shares and short position in 75,618,547 Shares and underlying Shares held in the capacity of beneficial owner; (b) long position in 104,994,696 Shares and underlying Shares held in the capacity of investment manager; (c) long position in 1,147,533,081 Shares and underlying Shares held in the capacity of person having a security interest in shares; and (d) long position in 948,737,448 Shares in the lending pool held in the capacity of approved lending agent.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed above, the Company has not been notified by any other person (other than the Directors and chief executive of the Company) who had, or were deemed or taken to have, an interest and/or short position in the Shares or underlying Shares as of 30 June 2026 which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO.

EMPLOYEE INCENTIVE MECHANISMS

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

(I) Share Award Scheme

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

According to the trust deed approved by the Board on 27 January 2015, the trustee of the Share Award Scheme is Power Great Enterprises Limited (“**Power Great**”), a wholly-owned subsidiary of the Company. During the six months ended 30 June 2026, Power Great as the trustee of the Share Award Scheme had not purchased any Share from the market under the Share Award Scheme, and had not acquired any Share by any other means. During the six months ended 30 June 2026, no Shares were granted under the Share Award Scheme. As at 30 June 2026, the total number of Shares in relation to share awards that were granted under the Share Award Scheme was 83,232,262 Shares (being the net number after deduction of the exercised and lapsed share awards). As at 30 June 2026, Power Great held a cumulative total of 83,259,032 Shares available for use under the Share Award Scheme (which includes Shares that have been granted to relevant employees with the registration and transfer procedures yet to be completed) (31 December 2025: 83,259,032 Shares).

CORPORATE GOVERNANCE AND OTHER INFORMATION

(II) Share Option Schemes

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

In view of the expiry of the 2007 Share Option Scheme on 19 March 2017, the 2017 Share Option Scheme was approved and adopted by the Shareholders at the 2017 AGM for a period of 10 years commencing on the adoption date and ending on 17 May 2027. The termination of the 2017 Share Option Scheme was approved by the Board and effective upon the approval and adoption of the MIP (as defined below) by the Shareholders at the extraordinary general meeting of the Company held on 3 December 2025 (the “EGM”).

Following the termination of the 2017 Share Option Scheme, no subsequent options may be granted under the 2017 Share Option Scheme. The total number of share options available for grant under the Share Option Schemes was nil both as of 1 January 2026 and as of 30 June 2026 (as of 1 January 2025: 2,048,830,798 Shares and as of 31 December 2025: nil).

- (a) During the six months ended 30 June 2026, details of movements in the share options under the 2007 Share Option Scheme are as follows:

Category and name (if applicable) of grantees	Outstanding at 1 January 2026	Granted during the period ¹	Options to subscribe for Shares			Outstanding at 30 June 2026	Exercise price per Share HKD	Date of grant	Exercisable period
			Exercised during the period	Cancelled during the period	Lapsed during the period				
Other participants ²	1,506,227	—	—	—	1,506,227	—	3.332	16.03.2016	16.03.2021–15.03.2026
	1,599,861	—	—	—	1,599,861	—	3.106	11.05.2016	11.05.2021–10.05.2026
	816,050	—	—	—	—	816,050	3.740	19.08.2016	19.08.2021–18.08.2026
Total	3,922,138	—	—	—	3,106,088	816,050			

Notes:

- The 2007 Share Option Scheme has expired on 19 March 2017. Following the date of expiry of the 2007 Share Option Scheme, no subsequent options may be granted under the 2007 Share Option Scheme. During the six months ended 30 June 2026, no share options were granted by the Company in accordance with the terms of the 2007 Share Option Scheme. Therefore, the total number of Shares which may be issued in respect of share options granted under the 2007 Share Option Scheme during the period divided by the weighted average number of Shares in issue during the period is zero.
- The “Other participants” are former Directors.
- As of 1 January 2026 and 30 June 2026, the number of share options available for grant under the 2007 Share Option Scheme was zero since the 2007 Share Option Scheme has expired on 19 March 2017.

CORPORATE GOVERNANCE AND OTHER INFORMATION

- (b) During the six months ended 30 June 2026, details of movements in the share options under the 2017 Share Option Scheme are as follows:

Category and name (if applicable) of grantees	Outstanding at 1 January 2026	Granted during the period ¹	Options to subscribe for Shares			Outstanding at 30 June 2026	Exercise price per Share HKD	Date of grant	Exercisable period
			Exercised during the period	Cancelled during the period	Lapsed during the period				
Other employee participant²									
	1,135,435	—	—	—	—	1,135,435	8.250	22.05.2017	22.05.2022–21.05.2027
	526,868	—	—	—	—	526,868	16.460	21.03.2018	21.03.2023–20.03.2028
	320,165	—	—	—	—	320,165	12.408	09.05.2019	09.05.2024–08.05.2029
	176,545	—	—	—	—	176,545	10.040	12.05.2020	12.05.2025–11.05.2030
	901,113	—	—	—	—	901,113	9.730	26.03.2021	26.03.2026–25.03.2031
Sub-total	3,060,126	—	—	—	—	3,060,126			
Other participants³									
	1,573,688	—	—	—	—	1,573,688	8.250	22.05.2017	22.05.2022–21.05.2027
	978,409	—	—	—	—	978,409	10.100	24.08.2017	24.08.2022–23.08.2027
	659,817	—	—	—	—	659,817	12.980	08.12.2017	08.12.2022–07.12.2027
	421,667	—	—	—	—	421,667	16.460	21.03.2018	21.03.2023–20.03.2028
	258,092	—	—	—	—	258,092	16.280	10.05.2018	10.05.2023–09.05.2028
	202,300	—	—	—	—	202,300	12.240	22.08.2018	22.08.2023–21.08.2028
	619,907	—	—	—	—	619,907	9.654	06.12.2018	06.12.2023–05.12.2028
	414,881	—	—	—	—	414,881	12.044	25.03.2019	25.03.2024–24.03.2029
	429,995	—	—	—	—	429,995	12.408	09.05.2019	09.05.2024–08.05.2029
	1,039,436	—	—	—	—	1,039,436	9.834	23.08.2019	23.08.2024–22.08.2029
	639,140	—	—	—	—	639,140	11.092	05.12.2019	05.12.2024–04.12.2029
	346,922	—	—	—	—	346,922	10.040	12.05.2020	12.05.2025–11.05.2030
	480,615	—	—	—	—	480,615	10.160	24.07.2020	24.07.2025–23.07.2030
	379,388	—	—	—	—	379,388	10.332	03.12.2020	03.12.2025–02.12.2030
	644,397	—	—	—	—	644,397	9.730	26.03.2021	26.03.2026–25.03.2031
Sub-total	9,088,654	—	—	—	—	9,088,654			
Total	12,148,780	—	—	—	—	12,148,780			

Notes:

- The 2017 Share Option Scheme was terminated on 3 December 2025. Following the termination of the 2017 Share Option Scheme, no subsequent options may be granted under the 2017 Share Option Scheme. During the six months ended 30 June 2026, no share options were granted by the Company to eligible person in accordance with the terms of the 2017 Share Option Scheme. Therefore, the total number of Shares which may be issued in respect of share options granted under the 2017 Share Option Scheme during the period divided by the weighted average of Shares in issue during the period is zero and the total number of Shares which may be issued in respect of share options granted under all the Share Option Schemes divided by the weighted average of Shares in issue during the period is also zero.
- The “Other employee participant” is Mr. SU Baiyuan, former Director. Mr. SU Baiyuan retired as an employee of the Group on 26 February 2026.
- The “Other participants” are former Directors.
- As of 1 January 2026 and 30 June 2026, the number of Shares available for grant under the 2017 Share Option Scheme was nil.

CORPORATE GOVERNANCE AND OTHER INFORMATION

MANAGEMENT INCENTIVE PLAN

Capitalised terms used in this section shall have the same meanings as ascribed to them in the circular of the Company dated 17 November 2025 (the “**Circular**”) unless otherwise stated or the context otherwise requires.

To incentivise senior management and other employees of the Group who are critical to the Group’s operations to execute business plans effectively and to improve the Group’s financial performance and position, satisfy the scheduled payments under the new debt instruments issued under the terms of the Proposed Restructuring, and improve share price performance after the RED, a management incentive plan (the “**MIP**”) was approved and adopted by the Shareholders at the EGM held on 3 December 2025 for a period of 10 years commencing on 30 December 2025, the RED. The Eligible Participants under the MIP are directors (including executive, non-executive and independent non-executive directors and excluding the Controlling Shareholder), senior management, and employees of the Group, as determined by the Board or the MIP Administrator according to selection criteria such as present and expected contribution to the Group’s business plans, profitability, financial performance, repayment milestones under the New Debt Instruments and share price performance. However, (a) no employee or director of the Group who have left the Group or are serving out their notice period as at the RED and (b) no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the MIP is not permitted under the laws and regulations of such place or where, in the view of the Board, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate. Under the MIP, the Company may grant awards by way of restricted share units, which may vest in the form of Shares or in cash, according to the rules of the MIP and as determined by the Board or the specialised committee of the Board or person(s) to which the Board has delegated its authority to administer the MIP. A trustee is appointed by the Company through entering into a trust deed to manage the MIP.

During the period, no awards were granted, lapsed or cancelled under the MIP. As at 1 January 2026 and as at 30 June 2026, the total number of Shares available for issue and grant under the MIP both remains to be 2,798,850,794 Shares. Therefore, the total number of Shares which may be issued in respect of Awards granted under the MIP during the period divided by the weighted average number of Shares in issue during the period is zero and the total number of Shares which may be issued in respect of options and awards granted under all the Share Option Schemes and the MIP divided by the weighted average number of Shares in issue during the period is also zero.

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

CORPORATE GOVERNANCE AND OTHER INFORMATION

EQUITY FUND RAISING ACTIVITIES DURING THE INTERIM PERIOD

On the RED, the following instruments have been issued by the Company in accordance with the terms of the Scheme for the purposes of implementing the Proposed Restructuring, and such instruments were exercised or converted during the period as follows:

- (i) To entitle lenders of the SCA Loan to subscribe for new Shares as SCA Warrant Shares in exchange for the reduction or set-off of an equal and corresponding amount payable to that lender under the SCA Loan, the Company has issued warrants in the principal amount of USD62,821,268 under the SCA Warrants Instrument to the original lenders of the SCA Loan (the “**SCA Warrants**”). As at the RED, the SCA Warrants may be issued for a maximum number of 816,676,484 Shares. The subscription price and exercise price are HKD0.6 per Share. During the six months ended 30 June 2026, 60,696,662 Shares with a nominal value of HKD6,069,666.2 were issued under the SCA Warrants to the original lenders of the SCA Loan. The net price to the Company of each new Share so issued was the same as the exercise price, and the total market price of such new Shares issued is HKD32,169,230.86 (as at 11 November 2025). The Company has not received cash proceeds from such issuance of new Shares. Based on the total outstanding principal amount of the SCA Warrants of USD58,152,294 as at 30 June 2026, the SCA Warrants may be issued for a maximum number of 755,979,822 Shares during the exercise period under the terms of the SCA Warrants;
- (ii) The Company has issued the zero-coupon mandatory convertible bonds with a maturity date of 78 months from 30 June 2025 in the principal amount of USD7,500,697,253 (the “**MCB (A)**”) as Scheme Consideration to compromise and discharge part of the obligations of the Group owed to the Creditors under the Existing Debt Instruments. As at the RED, the MCB (A) may be converted into a maximum number of 22,502,091,759 Shares. The conversion price is HKD2.6 per Share. During the six months ended 30 June 2026, 11,341,552,116 Shares with a nominal value of HKD1,134,155,211.6 were converted and issued to the Creditors under the Existing Debt Instruments under the MCB (A), and an aggregate principal amount of USD749,148 of the MCB (A) were cancelled. The net price to the Company of each new Share so issued was the same as the relevant conversion price, and the total market price of such new Shares issued is HKD6,011,022,621.48 (as at 11 November 2025). The Company has not received cash proceeds from such issuance of new Shares. As at 30 June 2026, based on the total outstanding principal amount of the MCB (A) of USD3,719,430,733, the MCB (A) may be converted into a maximum number of 11,158,292,199 Shares during the conversion period under the terms of the MCB (A);
- (iii) The Company has issued the zero-coupon mandatory convertible bonds with a maturity date of 114 months from 30 June 2025 in the principal amount of USD603,751,513 (the “**MCB (B)**”) as Scheme Consideration to compromise and discharge part of the obligations of the Group owed to the Creditors under the Existing Debt Instruments. As at the RED, the MCB (B) may be converted into a maximum number of 470,926,180 Shares. The conversion price is HKD10 per Share. During the six months ended 30 June 2026, 55,832,767 Shares with a nominal value of HKD5,583,276.7 were converted and issued to the Creditors under the Existing Debt Instruments under the MCB (B), and an aggregate principal amount of USD107,402,616 of the MCB (B) were cancelled. The net price to the Company of each new Share so issued was the same as the relevant conversion price, and the total market price of such new Shares issued is HKD29,591,366.51 (as at 11 November 2025). The Company has not received cash proceeds from such issuance of new Shares. As at 30 June 2026, based on the total outstanding principal amount of the MCB (B) of USD424,768,371, the MCB (B) may be converted into a maximum number of 331,319,373 Shares during the conversion period under the terms of the MCB (B);

CORPORATE GOVERNANCE AND OTHER INFORMATION

- (iv) The Company has issued the zero-coupon mandatory convertible bonds with a maturity date of 78 months from 30 June 2025 in the principal amount of USD39,461,396 (the “**MCB (C)**”) to fully discharge and compromise the underlying indebtedness of the CHB Bilateral Loan in return for the lender receiving MCB (C). As at the RED, the MCB (C) may be converted into a maximum number of 279,817,174 Shares. The conversion price is HKD1.1 per Share. During the six months ended 30 June 2026, 279,817,168 Shares with a nominal value of HKD27,981,716.8 were converted and issued to CHB under the MCB (C). The net price to the Company of each new Share so issued was the same as the relevant conversion price, and the total market price of such new Shares issued is HKD148,303,099.04 (as at 11 November 2025). The Company has not received cash proceeds from such issuance of new Shares. As all principal amount of MCB (C) has been converted into Shares as at 30 June 2026, there was no outstanding principal amount of the MCB (C) as at 30 June 2026;
- (v) On 13 November 2025 (after trading hours), the Company and Concrete Win entered into the Shareholder Loans Equitisation Agreement. Subject to the occurrence of the RED, approximately USD1.098 billion in principal amount of the Shareholder Loans (together with all accrued and unpaid interest in respect of all Shareholder Loans up to (and including) 30 September 2024) shall be set-off and settled with immediate effect upon the RED, and the Company will issue the corresponding Capitalisation Shares at the issue price of HKD0.60 per Capitalisation Share to Concrete Win from time to time upon written request by Concrete Win. The final number of Capitalisation Shares is subject to the completion of the Proposed Disposal. Up to 15,519,049,697 new Shares shall be issued if the Proposed Disposal fails to complete within six (6) calendar months from the RED, or up to 14,869,049,697 new Shares shall be issued if the Proposed Disposal completes within six (6) calendar months from the RED. As the Proposed Disposal has completed within six (6) months from the RED, up to 14,869,049,697 Capitalisation Shares shall be issued since the RED. During the six months ended 30 June 2026, an aggregate of 5,451,628,374 Capitalisation Shares with a nominal value of HKD545,162,837.4 was issued to Concrete Win. The net price to the Company of each new Share so issued was the same as the issue price, and the total market price of such new Shares issued is HKD2,889,363,038.22 (as at 11 November 2025). The Company has not received cash proceeds from such issuance of Capitalisation Shares. As at 30 June 2026, up to 9,417,421,323 Capitalisation Shares may be further issued; and
- (vi) On 14 April 2026, the Company issued 219,375,000 AHG Work Fee Shares with a nominal value of HKD21,937,500 to AHG members under General Mandate at the issue price of HKD0.32 per Share to settle part of the Work Fees payable to AHG. The net price to the Company of each new Share so issued was the same as the issue price, and the total market price of such new Shares issued is HKD69,103,125 (as at 31 March 2026). The Company has not received cash proceeds from such issuance of new Shares.

For the disposal of CoCom Work Fee Shares during the period, please refer to the section headed “Payment of the CoCom Work Fees” of this report.

Please refer to announcements of the Company dated 10 October 2023, 16 January 2024, 28 February 2024, 4 March 2024, 28 March 2024, 7 April 2024, 17 May 2024, 27 June 2024, 29 July 2024, 30 September 2024, 31 December 2024, 9 January 2025, 20 January 2025, 21 January 2025, 11 April 2025, 9 May 2025, 23 May 2025, 6 June 2025, 30 June 2025, 18 August 2025, 13 October 2025, 30 October 2025, 6 November 2025, 14 November 2025, 3 December 2025, 5 December 2025, 22 December 2025, 29 December 2025, 31 December 2025, 31 March 2026 and 14 April 2026 (together, the “Announcements” (unless otherwise specified or the context otherwise requires)), the Circular and the explanatory statement issued by the Company on 13 October 2025 as supplemented by the supplement to the explanatory statement dated 29 October 2025 (the “**Explanatory Statement**”). Capitalised terms used in this section shall have the same meanings as ascribed to them in the Announcements, the Circular and the Explanatory Statement unless otherwise stated or the context otherwise requires.

CORPORATE GOVERNANCE AND OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Save as disclosed in this report, neither the Company nor any of its subsidiaries has purchased, bought back, sold or redeemed any of its Shares or listed securities during the six months ended 30 June 2026.

For details of redemption by the Company or any of its subsidiaries of its corporate bonds during the six months ended 30 June 2026, please also refer to note 11(b)(ii) to the “NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION” in this report.

DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

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

SIGNIFICANT EVENTS DURING AND AFTER THE FINANCIAL PERIOD

Onshore Debt Restructuring Proposal

The Group provided a holistic restructuring proposal to the holders of 9 onshore corporate bonds (collectively, the “**Subject Bonds**”), making adjustments to the principal and interest repayment arrangements for the Subject Bonds and providing restructuring options including a repurchase option, a stock option and a general creditor claim option. The aforesaid bonds restructuring was progressed by convening bondholders’ meetings, and during the period between September and December 2025, the restructuring proposal was passed by voting at the meetings of relevant bondholders. Accordingly, the principal and interest repayment arrangements for the Subject Bonds were adjusted in 2025.

In 2026, the Group has/will, in accordance with relevant provisions of the restructuring proposal, initiate the cash repurchase option, the stock option and the general creditor claim option in sequence, and arrange for bondholders to make selection and allocation in the restructuring proposal options for the corporate bonds held by them.

In February 2026, the Group initiated the repurchase option in accordance with relevant terms of the resolutions of the bondholders’ meetings. In April 2026, the repurchase option was completed, whereby the Group repurchased domestic bonds with a total principal amount of approximately RMB3.75 billion at a consideration of approximately RMB0.45 billion. The Company will also make further announcements regarding the progress of the subsequent options as and when necessary in accordance with the relevant rules and regulations.

CORPORATE GOVERNANCE AND OTHER INFORMATION

For details regarding the latest information on domestic bonds, please refer to the announcement of the Company dated 4 December 2025, the Announcement of Country Garden Holdings Company Limited on Major Corporate Matters (Bond code: 135797) published by the Company on the website of the Shanghai Stock Exchange of the People's Republic of China (the “**SSE**”), the Announcement of Country Garden Real Estate Group Co., Ltd. (碧桂園地產集團有限公司) on Major Corporate Matters (Bond codes: 163015, 175214, 175366, 149407, 149509, 149632 and 149748) published by Country Garden Real Estate Group Co., Ltd. on the websites of the SSE and the Shenzhen Stock Exchange of the People's Republic of China, and the Announcement of Giant Leap Construction Technology Group Co., Ltd. (騰越建築科技集團有限公司) on Major Corporate Matters (Bond code: 136780) published by Giant Leap Construction Technology Group Co., Ltd. on the website of the SSE.

These developments reflect meaningful progress in the Company's efforts to stabilise its financial position and address its liabilities, which enable the Group to better focus on housing delivery, continue its business operations, maintain the value of its assets, and implement its business and asset disposal strategies that it believes have the greatest potential to maximise value for all stakeholders.

Winding-up petition

A winding-up petition dated 27 February 2024 was filed by Ever Credit Limited (the “**Petitioner**”) at the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) against the Company, in relation to the non-payment of a term loan facility between the Petitioner as lender and the Company as borrower in the principal amount of approximately HKD1.6 billion, plus accrued interest. The Company opposed the petition vigorously and, following the successful implementation of the Proposed Restructuring, the petition was eventually dismissed by an order of the High Court dated 16 February 2026.

For further details of the winding-up petition, please refer to the announcements of the Company dated 28 February 2024, 4 March 2024, 17 May 2024, 6 June 2024, 29 July 2024, 9 January 2025, 20 January 2025, 11 April 2025, 26 May 2025, 7 August 2025, 31 December 2025 and 16 February 2026.

Payment of the CoCom Work Fees

The Company issued 135,591,359 Shares pursuant to the General Mandate (the “**CoCom Work Fee Shares**”) to GLAS HK on 30 December 2025. GLAS HK, as trustee, arranged on-market disposals of all 135,591,359 CoCom Work Fee Shares during the period from 27 February 2026 to 24 March 2026 at selling prices ranging from HKD0.305 to HKD0.370. To the best of the knowledge, information and belief of the Company, all 135,591,359 CoCom Work Fee Shares were sold to parties independent of the Company. The average selling price per CoCom Work Fee Share was approximately HKD0.326. The net proceeds received from such disposal, after deducting all costs, fees, charges and taxes incurred in connection therewith, amounted to approximately HKD43,976,061.87 (equivalent to approximately USD5,637,956.65), which have been fully paid to CoCom for settling the CoCom Work Fees. The remaining CoCom Work Fees of approximately USD1,315,446.35 were funded by the internal resources of the Company. As all of the CoCom Work Fees have been fully settled by the end of March 2026, the Company is no longer required to pay any work fees to CoCom.

For further details of the payment of the CoCom Work Fees, please refer to the announcements of the Company dated 10 October 2023, 16 January 2024, 28 February 2024, 4 March 2024, 28 March 2024, 7 April 2024, 17 May 2024, 6 June 2024, 27 June 2024, 29 July 2024, 30 September 2024, 31 December 2024, 9 January 2025, 20 January 2025, 21 January 2025, 11 April 2025, 9 May 2025, 23 May 2025, 6 June 2025, 30 June 2025, 18 August 2025, 13 October 2025, 30 October 2025, 6 November 2025, 14 November 2025, 3 December 2025, 5 December 2025, 22 December 2025, 29 December 2025, 31 December 2025, 9 March 2026, 27 April 2026 and 14 July 2026, and the Circular in relation to, among others, the General Mandate Issuance (as defined in the Circular). Unless otherwise defined, capitalised terms in this section headed “Payment of the CoCom Work Fees” shall have the same meanings as those defined in the Circular.

INFORMATION FOR SHAREHOLDERS

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026 (2025 interim dividend: Nil).

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited 30 June 2026 RMB million	Audited 31 December 2025 RMB million
ASSETS			
Non-current assets			
Property, plant and equipment	7	17,524	18,983
Investment properties	7	14,583	15,386
Intangible assets		625	665
Right-of-use assets		4,968	6,258
Investments in joint ventures		22,183	22,631
Investments in associates		13,156	13,950
Financial assets at fair value through other comprehensive income		3,458	4,104
Deferred income tax assets		9,089	10,162
		85,586	92,139
Current assets			
Properties under development		370,940	392,067
Completed properties held for sale		59,485	90,083
Inventories		4,080	3,238
Trade and other receivables	8	188,326	197,153
Contract assets and contract acquisition costs		6,667	5,029
Prepaid income tax		5,951	7,383
Financial assets at fair value through profit or loss		7,833	6,375
Restricted cash	9	10,938	12,842
Cash and cash equivalents	9	5,737	5,811
		659,957	719,981
Total assets		745,543	812,120
EQUITY			
Equity attributable to owners of the Company			
Share capital and premium	13	57,704	52,749
Other reserves	14	25,927	26,769
Accumulated losses	14	(95,815)	(80,377)
		(12,184)	(859)
Non-controlling interests		43,147	45,118
Total equity		30,963	44,259

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited 30 June 2026 RMB million	Audited 31 December 2025 RMB million
LIABILITIES			
Non-current liabilities			
Borrowings	11	41,115	40,348
Lease liabilities		2,198	2,502
Deferred government grants		113	124
Deferred income tax liabilities		8,630	8,601
		52,056	51,575
Current liabilities			
Contract liabilities		124,490	157,751
Trade and other payables	10	392,607	399,475
Current income tax liabilities		40,889	40,329
Borrowings	11	101,546	107,611
Financial liabilities at fair value through profit or loss	12	2,815	10,942
Lease liabilities		177	178
		662,524	716,286
Total liabilities		714,580	767,861
Total equity and liabilities		745,543	812,120

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

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

		Unaudited Six months ended 30 June	
	Note	2026 RMB million	2025 RMB million
Revenue	6	44,081	72,570
Cost of sales	16	(50,071)	(79,027)
Gross loss		(5,990)	(6,457)
Other income, gains and losses — net	15	4,105	(2,278)
Losses arising from changes in fair value of and transfers to investment properties	7	(266)	(62)
Selling and marketing costs	16	(1,602)	(2,052)
Administrative expenses	16	(1,595)	(1,927)
Net impairment losses on financial assets and guarantees	5.2	(3,791)	(447)
Operating loss		(9,139)	(13,223)
Finance income	17	162	166
Finance costs	17	(2,551)	(1,811)
Finance costs — net	17	(2,389)	(1,645)
Share of results of joint ventures and associates		(696)	(485)
Loss before income tax		(12,224)	(15,353)
Income tax expenses	18	(4,218)	(4,300)
Loss for the period		(16,442)	(19,653)
Loss attributable to:			
— Owners of the Company		(15,616)	(19,078)
— Non-controlling interests		(826)	(575)
		(16,442)	(19,653)
Losses per share attributable to owners of the Company (expressed in RMB yuan per share)			
Basic	20	(0.37)	(0.69)
Diluted	20	(0.37)	(0.69)

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Unaudited Six months ended 30 June	
	Note	2026 RMB million	2025 RMB million
Loss for the period		(16,442)	(19,653)
Other comprehensive loss			
<i>Item that will not be reclassified to profit or loss:</i>			
— Changes in fair value of financial assets at fair value through other comprehensive income	14	(489)	(31)
<i>Item that may be reclassified to profit or loss:</i>			
— Currency translation differences		(191)	(76)
Total other comprehensive loss for the period, net of tax		(680)	(107)
Total comprehensive loss for the period		(17,122)	(19,760)
Total comprehensive loss attributable to:			
— Owners of the Company		(16,296)	(19,079)
— Non-controlling interests		(826)	(681)
		(17,122)	(19,760)

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited					
	Attributable to owners of the Company				Non-controlling interests RMB million	Total equity RMB million
	Share capital and premium RMB million (note 13)	Other reserves RMB million (note 14)	Accumulated losses RMB million (note 14)	Total RMB million		
Balance at 1 January 2026 (audited)	52,749	26,769	(80,377)	(859)	45,118	44,259
Comprehensive loss for the six months ended 30 June 2026						
Loss for the period	—	—	(15,616)	(15,616)	(826)	(16,442)
Other comprehensive loss	—	(680)	—	(680)	—	(680)
Total comprehensive loss for the six months ended 30 June 2026	—	(680)	(15,616)	(16,296)	(826)	(17,122)
Transactions with owners in their capacity as owners						
Capital reduction from non-controlling interests	—	—	—	—	(399)	(399)
Payment of offshore debt restructuring costs by way of placing shares	57	—	—	57	—	57
Shares issued upon the conversion of the mandatory convertible bonds	3,484	—	—	3,484	—	3,484
Shares issued upon the exercise of the SCA Warrants and equitisation of the shareholder's loans ("Equitisation Option")	1,414	—	—	1,414	—	1,414
Dividends	—	—	—	—	(232)	(232)
Employee share schemes						
— Value of employee services	—	12	—	12	—	12
Non-controlling interests arising from business combinations (note 25)	—	—	—	—	2	2
Loss of controls of subsidiaries (note 24)	—	(178)	178	—	(399)	(399)
Changes in ownership interests in subsidiaries without change of control (note 23)	—	4	—	4	(117)	(113)
Total transactions with owners	4,955	(162)	178	4,971	(1,145)	3,826
Balance at 30 June 2026	57,704	25,927	(95,815)	(12,184)	43,147	30,963

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited					
	Attributable to owners of the Company				Non-controlling interests RMB million	Total equity RMB million
	Share capital and premium RMB million (note 13)	Other reserves RMB million (note 14)	Accumulated losses RMB million (note 14)	Total RMB million		
Balance at 1 January 2025 (audited)	50,783	27,933	(85,901)	(7,185)	58,439	51,254
Comprehensive loss for the six months ended 30 June 2025						
Loss for the period	—	—	(19,078)	(19,078)	(575)	(19,653)
Other comprehensive loss	—	(1)	—	(1)	(106)	(107)
Total comprehensive loss for the six months ended 30 June 2025	—	(1)	(19,078)	(19,079)	(681)	(19,760)
Transactions with owners in their capacity as owners						
Capital injections from non-controlling interests	—	—	—	—	678	678
Transfer from statutory reserve	—	(63)	63	—	—	—
Dividends	—	—	—	—	(7,655)	(7,655)
Employee share schemes						
— Value of employee services	—	84	—	84	—	84
Non-controlling interests arising from business combinations	—	—	—	—	207	207
Loss of controls of subsidiaries	—	(60)	60	—	(503)	(503)
Changes in ownership interests in subsidiaries without change of control	—	108	—	108	(495)	(387)
Total transactions with owners	—	69	123	192	(7,768)	(7,576)
Balance at 30 June 2025	50,783	28,001	(104,856)	(26,072)	49,990	23,918

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

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		Unaudited Six months ended 30 June	
	Note	2026 RMB million	2025 RMB million
Cash flows from operating activities			
Cash generated from operations		5,390	3,839
Income tax paid		(1,430)	(1,417)
Interest paid		(797)	(2,866)
Net cash generated from/(used in) operating activities		3,163	(444)
Cash flows from investing activities			
Net cash outflow on business combinations	25	(20)	(167)
Proceeds from disposals of property, plant and equipment		327	106
Net cash inflow on loss of controls of subsidiaries	24	92	23
Purchases of property, plant and equipment		(1)	—
Proceeds from disposals of investment property		8	—
Net payments for investments in joint ventures		—	(43)
Net proceeds for investments in associates		—	3
Dividend income from joint ventures and associates		—	5
Proceeds from disposals of financial assets at fair value through other comprehensive income		—	31
Payments for financial assets at fair value through profit or loss		(205)	(119)
Proceeds from disposals of financial assets at fair value through profit or loss		21	1,305
Interest received	17	162	166
Net cash generated from investing activities		384	1,310

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		Unaudited Six months ended 30 June	
	Note	2026 RMB million	2025 RMB million
Cash flows from financing activities			
Net cash outflow on transactions with non-controlling interests		(28)	(387)
Payments for principal portion of leases		(71)	(75)
Proceeds from borrowings		1,795	3,744
Repayments of borrowings		(5,303)	(4,273)
Net cash used in financing activities		(3,607)	(991)
Net decrease in cash and cash equivalents		(60)	(125)
Cash and cash equivalents at the beginning of the period	9	5,811	6,362
Exchange (losses)/gains on cash and cash equivalents		(14)	45
Cash and cash equivalents at the end of the period	9	5,737	6,282

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

1 General information

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

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

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

The shares of the Company are listed on the Stock Exchange.

This interim financial information is presented in RMB, unless otherwise stated, and was approved by the Board of Directors of the Company for issue on 28 August 2026. This interim financial information has not been audited.

2 Basis of preparation

This interim financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting”. This interim financial information should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2025 (“**2025 Financial Statements**”), which have been prepared in accordance with HKFRS Accounting Standards and the disclosure requirements under the Hong Kong Companies Ordinance, and any public announcements made by the Company during the interim reporting period.

2.1 Going concern basis

For the six months ended 30 June 2026, the Group recorded a loss of RMB16,442 million and a loss attributable to owners of the Company of RMB15,616 million. As at 30 June 2026, the Group had borrowings in the forms of senior notes, corporate bonds and bank and other borrowings, which amounted to RMB142,661 million in aggregate, of which RMB101,546 million were current liabilities, while the Group’s cash and cash equivalents amounted to RMB5,737 million and restricted cash amounted to RMB10,938 million.

As at 30 June 2026, an aggregate amount of RMB82,396 million of the Group’s borrowings was defaulted or cross-defaulted. Furthermore, the Group is subject to a number of ongoing litigation cases primarily brought by creditors and suppliers.

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

2 Basis of preparation *(Continued)*

2.1 Going concern basis *(Continued)*

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern for at least 12 months from 30 June 2026, taking into account the following plans and measures:

- (a) The Group has actively adopted and will continue to implement various debt management measures to mitigate its phased liquidity pressure, including:
- the restructuring proposals for nine onshore corporate bonds of the Group were approved at the relevant bondholders' meetings in 2025. The principal and interest repayment arrangements for the nine bonds were adjusted, offering the aforesaid bondholders a restructuring proposal including a repurchase option, a stock option and a general creditor claim option. In February 2026, the Group initiated the repurchase option in accordance with relevant terms of the resolutions of the bondholders' meetings, and in April 2026, the repurchase option was completed, whereby the Group repurchased onshore corporate bonds with a total principal amount of approximately RMB3.75 billion at a consideration of approximately RMB0.45 billion. The Group will ensure continued implementation and completion of the aforesaid restructuring;
 - by an order made by the Court on 4 December 2025, the offshore debt restructuring scheme has been sanctioned by the Court. Subsequently, the Company designated 30 December 2025 as the RED. The proposed restructuring broadly involves the cancellation of the existing debt and the release of all existing debt obligors in exchange for the issuance of scheme consideration entitlements to scheme creditors under the scheme on the RED. All of the rights, title and interest of scheme creditors in respect of the existing debt shall be subject to each of the arrangements and compromises set out in the scheme on the terms and conditions set out in the scheme. Subsequent to the restructuring taking effect, the Group has strictly followed the established restructuring plan. The Company completed a cash tender offer buyback of USD200 million in 2025. During the six months ended 30 June 2026, the Company received voluntary conversion requests from mandatory convertible bondholders and completed the conversion of such bonds with a principal amount of approximately USD3.9 billion. Meanwhile, in connection with the equitisation of the shareholder's loan, the Company issued approximately 5.45 billion shares. The Group will ensure continued implementation and completion of the aforesaid restructuring;
 - save for the debt restructuring arrangements above, the Group has also been actively negotiating with other PRC onshore lenders and creditors on the extension or restructuring of borrowings. Due to the diverse lender base and changing market conditions, time is still required to determine the extension plans or restructuring plans on a case-by-case basis. The Group will continue to press ahead with negotiations with domestic banks and seek to effectively mitigate its existing debt risks through debt extension, restructuring and other feasible measures. Having considered the Group's credit history and longstanding relationships with the relevant lenders and creditors, the Directors believe that the Group will be able to materialise the extension or restructuring arrangements step by step;

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

2 Basis of preparation *(Continued)*

2.1 Going concern basis *(Continued)*

- (b) The Group will continue to actively adjust its sales activities to respond to market changes and capture demands. The Group believes after undergoing adjustments, the PRC real estate market is expected to usher in new development opportunities. Therefore, the Group will adhere to the refined control of “one strategy for one real estate project”, and formulate reasonable sales prices and supply plans by taking into account the actual situation of the local market and each project, in order to achieve its budgeted sales volume and cash collection;
- (c) The Group will actively respond to various supportive policies of the national and local governments, revitalise resources through all kinds of acquisition and reserve policies, and consider disposing of assets when necessary to generate more cash inflows;
- (d) The Group will adapt to current market changes and operational focus, continue to optimise its organisational structure and strictly control various non-core and non-essential operating expenses, to improve operational efficiency continuously; and
- (e) The Group will fully utilise its existing resources and actively engage in negotiations with suppliers and other creditors to reach amicable resolutions as soon as possible, in order to deal with the ongoing litigation cases.

The directors of the Company have reviewed the Group’s cash flow projections, which cover a period of not less than 12 months from 30 June 2026. The directors of the Company are of the opinion that, considering the anticipated cash inflows to be generated from the Group’s operations taking into account reasonably possible changes in operation performance, its cost control measures, as well as the above-mentioned plans and measures, the Group will be able to meet its financial obligations as and when they fall due within twelve months from 30 June 2026. Accordingly, these condensed consolidated financial statements have been prepared on a going concern basis.

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

- (a) Successful completion of the above-mentioned debt management measures, which will be subject to various external conditions that are beyond the Group’s control, including but not limited to the restructuring of the remaining onshore indebtedness of the Group, possible material adverse changes in the market conditions during the process and fulfilment of legal or regulatory requirements;
- (b) Successful implementation of the plans and measures to achieve its budgeted sales volume and timely collection of the relevant sales proceeds;
- (c) Successful activation of resources and disposal of assets;

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

2 Basis of preparation *(Continued)*

2.1 Going concern basis *(Continued)*

- (d) Successful implementation of various measures to further streamline organisational structures and to strictly control various non-core and non-essential operating expenses, to improve operational efficiency; and
- (e) Successful amicable resolutions reached with suppliers and other creditors, as well as favourable resolution of ongoing litigation cases.

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

3 Adoption of new and revised HKFRS Accounting Standards

In the current period, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 January 2026. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the condensed consolidated financial statements and amounts reported for the current period and prior periods.

4 Judgements and estimates

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

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the 2025 Financial Statements.

5 Financial risk management

5.1 Financial risk factors

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

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the 2025 Financial Statements.

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.2 Credit risk

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

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

As at 30 June 2026, the aging of trade receivables and the loss allowance provision based on dates of delivery of goods and dates of rendering of services are as follow:

Trade receivables	30 June 2026			Total
	Within 180 days	More than 180 days	More than 365 days	
Expected loss rate	0.33%	3.21%	25.01%	
Gross carrying amount (RMB million)	9,287	1,185	7,924	18,396
Loss allowance provision (RMB million)	31	38	1,982	2,051

Other receivables (excluding other prepayments)	Gross carrying amount (RMB million)	Loss allowance provision (RMB million)	Expected loss rate
Stage 1 (12-month expected credit losses ("ECL"))	71,048	860	1.21%
Stage 2 (Lifetime ECL non-credit impaired)	104,500	20,968	20.07%
Stage 3 (Lifetime ECL credit impaired)	36,665	34,147	93.13%
Total	212,213	55,975	

Trade receivables	31 December 2025			Total
	Within 180 days	More than 180 days	More than 365 days	
Expected loss rate	0.19%	1.82%	20.34%	
Gross carrying amount (RMB million)	11,254	1,210	7,280	19,744
Loss allowance provision (RMB million)	21	22	1,481	1,524

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.2 Credit risk (Continued)

Other receivables (excluding other prepayments)	Gross carrying amount (RMB million)	Loss allowance provision (RMB million)	Expected loss rate
Stage 1 (12-month ECL)	82,583	1,049	1.27%
Stage 2 (Lifetime ECL non-credit impaired)	93,987	18,676	19.87%
Stage 3 (Lifetime ECL credit impaired)	35,931	33,004	91.85%
Total	212,501	52,729	

As at 30 June 2026, the loss allowance provision for trade and other receivables (excluding other prepayments) and financial guarantees reconciles to the opening loss allowance for that provision as follows:

	Trade receivables RMB million	Other receivables (excluding other prepayments) RMB million	Financial guarantees RMB million	Total RMB million
Loss allowance as at 1 January 2025	1,216	43,189	974	45,379
Provision for loss allowance recognised in profit or loss during the period	63	303	81	447
Loss allowance as at 30 June 2025	1,279	43,492	1,055	45,826
Loss allowance as at 1 January 2026	1,524	52,729	1,651	55,904
Provision for loss allowance recognised in profit or loss during the period	527	3,246	18	3,791
Loss allowance as at 30 June 2026	2,051	55,975	1,669	59,695

As at 30 June 2026, the gross carrying amount of trade and other receivables (excluding other prepayments) was RMB230,609 million (31 December 2025: RMB232,245 million) and the maximum exposure to loss was RMB172,583 million (31 December 2025: RMB177,992 million). The Group made no write-off of trade and other receivables (excluding other prepayments) during the period (30 June 2025: nil).

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.3 Liquidity risk

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

	Less than 1 year RMB million	Between 1 and 2 years RMB million	Between 2 and 5 years RMB million	Over 5 years RMB million	Total RMB million
Unaudited					
At 30 June 2026					
Borrowings	106,518	10,024	13,366	47,477	177,385
Trade and other payables (excluding other taxes payable and salaries payable)	379,467	—	—	—	379,467
Lease liabilities	486	448	967	2,373	4,274
Total	486,471	10,472	14,333	49,850	561,126
	Less than 1 year RMB million	Between 1 and 2 years RMB million	Between 2 and 5 years RMB million	Over 5 years RMB million	Total RMB million
Audited					
At 31 December 2025					
Borrowings	113,280	11,164	10,030	54,074	188,548
Trade and other payables (excluding other taxes payable and salaries payable)	385,094	—	—	—	385,094
Lease liabilities	500	461	1,030	2,575	4,566
Total	498,874	11,625	11,060	56,649	578,208

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.4 Fair value estimation

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

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

	Level 1 RMB million	Level 2 RMB million	Level 3 RMB million	Total RMB million
At 30 June 2026				
Assets				
Financial assets at fair value through other comprehensive income ("FVOCI")	11	—	3,447	3,458
Financial assets at fair value through profit or loss ("FVTPL")	1,872	1,296	4,665	7,833
Total	1,883	1,296	8,112	11,291
Liabilities				
Financial liabilities at FVTPL	—	—	2,815	2,815

	Level 1 RMB million	Level 2 RMB million	Level 3 RMB million	Total RMB million
At 31 December 2025				
Assets				
Financial assets at FVOCI	21	—	4,083	4,104
Financial assets at FVTPL	133	1,368	4,874	6,375
Total	154	1,368	8,957	10,479
Liabilities				
Financial liabilities at FVTPL	—	—	10,942	10,942

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

5 Financial risk management (Continued)

5.4 Fair value estimation (Continued)

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

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

The following table presents the changes in Level 3 financial assets and financial liabilities for the period ended 30 June 2026 and 2025:

	Six months ended 30 June		2025 Financial assets RMB million
	2026 Financial assets RMB million	Financial liabilities RMB million	
At 1 January	8,957	10,942	10,973
Additions	1	—	—
Total gains or losses recognised			
in profit or loss	(209)	(3,229)	(374)
in other comprehensive loss	(637)	—	(67)
Conversion of the mandatory convertible bonds	—	(3,484)	—
Exercise of the SCA Warrants and Equitisation Option	—	(1,414)	—
Disposals	—	—	(1,318)
At 30 June	8,112	2,815	9,214

A net unrealised gain of approximately RMB2,831 million was recognised in profit or loss in the current period (2025: no material unrealised gain or loss) attributable to balances held at the end of the reporting period.

There were no changes in fair value valuation techniques during the period.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information

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

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

The executive directors of the Company assess the performance of the operating segments based on a measure of segment results, adjusted by excluding the gains from the centrally managed offshore and onshore debt restructuring and changes in fair value of financial liabilities at FVTPL and including share of results of joint ventures and associates.

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

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

Revenue consists of the following:

	Six months ended 30 June	
	2026 RMB million	2025 RMB million
Sales of properties	42,356	70,028
Rendering of technology-enabled construction services	474	1,466
Rental income	521	472
Others	730	604
	44,081	72,570

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

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information (Continued)

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

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

	Property development RMB million	Technology- enabled construction RMB million	Others RMB million	Total RMB million
Six months ended 30 June 2026				
Revenue from contracts with customers	42,356	1,295	885	44,536
Revenue from other source: rental income	—	—	521	521
Segment revenue	42,356	1,295	1,406	45,057
Inter-segment revenue	—	(821)	(155)	(976)
Revenue from external customers	42,356	474	1,251	44,081
Share of results of joint ventures and associates	(698)	—	2	(696)
Losses arising from changes in fair value of and transfers to investment properties	—	—	(266)	(266)
Depreciation and amortisation expenses of property, plant and equipment, intangible assets and right-of-use assets	(338)	(197)	(314)	(849)
Net impairment losses on financial assets and guarantees	(3,791)	—	—	(3,791)
Net write-down of properties under development and completed properties held for sale	(6,173)	—	—	(6,173)
Segment results	(14,321)	(13)	(351)	(14,685)
At 30 June 2026				
Total segment assets after elimination of inter-segment balances	650,059	20,430	65,965	736,454
Investments in joint ventures and associates	34,605	—	734	35,339
Capital expenditure	436	1	28	465
Total segment liabilities after elimination of inter-segment balances	455,481	27,657	36,447	519,585

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information (Continued)

	Property development RMB million	Technology- enabled construction RMB million	Others RMB million	Total RMB million
Six months ended 30 June 2025				
Revenue from contracts with customers	70,028	3,125	703	73,856
Revenue from other source: rental income	—	—	472	472
Segment revenue	70,028	3,125	1,175	74,328
Inter-segment revenue	—	(1,659)	(99)	(1,758)
Revenue from external customers	70,028	1,466	1,076	72,570
Share of results of joint ventures and associates	(486)	—	1	(485)
Losses arising from changes in fair value of and transfers to investment properties	—	—	(62)	(62)
Depreciation and amortisation expenses of property, plant and equipment, intangible assets and right-of-use assets	(364)	(288)	(354)	(1,006)
Net impairment losses on financial assets and guarantees	(447)	—	—	(447)
Net write-down of properties under development and completed properties held for sale	(7,282)	—	—	(7,282)
Segment results	(12,502)	(625)	(581)	(13,708)
At 31 December 2025				
Total segment assets after elimination of inter-segment balances	709,060	23,517	69,381	801,958
Investments in joint ventures and associates	35,656	—	925	36,581
Capital expenditure	375	260	201	836
Total segment liabilities after elimination of inter-segment balances	486,558	28,620	44,852	560,030

- (a) During the period ended 30 June 2026, substantially all of the Group's revenue from property development was recognised at a point in time.
- (b) During the period ended 30 June 2026, all of the revenue from technology-enabled construction was recognised over time.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

6 Revenue and segment information *(Continued)*

- (c) During the period ended 30 June 2026, the amounts of revenue from others recognised at a point in time and recognised over time were RMB232 million (30 June 2025: RMB74 million) and RMB653 million (30 June 2025: RMB629 million) respectively.

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

	Six months ended 30 June	
	2026 RMB million	2025 RMB million
Total segment results	(14,685)	(13,708)
Other income, gains and losses	4,850	—
Finance costs — net	(2,389)	(1,645)
Loss before income tax	(12,224)	(15,353)

Reportable segment assets and liabilities are reconciled to total assets and total liabilities as follows:

	30 June 2026 RMB million	31 December 2025 RMB million
Total segment assets after elimination of inter-segment balances	736,454	801,958
Deferred income tax assets	9,089	10,162
Total assets	745,543	812,120
Total segment liabilities after elimination of inter-segment balances	519,585	560,030
Current income tax liabilities	40,889	40,329
Borrowings	142,661	147,959
Financial liabilities at FVTPL	2,815	10,942
Deferred income tax liabilities	8,630	8,601
Total liabilities	714,580	767,861

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

7 Property, plant and equipment and investment properties

	Property, plant and equipment RMB million	Investment properties RMB million
Six months ended 30 June 2026		
Opening net book amount at 1 January 2026	18,983	15,386
Other additions	452	—
Fair value changes	—	(266)
Loss of controls of subsidiaries	(723)	(506)
Other disposals	(357)	(31)
Depreciation	(785)	—
Exchange differences	(46)	—
Closing net book amount at 30 June 2026	17,524	14,583
Losses arising from changes in fair value of and transfers to investment properties recognised in profit or loss:		
— fair value changes		(266)

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

The Group's policy is to recognise changes of fair value hierarchy levels as of the date of events or changes in circumstances that caused the change. As at 30 June 2026 and 31 December 2025, the Group only had investment properties measured at Level 3 valuation.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

8 Trade and other receivables

	30 June 2026 RMB million	31 December 2025 RMB million
Included in current assets		
— Trade receivables — net (note (a))	16,345	18,220
— Other receivables — net (note (b))	156,238	159,772
— Other prepayments (note (c))	15,743	19,161
	188,326	197,153

(a) Details of trade receivables are as follows:

	30 June 2026 RMB million	31 December 2025 RMB million
Trade receivables	18,396	19,744
Less: allowance for impairment (note 5.2)	(2,051)	(1,524)
Trade receivables — net	16,345	18,220

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

	30 June 2026 RMB million	31 December 2025 RMB million
Within 90 days	8,003	9,904
Over 90 days and within 180 days	1,284	1,350
Over 180 days and within 365 days	1,185	1,210
Over 365 days	7,924	7,280
	18,396	19,744

As at 30 June 2026 and 31 December 2025, trade receivables were mainly denominated in RMB.

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

8 Trade and other receivables *(Continued)*

(b) Details of other receivables are as follows:

	30 June 2026 RMB million	31 December 2025 RMB million
Amounts due from joint ventures, associates and other related parties	54,215	45,737
Deposits	12,570	16,050
Others (i)	145,428	150,714
	212,213	212,501
Less: allowance for impairment (note 5.2)	(55,975)	(52,729)
Other receivables — net	156,238	159,772

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

(c) Other prepayments mainly included prepaid value-added taxes and prepayments for purchases of construction materials and services.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

9 Cash and cash equivalents

	30 June 2026 RMB million	31 December 2025 RMB million
Cash at banks and in hand (note (b))	16,675	18,653
Less: restricted cash (note (a))	(10,938)	(12,842)
	5,737	5,811

(a) The balance mainly included unreleased guarantee deposits for construction of pre-sale properties, guarantee deposits for workers' wages and funds frozen as a result of litigations.

(b) Cash and deposits are denominated in the following currencies:

	30 June 2026 RMB million	31 December 2025 RMB million
RMB	13,894	16,224
HKD	344	235
USD	739	215
MYR	740	1,113
Other currencies	958	866
	16,675	18,653

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

10 Trade and other payables

	30 June 2026 RMB million	31 December 2025 RMB million
Trade payables (note (a))	245,486	245,956
Other payables (note (b))	133,981	139,138
Other taxes payable	12,504	13,662
Salaries payable	636	719
	392,607	399,475

(a) The ageing analysis of trade payables based on the date of invoice is as follows:

	30 June 2026 RMB million	31 December 2025 RMB million
Within 365 days	203,284	206,958
Over 365 days	42,202	38,998
	245,486	245,956

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

11 Borrowings

	30 June 2026 RMB million	31 December 2025 RMB million
Included in non-current liabilities:		
Senior notes (note (a))	15,329	15,354
Corporate bonds (note (b))	5,395	7,353
Bank and other borrowings — secured (note (c))	106,337	106,276
Bank and other borrowings — unsecured (note (c))	13,319	13,735
	140,380	142,718
Less: current portion of non-current liabilities	(99,265)	(102,370)
	41,115	40,348
Included in current liabilities:		
Corporate bonds (note (b))	192	427
Bank and other borrowings — secured (note (c))	1,797	4,187
Bank and other borrowings — unsecured (note (c))	292	627
Current portion of non-current liabilities	99,265	102,370
	101,546	107,611
Total borrowings	142,661	147,959

(a) Senior notes

Pursuant to the offshore debt restructuring which was effective on 30 December 2025, the Company issued new senior notes with original principal amounts of USD4,789 million, and recognised at fair value on their initial recognition. Subsequent to the initial recognition on the date of issuance (i.e. 30 December 2025), the carrying amounts of the senior notes are measured at amortised cost.

As at 30 June 2026, the breakdown of outstanding senior notes was shown below:

Name of notes	Outstanding principal amount (USD million)	Coupon interest rate	Issue date	Remaining maturity
2032 Senior Notes	2,652	2.50%*	30 December 2025	6.5 years
2034 Senior Notes	905	2.00%*	30 December 2025	8.5 years
2036 Senior Notes	1,050	1.00%*	30 December 2025	10.5 years

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

11 Borrowings (Continued)

(a) Senior notes (Continued)

* Interest on the 2032, 2034 and 2036 Senior Notes carries base cash rates ranging from 1.0% to 2.5% per annum, with options to settle via pay-in-kind ("PIK") at additional premiums of 0.25% to 2.5%. These PIK options are subject to facility-specific minimum cash payment requirements (0.5% to 1.0% per annum) and defined eligibility timelines.

As at 30 June 2026, the weighted average effective interest rate of the senior notes was 14.76% (31 December 2025: 14.74%).

As at 30 June 2026, all senior notes were listed on the Singapore Exchange Securities Trading Limited.

(b) Corporate bonds

(i) Onshore debt restructuring

With effect from the approval of the onshore debt restructuring proposal at the relevant meetings of bondholders from September 2025 to December 2025, the Group completed the restructuring of nine onshore corporate bonds (the "**Nine Corporate Bonds**") issued by the Company, Country Garden Real Estate Group Co., Ltd. ("**Country Garden Property**") and Giant Leap Construction Technology Group Co., Ltd. ("**Giant Leap**"). The restructuring proposal provides four options for bondholders, including repayment arrangements adjustment (default option), a repurchase option, a stock option and a general creditor claims option.

The onshore debt restructuring was regarded as a substantial modification under HKFRS 9. As the approval of the onshore debt restructuring proposed for the Nine Corporate Bonds was obtained at the relevant meetings of bondholders in 2025, the carrying amounts of the Nine Corporate Bonds were fully de-recognised. The Nine Corporate Bonds were recognised at their fair values at the effective date of the onshore debt restructuring.

In April 2026, the Group repurchased the Nine Corporate Bonds with carrying amount of approximately RMB2,075 million pursuant to the arrangements of the repurchase option, for aggregate cash consideration and other fees of approximately RMB454 million. As a result of the above, gain on onshore debt restructuring of approximately RMB1,621 million was recognised in "Other income, gains and losses — net" of the interim condensed consolidated income statement for the six months ended 30 June 2026.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

11 Borrowings (Continued)

(b) Corporate bonds (Continued)

(i) Onshore debt restructuring (Continued)

As at 30 June 2026, the breakdown of outstanding Nine Corporate Bonds was shown below:

Issuer/Name of bonds	Outstanding principal amount (RMB million)	Coupon interest rate after restructuring	Remaining maturity after restructuring
<i>The Company:</i>			
RMB corporate bonds tranche IV issued in 2016 — series II	2,601	1%	9 years
<i>Giant Leap:</i>			
RMB corporate bonds issued in 2016 — series II	376	1%	9 years
<i>Country Garden Property:</i>			
RMB corporate bonds issued in 2019 — tranche III	860	1%	9 years
RMB corporate bonds issued in 2020 — tranche III	1,306	1%	9 years
RMB corporate bonds issued in 2020 — tranche IV	1,106	1%	9 years
RMB corporate bonds issued in 2021 — tranche I	1,251	1%	9 years
RMB corporate bonds issued in 2021 — tranche II	520	1%	9 years
RMB corporate bonds issued in 2021 — tranche III	791	1%	9 years
RMB corporate bonds issued in 2021 — tranche IV	644	1%	9 years

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

11 Borrowings (Continued)

(b) Corporate bonds (Continued)

(ii) Other corporate bonds

The following table summarises the Group's corporate bonds that do not fall within the onshore debt restructuring plan as at 30 June 2026:

Issuer/Name of bonds	Outstanding Principal amount (RMB million)	Interest rate	Issue date	Term of the bonds
<i>Risland (Thailand) Company Limited:</i>				
Callable and Secured Debentures issued in 2025 — tranche I	28	7.00%	21 August 2025	1 year
Callable and Secured Debentures issued in 2025 — tranche II	163	7.00%	25 November 2025	1 year

During the period, corporate bonds early redeemed by the Group were listed as follows:

Name of bonds	Principal amount (RMB million)	Interest rate	Issue date	Term of the bonds
Early redeemed during the period:				
MYR private corporate bonds of Malaysia Country Garden issued in 2020 — tranche V	166	5.70%	2 March 2020	7 years
Callable and Secured Debentures of Risland (Thailand) Company Limited issued in 2025 — tranche I	118	7.00%	21 August 2025	1 year

As at 30 June 2026, the weighted average effective interest rate of all corporate bonds was 9.88% (31 December 2025: 9.70%).

All RMB public corporate bonds issued by Giant Leap and Country Garden Property are listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange, while the remaining corporate bonds are private placements.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

11 Borrowings (Continued)

(c) Bank and other borrowings

As at 30 June 2026, the weighted average effective interest rate of bank and other borrowings was 4.64% per annum (31 December 2025: 4.93% per annum).

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

As at 30 June 2026, bank and other borrowings with carrying amounts of approximately RMB82,396 million (31 December 2025: RMB74,052 million) were defaulted or cross-defaulted and were classified as current liabilities.

- (d) The Group's borrowings as at 30 June 2026 of RMB123,868 million (31 December 2025: RMB131,613 million) were secured by the Group's certain property, plant and equipment, investment properties, properties under development and financial assets with total net book value of RMB111,457 million (31 December 2025: RMB125,360 million), and/or guaranteed by certain subsidiaries of the Group or secured by the pledge of certain equity interests in the Group's subsidiaries.

12 Financial liabilities at fair value through profit or loss

	30 June 2026 RMB million	31 December 2025 RMB million
SCA Warrants	19	55
Mandatory convertible bonds	1,450	5,880
Equitisation Option	1,346	5,007
	2,815	10,942

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

13 Share capital and premium

	Number of ordinary shares million	Nominal value of ordinary shares HKD million	Equivalent nominal value of ordinary shares RMB million	Share premium RMB million	Total RMB million	Treasury shares RMB million	Group total RMB million
Authorised							
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026, HKD0.10 per share	100,000	10,000					
Issued and fully paid							
At 1 January 2025 and 30 June 2025	27,988	2,798	2,592	50,416	53,008	(2,225)	50,783
Issued and fully paid							
At 1 January 2026	28,921	2,891	2,676	50,628	53,304	(555)	52,749
Payment of offshore debt restructuring costs by way of placing shares	219	22	19	38	57	—	57
Shares issued upon the conversion of the mandatory convertible bonds	11,678	1,169	1,038	2,446	3,484	—	3,484
Shares issued upon the exercise of the SCA Warrants and Equitisation Option	5,512	551	488	926	1,414	—	1,414
At 30 June 2026	46,330	4,633	4,221	54,038	58,259	(555)	57,704

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

14 Other reserves and accumulated losses

	Merger reserve RMB million	Statutory reserve RMB million	Share option and share award reserve RMB million	Financial assets at FVOCI reserve RMB million	Currency translation reserve RMB million	Revaluation reserve RMB million	Others RMB million	Total other reserves RMB million	Accumulated losses RMB million	Total RMB million
Balance at 1 January 2026	(150)	29,802	1,527	(1,503)	(2,384)	902	(1,425)	26,769	(80,377)	(53,608)
Loss for the period	—	—	—	—	—	—	—	—	(15,616)	(15,616)
Employee share schemes	—	—	—	—	—	—	—	—	—	—
— Value of employee services	—	—	12	—	—	—	—	12	—	12
Changes in fair value of financial assets at FVOCI	—	—	—	(489)	—	—	—	(489)	—	(489)
Changes in ownership interests in subsidiaries without change of control (note 23)	—	—	—	—	—	—	4	4	—	4
Currency translation differences	—	—	—	—	(191)	—	—	(191)	—	(191)
Loss of controls of subsidiaries	—	(178)	—	—	—	—	—	(178)	178	—
Balance at 30 June 2026	(150)	29,624	1,539	(1,992)	(2,575)	902	(1,421)	25,927	(95,815)	(69,888)

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

15 Other income, gains and losses — net

	Six months ended 30 June	
	2026 RMB million	2025 RMB million
Other income		
— Forfeiture income	53	75
— Government subsidy income	17	54
	70	129
Other gains/(losses)		
— Changes in fair value of financial liabilities at FVTPL	3,229	—
— Gains on debt restructuring arrangements (note 11)	1,621	—
— Changes in fair value of financial assets at FVTPL	1,109	(1,308)
— Gains/(losses) on disposals of investment properties	5	(16)
— Losses on loss of controls of subsidiaries (note 24)	(889)	(659)
— (Losses)/gains on disposals of joint ventures and associates	(132)	1
— Losses on disposals of property, plant and equipment	(19)	(45)
— Others	(889)	(380)
	4,035	(2,407)
Total other income, gains and losses — net	4,105	(2,278)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

16 Expenses by nature

	Six months ended 30 June	
	2026 RMB million	2025 RMB million
Cost of properties sold, technology-enabled construction services and others	43,541	71,088
Net write-down of properties under development and completed properties held for sale	6,173	7,282
Employee benefit expenses	1,222	1,592
Sales commission to agents	646	1,088
Depreciation of property, plant and equipment	701	822
Property management and other services expenses	144	215
Advertising and promotion costs	59	64
Other taxes and levies	183	375
Depreciation of right-of-use assets	122	106
Amortisation of intangible assets	26	78
Others	451	296
Total cost of sales, selling and marketing costs and administrative expenses	53,268	83,006

17 Finance costs — net

	Six months ended 30 June	
	2026 RMB million	2025 RMB million
Finance income:		
— Interest income on bank deposits and others	162	166
Finance costs:		
— Interest expenses on borrowings	(4,080)	(6,614)
— Interest expenses on lease liabilities	(55)	(51)
	(4,135)	(6,665)
Less: amounts capitalised on qualifying assets	664	4,094
	(3,471)	(2,571)
Net foreign exchange gains	920	760
Finance costs — net	(2,389)	(1,645)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

18 Income tax expenses

	Six months ended 30 June	
	2026 RMB million	2025 RMB million
Current income tax		
— Corporate income tax	241	539
— Land appreciation tax (note (c))	3,174	3,070
Deferred income tax	3,415 803	3,609 691
	4,218	4,300

- (a) Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits of the Group's subsidiaries in Hong Kong.
- (b) The Mainland China corporate income tax is 25%.
- (c) Mainland China land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land and all property development expenditures.

19 Dividend

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026 (2025 interim dividend: nil).

20 Losses per share**(a) Basic**

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

	Six months ended 30 June	
	2026	2025
Loss attributable to owners of the Company (RMB million)	(15,616)	(19,078)
Weighted average number of ordinary shares in issue (million)	41,907	27,705
Losses per share — Basic (RMB yuan per share)	(0.37)	(0.69)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

20 Losses per share *(Continued)*

(b) Diluted

For the six months ended 30 June 2026, the share options, awarded shares, mandatory convertible bonds, Equitisation Option and SCA Warrants were excluded from the computation of diluted losses per share as they were anti-dilutive.

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

21 Guarantees

	30 June 2026 RMB million	31 December 2025 RMB million
Guarantees in respect of mortgage facilities for certain property buyers (note (a))	205,976	225,522
Guarantees to joint ventures, associates and other parties in respect of liabilities	7,138	6,714
	213,114	232,236

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

(b) As at 30 June 2026, the Group provided loss allowance for financial guarantees of approximately RMB1,669 million (31 December 2025: RMB1,651 million).

22 Contingencies

From time to time, the Group may become involved in litigations relating to claims arising from the ordinary course of business. The Group believes that there are currently no claims or actions pending against the Group, the ultimate disposition of which could have a material adverse effect on the Group's financial position, results of operations or cash flows. As at 30 June 2026, in connection with certain litigation cases pending against the Group, certain assets of the Group have been frozen by the relevant courts in the PRC pursuant to court orders, pending the resolution of the respective litigation. The frozen assets comprise investment properties and property inventories (including properties under development and completed properties held for sale) with an aggregate carrying amount of approximately RMB9,348 million (31 December 2025: RMB8,139 million), and equity interests in certain subsidiaries. The asset freezes restrict the Group from transferring or otherwise disposing of the affected assets until the relevant litigation is resolved, but do not affect the normal operations of these assets. The Group is in the process of resolving the relevant litigations.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

22 Contingencies *(Continued)*

However, litigations are subject to inherent uncertainties and the Group's view of these matters may change in the future. When an unfavorable outcome occurs, there exists the possibility of a material adverse impact on the Group's financial position, results of operations or cash flows for the periods in which the unfavorable outcome occurs, and potentially in future periods.

23 Transactions with non-controlling interests

The aggregate effects of transactions with non-controlling interests on the equity attributable to owners of the Company for the six months ended 30 June 2026 are as follows:

	Six months ended 30 June 2026 RMB million
Changes in equity attributable to owners of the Company arising from:	
— Acquisitions of additional interests in subsidiaries (note (a))	4

- (a) The Group acquired additional equity interests of certain subsidiaries from the respective non-controlling interests for a total consideration of RMB113 million.

The following table summarises the effect of these acquisitions:

	Six months ended 30 June 2026 RMB million
Total carrying amounts of non-controlling interests acquired	117
Total consideration	(113)
Total difference recognised within equity	4

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

24 Loss of controls of subsidiaries

During the period, the Group lost controls of certain subsidiaries due to the disposal of interests in a number of subsidiaries to the controlling shareholder of the Company (“**Controlling Shareholder**”) and certain third parties, and the commencement of liquidation proceedings of certain subsidiaries. Details of the disposals are as follows:

	RMB million
Disposal considerations	
— Cash received	245
— Effective settlement of other borrowings due to the Controlling Shareholder	340
— Fair value of investments in joint ventures and associates retained upon disposal	20
	605
Less:	
— Total net assets of subsidiaries disposed of	(1,893)
— Non-controlling interests disposed of	399
Losses on disposals (note 15)	(889)
Cash proceeds from disposals, net of cash and cash equivalents disposed of	
— Cash considerations received	245
— Less: cash and cash equivalents in the subsidiaries disposed of	(153)
Net cash inflow on disposals	92

25 Business combinations

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

25 Business combinations *(Continued)*

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

	RMB million
Total consideration	
— Cash	23
— Fair value of investments in joint ventures and associates held before business combinations	201
— Effective settlement of other receivables	195
	419
Total recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	3
Prepaid income tax	52
Contract assets and contract acquisition costs	5
Trade and other receivables	1,007
Deferred income tax assets	32
Trade and other payables	(610)
Contract liabilities	(1)
Current income tax liabilities	(67)
Total identifiable net assets	421
Non-controlling interests	(2)
	419
Outflows of cash to acquire businesses, net of cash and cash equivalents acquired	
— Cash considerations	(23)
— Cash and cash equivalents in the subsidiaries acquired	3
Net cash outflow on business combinations	(20)

The acquired businesses contributed nil revenues and net loss of approximately RMB1 million to the Group for the period from their respective acquisition dates to 30 June 2026. Had these companies been consolidated from 1 January 2026, the interim condensed consolidated income statement of the Group for the six months ended 30 June 2026 would show pro-forma revenue of RMB44,081 million and pro-forma loss for the period of RMB16,440 million.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

26 Related party transactions

The Company is ultimately controlled by Ms. YANG Huiyan (the “**Ultimate Controlling Shareholder**”).

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

(a) Transactions with related parties

	Six months ended 30 June	
	2026 RMB million	2025 RMB million
(i) Entities controlled, jointly controlled or significantly influenced by certain shareholders, certain directors and/or their close family members:		
Purchase of design service	44	31
Construction service income	2	22
Purchase of property management and related services	144	215
Property lease income	5	8
Other transactions	403	70
(ii) Joint ventures:		
Provision of guarantee in respect of liabilities	4,257	4,135
Construction service income	50	224
Other transactions	25	28
(iii) Associates:		
Provision of guarantee in respect of liabilities	2,318	1,450
Construction service income	3	52
Other transactions	3	38

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

26 Related party transactions (Continued)**(b) Key management compensation**

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

	Six months ended 30 June	
	2026 RMB million	2025 RMB million
Salaries, bonus, share-based compensation expenses and other benefits	2	2

(c) Balances with related parties

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

	30 June 2026 RMB million	31 December 2025 RMB million
(i) Entities controlled, jointly controlled or significantly influenced by certain shareholders, certain directors and/or their close family members:		
Trade and other receivables	10,194	1,156
Contract assets and contract acquisition costs	92	40
Trade and other payables	4,625	4,360
Other borrowings	—	352
(ii) Joint ventures:		
Trade and other receivables	37,193	37,944
Contract assets and contract acquisition costs	1,127	916
Trade and other payables	31,038	31,825
(iii) Associates:		
Trade and other receivables	10,513	10,114
Contract assets and contract acquisition costs	491	262
Trade and other payables	20,175	20,145

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

26 Related party transactions *(Continued)*

(d) Borrowings

As at 30 June 2026, borrowings with principal amount of approximately USD29 million (equivalent to approximately RMB199 million) (31 December 2025: USD29 million (equivalent to approximately RMB204 million)) were held by Mr. MO Bin.

CORPORATE INFORMATION

DIRECTORS

Executive Directors

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

Non-executive Director

Mr. CHEN Chong

Independent Non-executive Directors

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

CHIEF FINANCIAL OFFICER

Ms. WU Bijun

JOINT COMPANY SECRETARIES

Mr. LEUNG Chong Shun
Mr. LUO Jie (resigned on 31 March 2026)

AUTHORIZED REPRESENTATIVES

Ms. YANG Huiyan
Dr. CHENG Guangyu
Mr. LEUNG Chong Shun (*alternate to*
Dr. CHENG Guangyu) (appointed on 31 March 2026)
Mr. LUO Jie (*alternate to Dr. CHENG Guangyu*)
(resigned on 31 March 2026)

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

CORPORATE GOVERNANCE COMMITTEE

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

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

EXECUTIVE COMMITTEE

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

FINANCE COMMITTEE*

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

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

CORPORATE INFORMATION

REGISTERED OFFICE

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KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE PRC

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Guangdong Province 528312
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3
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Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

(In Alphabetical Order)

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

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

AUDITOR

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

LEGAL ADVISORS

As to Hong Kong law:

Woo Kwan Lee & Lo
lu, Lai & Li

As to PRC law:

DeHeng Law Offices
Dentons Law Firm
Grandall Law Firm
Zhong Lun Law Firm

STOCK CODES

Stock Exchange
Reuters
Bloomberg

2007
2007.HK
2007 HK Equity

WEBSITE

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

GLOSSARY

Unless the context otherwise requires, the following terms shall have the following meanings in this report:

“2007 Share Option Scheme”	the share option scheme of the Company adopted on 20 March 2007 and expired on 19 March 2017
“2017 AGM”	the annual general meeting of the Company held on 18 May 2017
“2017 Share Option Scheme”	the share option scheme of the Company adopted on 18 May 2017 and terminated on 3 December 2025
“attributable contracted sales”	the contracted sales of the Group’s subsidiaries, joint ventures and associates attributable to shareholders of the Company
“Audit Committee”	audit committee of the Company
“Board”	the board of Directors
“Bright Dream Robotics”	Guangdong Bright Dream Robotics Co., Ltd., a wholly-owned subsidiary of the Company
“Chairman”	the chairman of the Board
“Chief Financial Officer”	chief financial officer of the Company
“Company” or “Country Garden”	Country Garden Holdings Company Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 2007)
“Corporate Governance Code”	Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Corporate Governance Committee”	corporate governance committee of the Company
“Director(s)”	director(s) of the Company
“Environmental, Social and Governance Committee”	environmental, social and governance committee of the Company
“Executive Committee”	executive committee of the Company
“Finance Committee”	finance committee of the Company
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollar, the lawful currency of Hong Kong

GLOSSARY

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Mainland China”	the People’s Republic of China, for the purpose of this interim report, excluding Hong Kong, Macau and Taiwan
“Malaysia Country Garden”	Country Garden Real Estate Sdn. Bhd., a wholly-owned subsidiary of the Company
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“MYR”	Ringgit Malaysia, the lawful currency of Malaysia
“Nomination Committee”	nomination committee of the Company
“Phoenix Management Company”	Guangdong Fengtuo Construction Management Co., Ltd., a wholly-owned subsidiary of the Company
“PRC” or “China”	the People’s Republic of China
“President”	president of the Company
“Remuneration Committee”	remuneration committee of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Option Schemes”	2007 Share Option Scheme and 2017 Share Option Scheme
“Share(s)”	ordinary share(s) in the capital of the Company with a par value of HKD0.10 each
“Shareholder(s)”	shareholder(s) of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	US dollar, the lawful currency of the United States of America
“%”	per cent



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