



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

(A SINO-FOREIGN JOINT STOCK COMPANY INCORPORATED IN THE PEOPLE'S REPUBLIC OF CHINA WITH LIMITED LIABILITY)
STOCK CODE: 1528



2026
INTERIM REPORT

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Corporate Information

BOARD OF DIRECTORS

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

Executive Directors

Mr. LI Yupeng (*Chairman*)
Mr. SHI Yaofeng
Mr. YANG Yingwu

Non-executive Directors

Ms. YE Yanliu
Mr. ZOU Shaorong
Mr. CHE Jianxing
Mr. XU Guofeng

Independent Non-executive Directors

Mr. XUE Wei
Mr. HUANG Jianzhong
Mr. CHEN Shanang
Mr. WONG Chi Wai
Mr. CAI Qinghui

Employee Director

Mr. ZHENG Jianjie

AUDIT COMMITTEE

Mr. XUE Wei (*Chairman*)
Mr. HUANG Jianzhong
Mr. ZOU Shaorong

REMUNERATION AND EVALUATION COMMITTEE

Mr. HUANG Jianzhong (*Chairman*)
Mr. WONG Chi Wai
Ms. YE Yanliu

NOMINATION COMMITTEE

Mr. CHEN Shanang (*Chairman*)
Mr. CAI Qinghui
Mr. HUANG Jianzhong
Ms. YE Yanliu
Mr. CHE Jianxing

STRATEGY AND INVESTMENT COMMITTEE

Mr. LI Yupeng (*Chairman*)
Ms. YE Yanliu
Mr. ZOU Shaorong
Mr. CHE Jianxing
Mr. SHI Yaofeng
Mr. XU Guofeng
Mr. HUANG Jianzhong

JOINT COMPANY SECRETARIES

Mr. CAO Shu (*Appointed on 29 January 2026*)
Ms. AU Ching (*ACG; HKACG*)

AUTHORIZED REPRESENTATIVES

Mr. YANG Yingwu
Mr. CAO Shu (*Appointed on 29 January 2026*)
Mr. LI Yupeng (*Ceased to serve on 29 January 2026*)

REGISTERED OFFICE

Suite F801, 6/F
No. 518, Linyu Road
Pudong New District
Shanghai
The PRC

HEADQUARTERS IN THE PRC

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No. 2/5, Lane 1466, Shenchang Road
Minhang District
Shanghai
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

H SHARE REGISTRAR

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

LEGAL ADVISORS

As to Hong Kong and United States law

King & Wood
13/F, Gloucester Tower, The Landmark
15 Queen's Road Central
Central
Hong Kong

As to the PRC law

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

AUDITOR

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

Rongcheng (Hong Kong) CPA Limited
4301-7, 43/F, Cosco Tower
183 Queen's Road Central
Sheung Wan
Hong Kong

PRINCIPAL BANKS

Industrial and Commercial Bank of China

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

China Minsheng Bank Corp., Ltd.

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

Bank of Communications

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

STOCK CODES

Hong Kong Stock Exchange: 1528
Shanghai Stock Exchange: 601828

COMPANY'S WEBSITE

www.chinaredstar.com

Financial and Operational Highlights

FINANCIAL HIGHLIGHTS

	Six months ended 30 June	
	2026	2025
	(RMB'000, except otherwise stated)	
	(Unaudited)	(Unaudited)
Revenue	3,094,685	3,337,076
Gross profit	2,142,265	2,210,002
Gross profit margin	69.2%	66.2%
Profit/(loss) for the period	18,771	(2,108,206)
Profit/(loss) attributable to owners of the Company	6,981	(1,954,786)
Profit/(loss) margin attributable to owners of the Company	0.2%	-58.6%
Core net profit/(loss) attributable to owners of the Company ⁽²⁾	96,148	(393,939)
Core net profit/(loss) margin attributable to owners of the Company ⁽³⁾	3.1%	-11.8%
Earnings/(loss) per share (Basic and diluted)	RMB0.00	RMB(0.45)

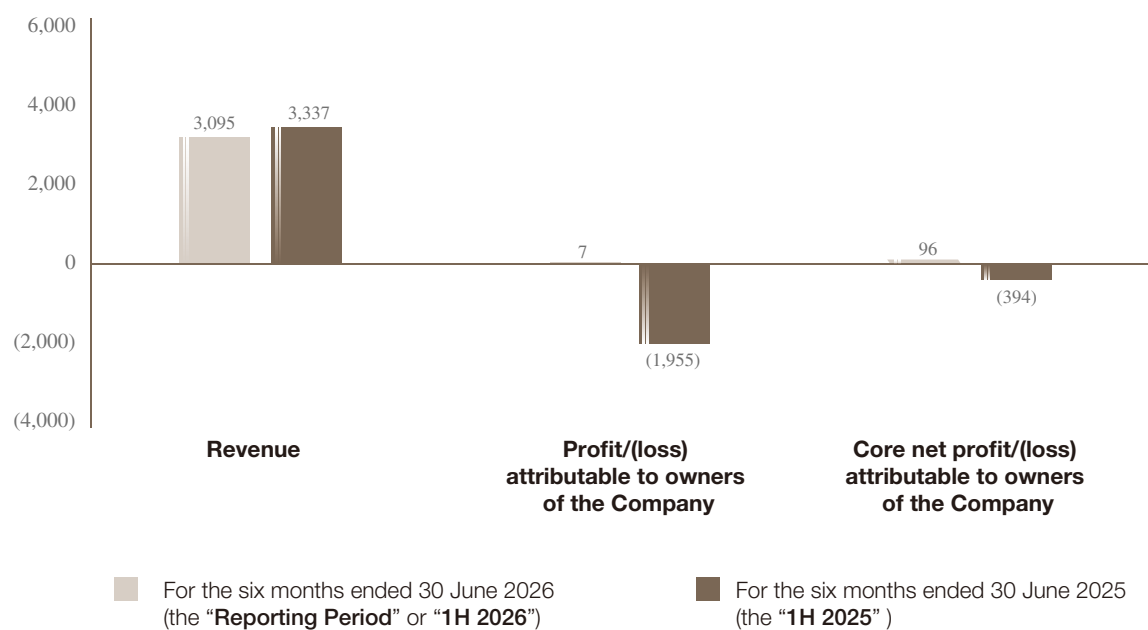
Notes:

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

Financial and Operational Highlights

Key Financial Performance Indicators

RMB in million



Financial and Operational Highlights

OPERATIONAL HIGHLIGHTS

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

	As at 30 June 2026	As at 30 June 2025
Number of shopping malls	283	311
Operating area of shopping malls (sq.m.)	17,848,512	19,361,762
Number of cities covered	178	189
Number of Portfolio Shopping Malls	72	76
Operating area of Portfolio Shopping Malls (sq.m.)	7,207,954	7,490,428
Average occupancy rate of Portfolio Shopping Malls	86.9%	84.2%
Number of Managed Shopping Malls	211	235
Operating area of Managed Shopping Malls (sq.m.)	10,640,559	11,871,334
Average occupancy rate of Managed Shopping Malls	78.4%	81.3%

Note: (1) For the definitions, please refer to the prospectus (the "**Prospectus**") of the Company dated 16 June 2015.

Management Discussion and Analysis

I. INDUSTRY REVIEW

In the 1H 2026, the PRC's economy continued its steady and progressive development trend. According to data from the National Bureau of Statistics, based on preliminary calculations, the Gross Domestic Product (GDP) for the first half of the year reached RMB69.57 trillion, representing a year-on-year increase of 4.7%, calculated on a constant-price basis. The nominal GDP grew by 5.4% year-on-year, with a GDP increment of RMB3.6 trillion, the largest increment for the same period in the past five years. From the income perspective, in the first half of the year, the national per capita disposable income of residents reached RMB22,981, representing a nominal increase of 5.2% as compared to the same period of the previous year, and a real increase of 4.2% after deducting price factors.

From the consumption perspective, in the 1H 2026, the total retail sales of social consumer goods amounted to RMB24.87 trillion, representing a year-on-year increase of 1.3%, which was lower than the GDP growth rate. In terms of end-user consumption in the industry where the Company operates, home-furnishing-related categories showed weak performance. In the 1H 2026, the retail sales of furniture products by enterprises above designated size amounted to RMB87.0 billion, representing a year-on-year decrease of 3.7%; the retail sales of building and decoration materials amounted to RMB60.9 billion, representing a year-on-year decrease of 8.8%; the retail sales of home appliances and audio-visual equipment amounted to RMB543.7 billion, representing a year-on-year decrease of 7.4%. As industries in the post-real-estate cycle, the home furnishing and home appliance consumption sectors were dually affected by the adjustment of the real estate market and weak consumer spending sentiment, posting an overall negative growth trend in the first half of the year. The demand-side pressure faced by the industry remains significant.

Since the beginning of 2026, the state has continued to adhere to the principle that “houses are for living in, not for speculation” and has accelerated the establishment of a new model for real estate development. On the one hand, measures such as optimizing home purchase restriction policies, lowering mortgage rates, and implementing purchase subsidies have been continuously promoted, with first-home mortgage rates in some cities falling to a historical low of around 3.15%; on the other hand, the construction and supply of indemnificatory housing have been increased to meet the rigid housing demand of the salaried class, while also supporting the diverse needs of urban and rural residents for housing upgrades. Effective from 1 January 2026, the interest rates on existing housing provident fund loans were uniformly lowered by 25 basis points, and the interest rates on existing commercial housing loans were simultaneously optimized, which has effectively reduced the burden of housing consumption for residents and boosted the activity in the second-hand housing market.

Entering 2026, as general home furnishing and decoration consumer goods were phased out from the national unified subsidy program, deep-seated market issues and competitive pressures previously concealed by the subsidies have fully emerged. Home furnishing enterprises have completely returned to an arena where survival depends on their own product strength, service capabilities, and operational prowess. For home furnishing malls, the fading of the “trade-in” policy dividend means greater pressure on mall traffic and tenant sales. The industry needs to rely more on endogenous demand, such as renovations of existing homes and partial refurbishments, to drive growth.

Management Discussion and Analysis

I. INDUSTRY REVIEW (Continued)

With the in-depth advancement of the “15th Five-Year Plan” and the implementation of new industrialization deployments, the home furnishing and building materials industry has entered a critical period of high-quality transformation. At the national level, the focus is on key areas such as green manufacturing, smart manufacturing, and improving the standards system to encourage home building materials enterprises to advance energy-saving renovations and develop green products. The “dual carbon” strategy continues to be strengthened, the penetration rate of green building materials is constantly increasing, and many local governments have explicitly required a certain proportion of newly built residential units to be fully furnished and mandated the use of environmentally certified materials. Meanwhile, emerging fields such as smart homes and elderly-friendly home furnishings are booming. Deeply empowered by AI technology, the industry is being driven to transform from “scale expansion” to “value creation”.

II. FINANCIAL REVIEW

The key financial performance indicators of the Group can generally be categorized into revenue, profit/(loss) attributable to owners of the Company and core net profit/(loss) attributable to owners of the Company. These indicators provide a measurement of our performance against the key drivers of the Group. For details of the financial performance indicators, please refer to “Revenue” and “Total profit/(loss) for the period attributable to owners of the Company, core net profit/(loss) attributable to owners of the Company and earnings/(loss) per share” on page 8 and page 11, respectively.

1. Revenue

During the Reporting Period, the Group’s revenue amounted to RMB3,094.7 million, representing a decrease of 7.3% from RMB3,337.1 million in the same period in 2025. During the Reporting Period, the rental and related income of our Portfolio Shopping Malls decreased by 2.8%. This was mainly because the home retail market entered a period of deep restructuring with intensified competition in the existing market, and the Group has continuously implemented rent and management fee reductions to stabilise and retain its tenants. At the same time, the Group has proactively adjusted its strategy and category layout, attracting high-quality business formats and brands with favourable commercial conditions, and offering rent and management fee concessions during the initial expansion phase. During the Reporting Period, the revenue from our Managed Shopping Malls decreased by 16.8% as compared to the same period in 2025, mainly due to the decrease in the number of Managed Shopping Malls. Meanwhile, the revenue from construction and decoration services declined by 70.3% as compared to the same period in 2025, mainly due to the decrease in the number of construction projects and the slow-down of the project progress, leading to the decrease of settlements.

The following table sets forth our revenue by segments:

	For the six months ended 30 June			
	2026 (Unaudited)		2025 (Unaudited)	
	RMB'000	%	RMB'000	%
Owned/Leased Portfolio Shopping Malls	2,381,678	77.0	2,450,706	73.4
Managed Shopping Malls	507,218	16.4	609,371	18.3
Construction and decoration services	30,752	1.0	103,613	3.1
Others	175,037	5.6	173,386	5.2
Total	3,094,685	100.0	3,337,076	100.0

II. FINANCIAL REVIEW (continued)

2. Cost of sales

The cost of sales of the Group mainly included the cost of operation and management of Owned/Leased Portfolio Shopping Malls, the cost of project consulting and management service, the cost of construction and decoration services. The cost of sales of the Group was RMB952.4 million, representing a decrease of 15.5% from RMB1,127.1 million for the same period in 2025, mainly due to a decrease in the number of shopping malls and construction and decoration service projects as compared with the same period of last year, as well as the Company's efforts to reduce costs and improve efficiency, resulting in lower labour costs.

The following table sets forth our cost by segments:

	For the six months ended 30 June			
	2026 (Unaudited)		2025 (Unaudited)	
	RMB'000	%	RMB'000	%
Owned/Leased Portfolio Shopping Malls	583,412	61.3	599,334	53.2
Managed Shopping Malls	275,211	28.9	345,862	30.7
Construction and decoration services	28,782	3.0	98,068	8.7
Others	65,015	6.8	83,810	7.4
Total	952,420	100.0	1,127,074	100.0

3. Gross profit and gross profit margin

During the Reporting Period, the Group's gross profit was RMB2,142.3 million, representing a decrease of 3.1% from RMB2,210.0 million in the same period in 2025; the Group's integrated gross profit margin was 69.2%, representing an increase of 3.0 percentage points from 66.2% in the same period in 2025, mainly due to the increase of different degrees in gross profit margin of Managed Shopping Malls and other businesses as compared with the same period of the previous year.

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

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Owned/Leased Portfolio Shopping Malls	75.5%	75.5%
Managed Shopping Malls	45.7%	43.2%
Construction and decoration services	6.4%	5.4%
Others	62.9%	51.7%
Total	69.2%	66.2%

II. FINANCIAL REVIEW (continued)

4. Selling and distribution expenses

During the Reporting Period, the Group's selling and distribution expenses amounted to RMB261.3 million (accounting for 8.4% of the revenue), representing a decrease of 28.7% from RMB366.3 million (accounting for 11.0% of the revenue) for the same period in 2025, which was primarily due to the decrease in expenses such as advertising and promotional expenses in the 1H 2026.

5. Administrative expenses

During the Reporting Period, the Group's administrative expenses amounted to RMB537.6 million (accounting for 17.4% of the revenue), representing a decrease of 9.8% from RMB596.2 million (accounting for 17.9% of the revenue) in the same period in 2025, which was primarily due to the decrease in expenses such as staff costs and professional service fees in the 1H 2026.

6. Finance cost

During the Reporting Period, the Group's finance cost amounted to RMB1,024.2 million, representing a decrease of 6.5% from RMB1,095.3 million in the same period in 2025, which was primarily due to the further decrease in relevant financing costs during the Reporting Period.

7. Income tax

During the Reporting Period, the income tax expenses of the Group amounted to RMB150.1 million, representing an increase of 299.2% from income tax expenses RMB37.6 million in the same period in 2025, which was mainly due to the increase in deferred tax expenses during the Reporting Period.

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

During the Reporting Period, total profit for the period attributable to owners of the Company amounted to RMB7.0 million, representing an increase of 100.4% from the total loss for the period attributable to owners of the Company of RMB1,954.8 million in the same period in 2025; the core net profit attributable to owners of the Company amounted to RMB96.1 million, representing an increase of 124.4% from the core net loss attributable to owners of the Company of RMB393.9 million in the same period in 2025.

II. FINANCIAL REVIEW (continued)

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

	For the six months ended 30 June		Increase/Decrease
	2026	2025	
	RMB'000 (Unaudited)	RMB'000 (Unaudited)	
Total profit/(loss) for the period attributable to owners of the Company	6,981	(1,954,786)	100.4%
Profit/(loss) margin for the period attributable to owners of the Company	0.2%	-58.6%	58.8%
Core net profit/(loss) attributable to owners of the Company	96,148	(393,939)	124.4%
Core net profit/(loss) margin attributable to owners of the Company	3.1%	-11.8%	14.9%

During the Reporting Period, the Group's earnings per share were RMB0.00, as compared to loss per share of RMB0.45 in the same period of 2025.

9. Accounts receivable

As of the end of the Reporting Period, the book value of accounts receivable of the Group amounted to RMB445.1 million (including the balance of accounts receivable of RMB2,053.9 million and the bad debt allowance of RMB1,608.8 million), representing a decrease of RMB4.2 million from RMB449.3 million as at the end of 2025.

10. Investment properties and loss on fair value changes

As of the end of the Reporting Period, the book value of the Group's investment properties amounted to RMB73,546.8 million, representing a decrease of RMB573.0 million from RMB74,119.8 million as at the end of 2025. During the Reporting Period, the Group recorded a decrease in properties of RMB404.0 million due to derecognition of subsidiaries and incurred fair value change losses of RMB234.2 million. This was mainly due to the increase in the Group's merchant retention and support incentives aimed at sustaining their operations during the Reporting Period.

Management Discussion and Analysis

II. FINANCIAL REVIEW (continued)

11. Capital expenditure

During the Reporting Period, the Group's capital expenditure amounted to RMB123.3 million (the same period in 2025: RMB137.9 million), which mainly includes purchase expenditure of investment properties and construction development expenditure. The expenditure in 2026 decreased by 10.6% as compared with the same period in 2025, mainly because the Group has effectively controlled capital expenditures during the Reporting Period.

12. Bank balances and cash and cash flow

As of the end of the Reporting Period, the cash and bank balances of the Group amounted to RMB3,142.0 million (of which, the balance of cash and cash equivalents amounted to RMB3,122.1 million), representing an increase of RMB333.5 million from RMB2,808.5 million (of which, the balance of cash and cash equivalents amounted to RMB2,788.6 million) as at the end of 2025 (of which, cash and cash equivalents increased by RMB333.5 million).

	For the six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Net cash flow generated from operating activities	882,934	201,887
Net cash flow generated from/(used in) investment activities	16,538	(946,418)
Net cash flow (used in)/generated from financing activities	(565,622)	814,594
Impact of exchange rate changes on cash and cash equivalents	(335)	(32)
Net increase in cash and cash equivalents	333,515	70,031

During the Reporting Period, the Group's net cash inflow from operating activities amounted to RMB882.9 million, representing an increase in net inflow of RMB681.0 million from a net cash inflow of RMB201.9 million in the same period of 2025, mainly due to the decrease in operating cash outflow during the Reporting Period.

During the Reporting Period, the Group's net cash inflow from investment activities amounted to RMB16.5 million, representing an increase in net inflow of RMB962.9 million from a net cash outflow of RMB946.4 million in the same period of 2025. It was primarily due to the cash paid for the acquisition of subsidiaries in the previous reporting period.

II. FINANCIAL REVIEW (continued)

12. Bank balances and cash and cash flow (continued)

During the Reporting Period, the Group's net cash outflow from financing activities amounted to RMB565.6 million, representing an increase in net outflow of RMB1,380.2 million from a net cash inflow of RMB814.6 million in the same period of 2025, mainly due to the decrease in cash inflows from financing activities during the Reporting Period.

13. Debt profile and debt ratio

As of the end of the Reporting Period, the total amount of debt of the Group was RMB29,074.2 million, of which bank and other borrowings were RMB29,074.2 million.

The following table sets out our debt profile:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Bank and other borrowings:		
Secured	21,371,271	23,737,426
Unsecured	–	10,012
Commercial mortgage-backed securities	7,702,875	7,645,069
Total	29,074,146	31,392,507
Fixed-rate borrowings	12,334,633	14,435,932
Floating-rate borrowings	16,739,513	16,956,575
Total	29,074,146	31,392,507
The borrowings are repayable:		
Within one year or on demand	8,693,658	9,676,448
More than one year, but not exceeding two years	7,019,440	5,234,551
More than two years, but not exceeding five years	8,803,476	11,986,536
More than five years	4,557,572	4,494,972
Total	29,074,146	31,392,507

Management Discussion and Analysis

II. FINANCIAL REVIEW (continued)

13. Debt profile and debt ratio (continued)

	As at 30 June 2026 % (Unaudited)	As at 31 December 2025 % (Audited)
Actual interest rate range		
Fixed-rate borrowings	3.00-7.00	3.00-7.00
Floating-rate borrowings	2.80-6.35	3.10-6.35

Among the total debts of the Group, the portion repayable within one year or on demand amounted to RMB8,693.7 million, the portion repayable over one year but less than two years amounted to RMB7,019.4 million, the portion repayable over two years but less than five years amounted to RMB8,803.5 million and the portion repayable over five years amounted to RMB4,557.6 million. The Group will promptly repay the above debts at the time of maturity.

The following table sets out our major debt ratios:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Asset-liability ratio ⁽¹⁾	71.6%	71.6%
Net gearing ratio ⁽²⁾	111.3%	121.6%

	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Interest expenses coverage ratio ⁽³⁾	1.34	1.11

II. FINANCIAL REVIEW (continued)

13. Debt profile and debt ratio (continued)

Notes:

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

14. Collateralized and pledged assets

As of the end of the Reporting Period, the Group had collateralized/pledged investment properties and fixed assets with a total book value of RMB63,137.5 million, and interests in joint ventures and restricted cash and bank balances with a total book balance of RMB187.2 million for obtaining loans, and the balance of such loans is RMB30,284.2 million; the Group's restricted cash and bank balances with a balance of RMB334.9 million mainly represented frozen funds and others.

15. Contingent liabilities

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

16. Financial resources

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

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

The Company had no material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period.

II. FINANCIAL REVIEW (continued)

18. Capital commitment

As of the end of the Reporting Period, the amount of capital expenditure in respect of the acquisition and development of investment properties which the Group has contracted for but not recognized in the financial statements was RMB692.7 million. In addition, the Group has entered into agreements with its partners, pursuant to which the Group's commitment to contributing funds for development of investment properties jointly with the partners amounted to RMB43.3 million.

19. Foreign exchange risk

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

20. Material investments, future plans for material investments or capital asset

During the Reporting Period, the Group did not have any material investments. As of the date of this report, the Group does not have any future plans for material investments or capital assets.

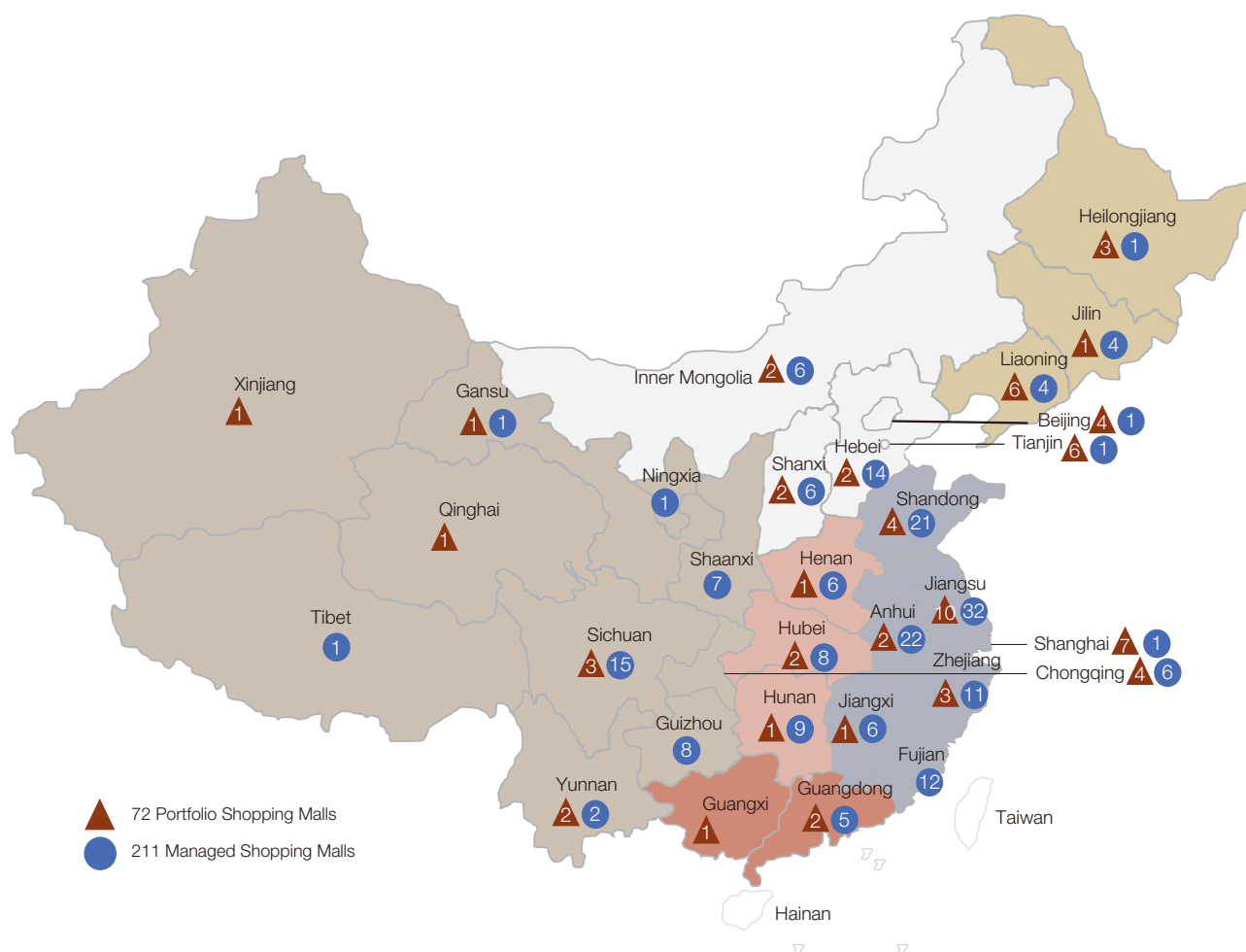
21. Human resources

As of the end of the Reporting Period, the Group had 8,197 employees (the same period in 2025: 10,037 employees). The Group entered into labor contracts with employees according to the Labor Law of the People's Republic of China and the relevant provisions of the employee's locality. The Group will determine the employees' basic wage and bonus level according to the employees' performance, work experience and the market wage standard, and shall pay social insurance and housing provident fund for the employees. During the Reporting Period, the Group paid a total of RMB765.7 million for salary expenditure (the same period in 2025: RMB858.6 million). Meanwhile, the Group also kept investing resources to provide various education and training opportunities for its employees, aiming to standardize the management work and improve the operation performance, and continuously improved the knowledge and technical competence as well as professional practice competence of the employees.

III. BUSINESS REVIEW

1. Business Development and Layout

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



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

III. BUSINESS REVIEW (continued)

1. Business Development and Layout (continued)

Color	Region	Portfolio Shopping Malls		Managed Shopping Malls	
		Number of shopping malls	Sub-total Operating Area (sq.m.)	Number of shopping malls	Sub-total Operating Area (sq.m.)
	Northeast China	10	1,101,855	9	473,352
	North China	16	1,365,369	28	1,539,685
	East China	27	3,008,237	105	5,338,811
	Central China	4	524,918	23	1,153,171
	South China	3	182,165	5	276,869
	West China	12	1,025,410	41	1,858,671
Total:		72	7,207,954	211	10,640,559

III. BUSINESS REVIEW (continued)

(I) Focusing on the Core, Improving Quality and Efficiency

In the 1H 2026, the Company continuously optimized its shopping mall layout and product category mix, and strengthened the refined operations management of its core Portfolio Shopping Malls. As of 30 June 2026, the Company operated 72 Portfolio Shopping Malls, a continuous optimization from 74 at the end of 2025 and 77 at the end of 2024. By closing underperforming malls and concentrating resources to enhance the operational quality of core malls, the average occupancy rate of the Company's Portfolio Shopping Malls reached 86.9%, a further increase from 85.0% at the end of 2025, and the operating quality of individual shopping malls has significantly improved. The Company managed 211 Managed Shopping Malls under different levels of management involvement with an average occupancy rate of 78.4%, and operated 6 home furnishing malls through strategic cooperation. In addition, the Company authorized 16 franchised home improvement material projects by way of franchising, which included a total of 331 home improvement material stores/industry streets.

The Company persistently advanced organizational optimization and cost control. During the Reporting Period, the total operating costs, selling expenses, and administrative expenses fell sharply year-on-year, and its profitability and cash flows position improved significantly. Meanwhile, according to data from the National Bureau of Statistics, housing price indicators continued to show marginal improvement in May 2026, and the market valuation of investment properties stabilized. During the Reporting Period, the loss from changes in the fair value of investment properties and the impairment loss on related assets narrowed substantially year-on-year. For the reasons above, the profit attributable to owners of the Company for the 1H 2026 recorded a turnaround from loss to profit.

III. BUSINESS REVIEW (continued)

(II) “3+Star Eco” Strategy – Business Format Integration, Ecosystem Upgrade

(1) Home Appliance Business Format: Accelerated Rollout of MEGA-E Smart Electric Oasis, Appliance Strategy Enters the 2.0 Era

The Company’s appliance business, through a three-dimensional upgrade of “expanding categories, gathering brands, and enhancing services”, has broken through at the high end to achieve ecological co-prosperity, becoming one of the core growth engines of the Company’s “3+Star Eco” strategy. 2026 is a key year for the Company’s new three-year appliance strategy, with a full-year plan to complete the upgrade of the first batch of MEGA-E Smart Electric Oasis in 13 core cities nationwide, and the Company plans to upgrade 40 locations and build 100 city flagship stores in the next three years. In the 1H 2026, the Company opened two MEGA-E stores, namely the first MEGA-E in Southwest China at Chongqing’s Supreme Mall and the MEGA-E at Xinxiang’s Muye Square.

In terms of scenario innovation, a matrix of six innovative scenarios has taken initial shape. MEGA-E introduced six innovative scenarios regarding Smart Life (潮電薈), audio-visual world, kitchen space, Ecolife, elderly care and wellness, and zero-carbon green energy. Among them, the three category collection scenarios of Smart Life (潮電薈), audio-visual world, and Ecolife made their national debut in Chongqing in May 2026. Smart Life (潮電薈) brings together small home appliance brands for cleaning, kitchen, and personal care; Audio-visual World aggregates brown goods such as color TVs, audio systems, and projectors; Ecolife covers white goods such as refrigerators, washing machines, and air conditioners. In terms of cooperation models, the Company has innovatively launched the “Channel Cloud Merchant Platform” (渠道雲商平台) plan. To address the pain points for brands of “difficulty in opening stores, operating, and acquiring customers”, the Company offers two flexible store formats: brand-exclusive stores and multi-brand collection stores. It also pioneered the “Channel Cloud Merchant Platform”, whereby the mall proactively “discovers, incubates, and supports” potential local service providers, transforming them into “channel integration partners” who can represent multiple complementary brands. This helps brands achieve rapid, asset-light, and efficient market penetration in lower-tier markets. In the 1H 2026, 12 Smart Life (潮電薈) stores have been established.

III. BUSINESS REVIEW (continued)

(II) “3+Star Eco” Strategy – Business Format Integration, Ecosystem Upgrade (continued)

(2) Home Decoration Business Format: Strategic Upgrade of M+ High-End Home Improvement Design Center, Release of New “30+10+1” Target

In terms of strategic upgrade, the Company released a new “30+10+1” business strategy in the 1H 2026, under which the Company will build 30 city flagship M+ High-End Home Improvement Design Centers, launch 10 material libraries, and establish 1 national designer club platform to reconstruct the home decoration industry ecosystem through design. As of the end of the Reporting Period, 26 model malls were established nationwide, attracting over 1,800 design studios and collaborating with more than 4,700 outstanding designers. Since its launch until the end of the Reporting Period, the M+ mini-program has accumulated over 8,300 designers and driven sales of RMB310 million. The goal for 2026 is to achieve full coverage of “one mall, one M+”, building the largest home decoration design service network in China.

In terms of ecological operation, designer services and event IPs have been mutually empowering, creating replicable cases such as the Nanjing Music Festival and the Zhengzhou AI Design Competition. The 2026 season of the M+ PRC High-End Interior Design Competition was officially launched in Hebei and Zibo, Shandong. The 2025 awards ceremony unveiled the national TOP 100 designers, and the new 2026 season has invited designers nationwide to participate. The competition has become an important platform for building designers’ personal IPs, new media promotion, and connecting with mall customer resources.

(3) Accelerated Rollout of Benchmark Venues for New Retail Furniture

As of the end of the Reporting Period, the total operating area for new retail furniture nationwide stood at 266,000 sq.m., and this business segment ranked first among all categories of the Group in terms of growth in the operating area from 2024 to 2025. Starting online, over 10 new retail furniture brands, including LINSY (林氏家居), Yeswood (源氏木語), Chuhu (出乎), Pusu Furniture (樸榛木作), Mumo (木陌), Chaoqu (巢趣), Boluobanma (菠蘿斑馬), Shiyu (時餘), Yiyuyijia (一具一家), and Yueying (越映), have chosen to open physical stores in Red Star Macalline. Online brands leverage this to address scene and experience issues, while offline brands go online to achieve product lightweighting and expand market reach. The Company has introduced a targeted support system with concessions, including head-office-to-head-office undertakings, dual selection by brands and cities, and pilot model programs, to help new retail furniture brands quickly establish a foothold. The Company intends to launch 20 benchmark venues covering an area of more than 5,000 sq.m. in cities including Beijing, Tianjin, Chengdu, and Wuhan. According to its plan, the total operating area for new retail furniture malls nationwide will exceed 300,000 sq.m. by the end of 2026.

III. BUSINESS REVIEW (continued)

(II) “3+Star Eco” Strategy – Business Format Integration, Ecosystem Upgrade (continued)

(4) Continuous Exploration in New Business Format Expansion

The Company continuously explored pan-home furnishing and medium-to-high-frequency lifestyle offerings to enrich its product matrix. During the Reporting Period, the Company completed the creation of a model for the store format upgrade of the food court in its No. 1 store mall on Zhenbei Road, Shanghai (上海真北 1 號店商場); strengthened cooperation with major chains such as Starbucks and McDonald’s; newly developed the human-pet co-living category and introduced brands to establish a foothold; and advanced pilot projects for elderly care, outdoor activity, and dining in an orderly manner in model malls. In the 1H 2026, it opened 7 first-in-PRC stores, 8 first Red Star Macalline stores, and 77 latest store formats, strengthening customer traffic attraction capabilities through scenario innovation, the first-store effect, and the improvement of supporting functions.

(III) Risk Control and Digital Operations

During the Reporting Period, the Company strengthened its risk control system and advanced training programs on the application of merchant operation files, achieving a basic information maintenance rate of 80.1% for high-risk merchants and 73.9% for all merchants. It organized national risk control training, and the Group’s 400 hotline (400排查) screened 9,391 orders from high-risk category brands, identifying and managing 130 pieces of risk data. In the first half of the year, there were 394 high-level customer complaints involving RMB13.46 million, with a case closure rate of 89.1%, and the amount involved decreased by 40% year-on-year; advance compensations amounted to RMB6.38 million, representing a year-on-year decrease of 2%, with a significant improvement in risk handling efficiency.

The operation of the membership mini-program was further enhanced: a member benefits guide was released, and “Super Member Day” events were organized on a monthly basis; it launched AI customer service in 47 Portfolio Shopping Malls, and fully activated the mobile payment function of the mini-program. In the first half of this year, 393,000 new members were recruited, a year-on-year increase of 50%. The target achievement rate was 65.5%, and 215,000 members were converted. The Company launched the “Shang Hu Tong” (merchant connect) system. The system aims to build an omni-channel operation system that empowers merchant operations by aggregating online omni-channel traffic. It covers 8 major functions including merchants’ daily commodities, operations, and services. This system covered 197 malls in the 1H 2026.

From the perspective of marketing and branding, national planning expenses decreased by 13% from the prior year, while investment in customer acquisition increased by 4% year-on-year, achieving precise resource allocation and cost efficiency improvement. The brand ambassador was present at an exclusive offline event in Shenyang, which attracted 10,200 onsite visitors and 250,000 online livestream views. The topic went viral across multiple platforms, ranking 2nd on Shenyang’s city-wide trending list, 6th on the entertainment trending list, and 12th on the national trending list. This garnered a total of 1.45 billion reads and 21.68 million reposts, comments, and likes. The Company adopted a “one store, one policy” approach across its 100 malls, taking into account city tiers, competitive landscape, and platform hotspot cities to confirm operational channels with regional teams. It developed SOPs for Douyin operations and SOPs for Amap/Meituan operations; it optimized the performance-based commission system and established evaluation dimensions for real estate project marketing, laying the foundation for building omni-domain traffic operation capabilities.

IV. OUTLOOK AND PROSPECTS

Our Group's future strategic positioning is clearly defined as a "new commercial operator for home living and a service provider for the home furnishing industry ecosystem". "New commercial operator for home living": Focusing on the home furnishing industry to provide users with a better life by enhancing commercial content, improving commercial operations, creating a closed-loop business model, and increasing spatial value. "Service provider for the home furnishing industry ecosystem": Resonating with the home furnishing business, building a second growth curve to balance the overall business scale, undertaking a service-oriented role, expanding the scope of services to the upstream of the industrial chain such as brand factories, and improving the overall operational efficiency of the entire industrial chain.

In the next five years, our Group will, based on the overall "15th Five Year" strategy, move beyond the traditional framework of piecemeal strategic adjustments. We will establish a clear path for strategic restructuring, advance our systematic evolution in stages, achieve a comprehensive upgrade, and solidify our position as an industry leader.

1. Focusing on business model construction, promoting the separation of light and heavy assets, achieving dual growth engines of heavy asset management and light asset operation, solving the dilemma of heavy assets, consolidating the core capabilities of "people-goods-mall", and laying a solid foundation for transformation.
2. Strengthening the supply of commercial content, achieving content breakthroughs through bundling, scenarization, and home living department store-ization, reshaping the attractiveness of stores, optimizing merchant operations and conversion efficiency, and connecting the "content-traffic-monetization" chain.
3. Deeply cultivating the existing market to accurately capture improvement needs, deploying front-end touchpoints to weave a dense customer acquisition network, focusing on traffic interception, digging deep into existing pain points, iterating products and services, and consolidating the existing market share and the stability of the closed-loop business model.
4. Expanding the second growth curve, relying on accumulated advantages to develop the home furnishing supply chain business, exploring ecosystem element-based businesses, broadening revenue sources, enhancing risk resilience, and achieving a leap in full-ecosystem services.

Corporate Governance and Other Information

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

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group is committed to maintaining a high standard of corporate governance to safeguard the interests of its shareholders. The Company has adopted the principles and code provisions as set out in Part 2 of the Corporate Governance Code (the "**Corporate Governance Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The Company has complied with the principles and all the applicable code provisions as set out in Part 2 of the Corporate Governance Code during the Reporting Period.

COMPLIANCE WITH MODEL CODE

The Company has adopted a code of conduct regarding securities transactions by Directors on terms as required under the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. The Company has conducted specific enquiries to all Directors and all Directors have confirmed that they had complied with all the provisions and standards set out in the Model Code during the six months ended 30 June 2026.

AUDIT COMMITTEE AND REVIEWING INTERIM REPORT

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

The Audit Committee has reviewed the Group's 2026 interim report and the unaudited condensed consolidated financial statements for the six months ended 30 June 2026. The Audit Committee considered that the interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof. There is no disagreement between the Board and the Audit Committee regarding the accounting treatment adopted by the Company.

Corporate Governance and Other Information

CHANGES IN INFORMATION OF DIRECTOR AND CHIEF EXECUTIVE

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

Name	Position	Details of Change	Reason of Change
Mr. LI Yupeng	Executive Director and chairman of the Board	Ceased to act as the Authorized Representative on 29 January 2026	–

For details, please refer to the announcements disclosed by the Company dated 30 January 2026 in designated domestic media as well as on the Hong Kong Stock Exchange website <http://www.hkexnews.hk> dated 29 January 2026.

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

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

For the six months ended 30 June 2026, the Group did not purchase, sell or redeem any of the Company's listed securities (including the sale of any treasury shares). As at 30 June 2026, the Company did not have any treasury shares.

CANCELLATION OF TREASURY A SHARES AND REDUCTION OF REGISTERED CAPITAL

The Company convened the fiftieth extraordinary meeting of the fifth session of the Board and the 2026 first extraordinary general meeting on 19 December 2025 and 16 January 2026, respectively, at which the Resolution on the Cancellation of Repurchased A Shares and Reduction of Registered Capital was considered and approved, agreeing to cancel the 1,044,800 A shares held in the dedicated securities account for repurchase and reduce the Company's registered capital accordingly. Upon application by the Company, the 1,044,800 repurchased but unused treasury A shares were cancelled at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited on 22 April 2026. After completion of the cancellation, the total share capital of the Company was reduced from 4,354,732,673 shares to 4,353,687,873 shares. For details, please refer to the announcement of the Company dated 22 April 2026 published in the designated media in the PRC, and the announcement dated 21 April 2026 and the Next Day Disclosure Return dated 22 April 2026 published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>).

Corporate Governance and Other Information

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

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

SHARES AND UNDERLYING SHARES OF THE COMPANY AND ASSOCIATED CORPORATIONS

The Company

Name of Shareholders	Title	Class of Shares	Nature of Interest	Number of Shares/ Underlying Shares Held	Approximate Percentage of the Relevant Class of Shares ⁽¹⁾	Approximate Percentage of Total Shares ⁽¹⁾
CHE Jianxing (車建興) ⁽²⁾	Non-executive Director	A Shares	Beneficial owner	435,600 (Long position)	0.01%	0.01%
			Interest of spouse	48,620 (Long position)	0.00%	0.00%
XU Guofeng (徐國峰) ⁽³⁾	Non-executive Director	A Shares	Interest of spouse	123,420 (Long position)	0.00%	0.00%

Notes:

- (1) As at 30 June 2026, the Company had a total of 4,353,687,873 issued Shares, including 3,612,402,239 A Shares and 741,285,634 H Shares.
- (2) Mr. CHE Jianxing is the spouse of Ms. CHEN Shuhong. Under the SFO, Mr. CHE Jianxing is deemed to be interested in the 48,620 A Shares in the Company held by Ms. CHEN Shuhong.
- (3) Mr. XU Guofeng is the spouse of Ms. CHE Jianfang (Mr. CHE Jianxing's sister). Under the SFO, Mr. XU Guofeng is deemed to be interested in the 123,420 A Shares in the Company held by Ms. CHE Jianfang.

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

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

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

Name of Shareholders	Class of Shares	Capacity/ Nature of Interest	Number of Shares/Underlying Shares Held	Approximate Percentage of the Relevant Class of Shares ⁽¹⁾	Approximate Percentage of Total Share Capital ⁽¹⁾
The State-owned Assets Supervision and Administration Commission of the Xiamen Municipal People's Government ⁽²⁾	A Shares	Interest of controlled corporation	1,304,242,436 (Long position)	36.10%	29.96%
Red Star Macalline Holding Group Company Limited	A Shares	Beneficial owner	824,831,858 (Long position)	22.83%	18.95%
Beijing Ren Bridge Asset Management Co., Ltd. (仁橋(北京)資產管理有限公司)	H Shares	Investment manager	105,055,400 (Long position)	14.17%	2.41%
WONG Man Li ⁽³⁾	H Shares	Interest of controlled corporation	73,585,060 (Long position)	9.93%	1.69%
Man Wah Wong's Family Investments Limited ⁽³⁾	H Shares	Beneficial owner	73,585,060 (Long position)	9.93%	1.69%
HUI Wai Hing ⁽³⁾	H Shares	Interest of the spouse	73,585,060 (Long position)	9.93%	1.69%

Notes:

- (1) As at 30 June 2026, the Company had 4,353,687,873 issued Shares in total, comprised of 3,612,402,239 A Shares and 741,285,634 H Shares.
- (2) To the best knowledge of the Directors, as at 30 June 2026, Xiamen C&D Inc. (廈門建發股份有限公司) directly and indirectly held interests in 1,304,242,436 A Shares of the Company. Xiamen C&D Group Co., Ltd. (廈門建發集團有限公司) held 46.79% of the equity interests in Xiamen C&D Inc., and Xiamen C&D Group Co., Ltd. was wholly-owned by the State-owned Assets Supervision and Administration Commission of the Xiamen Municipal People's Government. Accordingly, pursuant to the SFO, the State-owned Assets Supervision and Administration Commission of the Xiamen Municipal People's Government was deemed to be interested in such A Shares through its controlled corporations.
- (3) Man Wah Wong's Family Investments Limited is directly 80% controlled by Mr. WONG Man Li and Man Wah Wong's Family Investments Limited is directly interested in the 73,585,060 H Shares of the Company. Therefore, Mr. WONG Man Li is deemed to be interested in the 73,585,060 H Shares through Man Wah Wong's Family Investments Limited.

Ms. HUI Wai Hing is the spouse of Mr. WONG Man Li. Under the SFO, Ms. HUI Wai Hing is deemed to be interested in the same number of shares in which Mr. WONG Man Li is or deemed to be interested.

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

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the 2026 Interim Report, at no time during the Reporting Period was the Company or any of its subsidiaries or holding company or any subsidiary of the Company's holding company, a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

SHARE SCHEMES

During the Reporting Period, the Company did not have any share schemes required to be disclosed under Chapter 17 of the Listing Rules.

INTERIM DIVIDEND

The Board does not recommend payment of dividend for the six months ended 30 June 2026.

PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS

A shares of the Company were listed and traded on the Shanghai Stock Exchange on 17 January 2018 (Stock Code: 601828) at the issue price of RMB10.23 per share with an issuance size of 315,000,000 shares and an aggregate nominal value of RMB315,000,000. The total proceeds raised from this offering was RMB3,222,450,000.00, and the net proceeds raised (after deducting the issuing expenses of A shares of RMB172,442,150.37) was RMB3,050,007,849.63. The net amount raised per subscribed share was RMB9.68 per share, and the closing price per share on the date of listing was RMB14.42. For details, please refer to the announcements of the Company dated 2 January 2018, 16 January 2018, 7 February 2018, 7 September 2018 and 1 April 2024 and the circular of the Company dated 29 April 2024. The Company has utilized the net proceeds in accordance with the purposes as disclosed. As of 30 June 2026, there have been no material changes to the planned applications of the net proceeds.

Analysis of the use of proceeds from issuance of A shares as of 30 June 2026 is as follows:

Unit: RMB'000

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

Corporate Governance and Other Information

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

Proposed investment projects		Total planned investment (RMB'000)	Total adjusted investment amount (RMB'000)	Balance of the investment amount as at the beginning of the Reporting Period (RMB'000)	Investment amount utilized during the Reporting Period (RMB'000)	Total investment amount utilized as at the end of the Reporting Period (RMB'000)	Balance of the investment amount as at the end of the Reporting Period (RMB'000)	Remarks
Home furnishing shopping mall construction project	Tianjin Beichen Shopping Mall Project	245,137	245,137	-	-	245,137	-	Fully invested
	Hohhot Yuquan Shopping Mall Project	76,825	76,825	-	-	76,825	-	Fully invested
	Dongguan Wanjia Shopping Mall Project	164,145	164,145	-	-	164,145	-	Fully invested
	Harbin Songbei Shopping Mall Project	294,809	294,809	-	-	294,809	-	Fully invested
	Urumqi Convention and Exhibition Mall Project ⁽²⁾⁽³⁾	669,084	666,733	-	-	666,733	-	Fully invested
	Changsha Jinxia Shopping Mall Project ⁽²⁾⁽³⁾	190,000	163,181	16,943	-	146,238	16,943	Concluded. In accordance with the requirements of the Listing Rules, the Company expects to fully utilize the proceeds by 31 December 2026.
	Xining Expo Shopping Mall Project	110,000	110,000	-	-	110,013(1)	-	Fully invested
New Intelligent Home Furnishing Shopping Mall Project ⁽²⁾⁽³⁾		400,000	117,276	124	-	117,152	124	Terminated. In accordance with the requirements of the Listing Rules, the Company expects to fully utilize the proceeds by 31 December 2026.
Repayment of bank loans		400,000	400,000	-	-	400,000	-	Fully invested
Supplement of liquidity		150,008	150,008	-	-	150,008	-	Fully invested
Repayment of the Company's interest-bearing debts		350,000	350,000	-	-	350,000	-	Fully invested
Permanent working capital replenishment ⁽³⁾		-	311,893	-	-	311,893	-	Fully invested
Total		3,050,008	3,050,008	17,067	-	3,032,953	17,067	

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

Notes:

- (1) Including the interest generated from the proceeds account and used for the project.
- (2) References are made to the announcements of the Company dated 1 April 2024, 23 May 2024 and the circular of the Company dated 29 April 2024. The resolution concerning the conclusion, extension, suspension and termination of investment projects with partial proceeds of the Company's A shares (the "**Resolution**") was considered and approved at the third meeting of the fifth session of the Board, the third meeting of the fifth session of the Supervisory Committee and the 2023 annual general meeting of the Company. Pursuant to the Resolution, Changsha Jinxia Shopping Mall Project has been concluded after the approval of the shareholders at the 2023 annual general meeting and the New Intelligent Home Furnishing Shopping Mall Project has been terminated after the approval of the shareholders at the 2023 annual general meeting, and the remaining proceeds from the aforesaid projects are used to permanently replenish working capital (the actual amount is subject to the balance of the raised fund account on the day the funds are transferred out), the subsequent difference between interest income and handling fees generated by this part of the funds will also be used as general working capital. As the construction of the Urumqi Convention and Exhibition Mall Project had been completed and opened for business operation, the remaining proceeds from the project are used as general working capital (the actual amount is subject to the balance of the raised fund account on the day the funds are transferred out), the subsequent difference between interest income and handling fees generated by this part of the funds will also be used to permanently replenish working capital.
- (3) As of 30 June 2026, the permanent working capital raised from the Company's initial public offering of A shares has been fully utilized. In addition, the outstanding payments for the Changsha Jinxia Shopping Mall Project are approximately RMB16,943 thousand, and the outstanding payments for the New Intelligent Home Furnishing Shopping Mall Project are approximately RMB124 thousand.
- (4) The difference between the totals in the above table is due to rounding.
- (5) The expected timetable for use of the balance of the investment amount is based on the Board's best estimate of the market conditions of business and is subject to change in the light of market conditions. The Company will publicly disclose changes in the timetable, if any, as and when appropriate in accordance with the requirements of the relevant rules in order to update its Shareholders and potential investors.

NON-PUBLIC ISSUANCE OF A SHARES AND USE OF PROCEEDS

In September 2021, the Company issued 449,732,673 A shares with an aggregate nominal value of RMB449,732,673 to specific investors in the non-public issuance, at an issue price of RMB8.23 per share, with the total proceeds of RMB3,701,299,898.79. After deducting issuance expenses (exclusive of tax) of RMB22,936,099.50, the actual net proceeds were RMB3,678,363,799.29, where the net proceeds raised per subscription share was RMB8.18. For details, please refer to the announcements of the Company dated 3 May 2020, 3 June 2020, 23 June 2020, 19 April 2021, 18 May 2021, 21 October 2021 and 1 April 2024 and the circulars of the Company dated 3 June 2020, 26 April 2021 and 29 April 2024. The Company has utilized the net proceeds in accordance with the purposes as disclosed. As of 30 June 2026, there have been no material changes to the planned applications of the net proceeds.

An analysis of the use of the proceeds from the non-public issuance of A shares as of 30 June 2026 is set out below:

Unit: RMB'000

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

Corporate Governance and Other Information

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

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

Corporate Governance and Other Information

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

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

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

Notes:

- (1) References are made to the announcements of the Company dated 1 April 2024, 23 May 2024 and the circular of the Company dated 29 April 2024. The resolution concerning the conclusion, extension, suspension and termination of investment projects with partial proceeds of the Company's A shares (the "**Resolution**") was considered and approved at the third meeting of the fifth session of the Board, the third meeting of the fifth session of the Supervisory Committee and the 2023 annual general meeting of the Company. Pursuant to the Resolution, Tmall "Home Decoration Tongcheng Station" Project, 3D Shejiyun Platform Construction Project and Construction Project for New Generation Home Improvement Platform System had been terminated after the approval of the shareholders at the 2023 annual general meeting, and the remaining proceeds from the aforesaid projects are used to permanently replenish working capital (the actual amount is subject to the balance of the raised fund account on the day the funds are transferred out), and the subsequent difference between interest income and handling fees generated by this part of the funds will also be used to permanently replenish working capital.
- (2) In accordance with the requirements of the Listing Rules, the management of the Company currently expects that the investment of the remaining proceeds will be completed by the end of 2030. For the foregoing expected time, the Company will obtain the approval of the Board and the shareholders at a general meeting of the Company in accordance with the requirements of the Procedures for the Administration of Proceeds.
- (3) The difference between the totals in the above table is due to rounding.
- (4) As at 30 June 2026, the proceeds from the 2020 non-public issuance of approximately RMB845.4 million shall be used for permanent working capital replenishment.
- (5) The expected timetable for use of the balance of the investment amount is based on the Board's best estimate of the market conditions of business and is subject to change in the light of market conditions. The Company will publicly disclose changes in the timetable, if any, as and when appropriate in accordance with the requirements of the relevant rules in order to update its Shareholders and potential investors.

MATERIAL LEGAL PROCEEDINGS

For the six months ended 30 June 2026, the Group did not have any material legal or arbitral proceedings. The Directors are also not aware of any material legal proceedings or claims which are pending or threatened against the Group.

APPOINTMENT OF SECRETARY OF THE BOARD, JOINT COMPANY SECRETARY AND CHANGE OF AUTHORIZED REPRESENTATIVE

On 29 January 2026, Mr. CAO Shu ("**Mr. CAO**") was appointed as the secretary of the Board, a joint company secretary and the authorized representative of the Company (the "**Authorized Representative**") under Rule 3.05 of the Listing Rules. Following the appointment, Mr. LI Yupeng, the chairman of the Board, ceased to assume the powers and responsibilities of the secretary of the Board and also ceased to act as the Authorized Representative. Mr. CAO and Mr. YANG Yingwu, an executive Director, jointly serve as the Authorized Representatives.

In relation to Mr. CAO's appointment as a Joint Company Secretary, the Hong Kong Stock Exchange has granted the Company a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules for a period of three years commencing from 29 January 2026.

For details, please refer to the announcements published by the Company in domestic designated media in China dated 30 January 2026 and on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) dated 29 January 2026.

EVENTS AFTER THE REPORTING PERIOD

Proposed Termination of Certain Fund-raising Investment Projects and Permanent Supplement of Working Capital with the Remaining Proceeds

Taking into account its own operating conditions, strategic repositioning and the efficiency of the use of proceeds, and other factors, the Company proposes to use its own funds to pay the outstanding balance of the “Changsha Jinxia Shopping Mall Project” and the “New Intelligent Home Furnishing Shopping Mall Project”, both of which are fund-raising investment projects under the initial public offering of A Shares (hereinafter referred to as the “**Fund-raising Investment Projects**”). The Company also proposes to terminate the “Foshan Lecong Shopping Mall Project” and the “Nanning Dingqiu Shopping Mall Project”, both of which are Fund-raising Investment Projects under the 2020 non-public issuance, and to apply the unutilised proceeds from the corresponding Fund-raising Investment Projects to permanently replenish the Company’s working capital, which will be directly and fully utilized for the repayment of the shareholder loan provided by Xiamen C&D Inc., a substantial shareholder of the Company (the actual amount is subject to the balance of the designated account on the date the funds are transferred out).

For details, please refer to the announcements disclosed by the Company on the designated domestic media and the website of the Shanghai Stock Exchange dated 31 July 2026 and on the website of the Hong Kong Stock Exchange at <http://www.hkexnews.hk> dated 30 July 2026 and the circular dated 2 September 2026 disclosed by the Company on the website of the Hong Kong Stock Exchange.

The resolution was considered and approved at the 2026 second extraordinary general meeting of the Company held on 18 September 2026. For details, please refer to the announcements disclosed by the Company on 19 September 2026 in designated domestic media and on 18 September 2026 on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>).

Save as disclosed above, there were no other significant events affecting the Group after 30 June 2026 and up to the date of this interim report.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

		For the six months ended 30 June	
		2026	2025
		RMB'000	RMB'000
	Notes	(Unaudited)	(Unaudited)
Revenue	4	3,094,685	3,337,076
Cost of sales and services		(952,420)	(1,127,074)
Gross profit		2,142,265	2,210,002
Other income	5	38,070	72,575
Other gains or losses, net	6	23,380	9,011
Selling and distribution expenses		(261,262)	(366,320)
Administrative expenses		(537,641)	(596,225)
Research and development expenses		(987)	(3,247)
Change in fair value of investment properties, net		(234,200)	(2,274,001)
Impairment losses under expected credit loss model, net of reversal		(48,658)	(116,365)
Share of results of associates, net		61,455	70,911
Share of results of joint ventures, net		10,629	18,298
Finance cost	7	(1,024,171)	(1,095,295)
Profit/(loss) before tax		168,880	(2,070,656)
Income tax expense	8	(150,109)	(37,550)
Profit/(loss) for the period	9	18,771	(2,108,206)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

	Notes	For the six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Other comprehensive loss			
<i>Item that will not be reclassified to profit or loss:</i>			
Changes in fair value of other equity instrument investments		(73,788)	(186,018)
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences from translation of financial statements		(1,384)	(189)
Other comprehensive loss, net of tax		(75,172)	(186,207)
Total comprehensive loss for the period		(56,401)	(2,294,413)
Profit/(loss) for the period attributable to:			
Owners of the Company		6,981	(1,954,786)
Non-controlling interests		11,790	(153,420)
		18,771	(2,108,206)
Total comprehensive (loss)/profit attributable to:			
Owners of the Company		(67,976)	(2,140,993)
Non-controlling interests		11,575	(153,420)
		(56,401)	(2,294,413)
Earnings/(loss) per share			
Basic and diluted earnings/(loss) (RMB per share)	11	0.00	(0.45)

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

		As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
	Notes		
Non-current assets			
Investment properties	12	73,546,800	74,119,800
Property, plant and equipment	13	1,863,468	1,973,368
Right-of-use assets	13	654	1,775
Intangible assets	13	36,599	42,716
Interests in associates		1,788,590	1,584,049
Interests in joint ventures		787,168	782,066
Financial instruments at fair value through profit or loss ("FVTPL")		92,875	93,400
Financial instruments at fair value through other comprehensive income ("FVTOCI")		380,301	508,784
Deferred tax assets		2,546,049	2,534,914
Loan receivables		207,897	216,940
Restricted bank deposits	16	359,634	412,930
Deposits, prepayment and other receivables	15	684,246	832,461
Total non-current assets		82,294,281	83,103,203
Current assets			
Inventories		26,422	25,927
Loan receivables		1,107,876	1,100,792
Financial instruments at FVTPL		216	112
Accounts receivable	14	445,081	449,348
Notes receivable	14	164	278
Contract assets		264,624	411,207
Deposits, prepayment and other receivables	15	1,085,161	1,227,754
Bank balances and cash	17	3,141,975	2,808,460
Total current assets		6,071,519	6,023,878
Total assets		88,365,800	89,127,081

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

		As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
	Notes		
Current liabilities			
Trade and other payables	18	20,154,286	17,811,179
Rental and service fee received in advance		510,843	624,055
Contract liabilities		474,140	575,123
Tax payables		176,492	183,321
Lease liabilities		483,483	555,163
Bank and other borrowings	19	8,693,658	9,676,448
Other current liabilities	21	71,568	72,541
Total current liabilities		30,564,470	29,497,830
Net current liabilities		(24,492,951)	(23,473,952)
Total assets less current liabilities		57,801,330	59,629,251
Non-current liabilities			
Deferred tax liabilities		9,355,012	9,428,323
Bank and other borrowings	19	20,380,488	21,716,059
Lease liabilities		1,514,056	1,614,677
Other payables	18	369,577	440,966
Deferred income		151,727	154,688
Contract liabilities		329,003	341,504
Other non-current liabilities	20	597,854	633,152
Total non-current liabilities		32,697,717	34,329,369
Net assets		25,103,613	25,299,882

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

		As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
	Notes		
Equity			
Share capital	21	4,353,688	4,354,733
Reserves		19,440,669	19,507,600
Equity attributable to owners of the Company		23,794,357	23,862,333
Non-controlling interests		1,309,256	1,437,549
Total equity		25,103,613	25,299,882

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Share capital RMB'000	Capital reserve RMB'000	Fair value through other comprehensive income reserve RMB'000 (note a)	Investment properties reserves RMB'000 (note b)	Exchange difference RMB'000 (note c)	Surplus reserve RMB'000 (note d)	Retained earnings RMB'000	Sub-total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
As at 31 December 2025 and 1 January 2026 (audited)	4,354,733	7,230,016	(71,549)	81,398	(191)	2,293,731	9,974,195	23,862,333	1,437,549	25,299,882
Profit for the period	-	-	-	-	-	-	6,981	6,981	11,790	18,771
Fair value change	-	-	(73,573)	-	-	-	-	(73,573)	(215)	(73,788)
Exchange differences from translation of financial statements	-	-	-	-	(1,384)	-	-	(1,384)	-	(1,384)
Total comprehensive (loss)/profit for the period	-	-	(73,573)	-	(1,384)	-	6,981	(67,976)	11,575	(56,401)
Cancellation of repurchased shares and reduction of registered capital (note 21)	(1,045)	1,045	-	-	-	-	-	-	-	-
Derecognition of subsidiaries	-	-	-	-	-	-	-	-	(133,417)	(133,417)
Capital refund to non-controlling shareholders on deregistration (note 23)	-	-	-	-	-	-	-	-	(11,201)	(11,201)
Disposal of financial instruments at fair value through other comprehensive income	-	-	(24,240)	-	-	-	24,240	-	-	-
Others	-	-	-	-	-	-	-	-	4,750	4,750
As at 30 June 2026 (unaudited)	4,353,688	7,231,061	(169,362)	81,398	(1,575)	2,293,731	10,005,416	23,794,357	1,309,256	25,103,613

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

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

Notes:

- Fair value through other comprehensive income reserve comprises the cumulative net change in the fair value of equity investments designated at FVTOCI under IFRS 9 that are held at the end of the reporting period.
- Investment properties reserves represents difference arising between the carrying amount under IAS 16 at that date and the fair value is dealt with as a revaluation under IAS 16 from a transfer owner-occupied property to investment property carried at fair value.
- Exchange difference comprises all foreign exchange differences arising from the translation of the financial statements of operations.
- According to the relevant rules and regulations in the People's Republic of China ("PRC"), subsidiaries of the Company established in the PRC are required to transfer 10% of their net profit, as determined in accordance with the PRC accounting standards and regulations, to the reserve fund until the balance of the reserve reaches 50% of their respective registered capital. The transfer to this reserve must be made before distribution of dividends to owners of these subsidiaries. Reserve fund can be used to set off previous years' losses, if any, and may be converted into capital in proportion to existing equity owners' equity percentage, provided that the balance after such issuance is not less than 25% of their registered capital.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

		For the six months ended 30 June	
		2026	2025
		RMB'000	RMB'000
	Notes	(Unaudited)	(Unaudited)
Operating activities			
Profit/(loss) before tax		168,880	(2,070,656)
Adjustments for:			
Amortisation of intangible assets		11,723	13,695
Changes in fair value of investment properties	12	234,200	2,274,001
Changes in fair value of financial instruments at FVTPL		–	53,849
Depreciation of property, plant and equipment		65,902	77,263
Depreciation of right-of-use assets		1,419	1,489
Dividend income from financial instruments at FVTOCI	5	(3,856)	(3,564)
Dividend income from financial instruments at FVTPL		(12)	(7,483)
Unrealised exchange loss		–	(5,487)
Finance cost	7	1,024,171	1,095,295
Loss/(gain) on disposal of associates and joint ventures	6	46,525	(12,300)
Gain on disposal of financial instruments at FVTPL	6	–	(5,093)
(Gain)/loss on lease modification	6	(643)	10,485
Gain on disposal of property, plant and equipment	6	(3,355)	(13,567)
Loss on disposal of intangible assets		3,122	–
Impairment losses under expected credit losses model, net of reversal		48,658	116,365
Interest income	5	(17,799)	(20,793)
Net gain on derecognition of subsidiaries		(88,236)	–
Share of results of associates, net		(61,455)	(70,911)
Share of results of joint ventures, net		(10,629)	(18,298)
Written-off of property, plant and equipment	6	596	900
Operating cash flows before movements in working capital		1,419,211	1,415,190
Change in inventories		(495)	7,880
Change in contract assets		120,327	77,079
Change in trade and other receivables		433,596	334,100
Change in rental and service fee received in advance		(113,159)	(184,115)
Change in trade and other payables		(700,272)	(1,160,682)
Change in contract liabilities		(103,547)	(115,836)
Change in deferred income		(2,961)	(2,962)
Change in other current liabilities		584	(184)
Change in other non-current liabilities		(35,298)	(36,270)
Cash generated from operations		1,017,986	334,200
Income tax paid		(135,052)	(132,313)
Net cash generated from operating activities		882,934	201,887

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Notes		
Investing activities		
Cash inflow from acquisition of subsidiaries	–	871
Dividends received	6,737	25,240
Derecognition of subsidiaries	(7,803)	–
Grant of loans	–	(94,997)
Interest received	187	9,645
Payment of restricted bank deposits	(15,059)	(161,527)
Payment for acquisition of subsidiaries	–	(959,637)
Placement of bank deposits with original maturity over three months	–	(51)
Proceeds on disposal of associates	23,895	33,185
Proceeds on disposal of joint ventures	1,492	–
Proceeds on disposal of intangible assets	–	181
Proceeds on disposal of property, plant and equipment	5,970	5,587
Purchase of property, plant and equipment	(42,685)	(19,722)
Purchase of intangible assets	(654)	(491)
Purchase of investment properties	(79,977)	(117,700)
Purchases of financial instruments at FVTPL	(216)	(88,192)
Redemption of financial instruments at FVTOCI	84,954	141,185
Redemption of financial instruments at FVTPL	637	215,408
Repayment of loan receivables	13,488	17,574
Refunds of prepayment for acquisition of equity investments	–	1,629
Withdrawal of bank deposits with original maturity over three months	–	2,106
Withdrawal of restricted bank deposits	25,572	43,288
Net cash generated from/(used in) investing activities	16,538	(946,418)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Notes	For the six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Financing activities			
Advance from related parties and third parties		34,519	77,359
Advance from Xiamen C&D		8,648,300	4,834,000
Contributions from shareholders of subsidiaries		–	1,685
Dividends paid to non-controlling shareholders of subsidiaries		(26,150)	(6,220)
Interest paid		(759,648)	(855,059)
Proceeds from new bank and other borrowings		1,769,100	7,723,737
Capital refund to non-controlling interest on deregistration		(11,201)	–
Repayment of bank and other borrowings		(4,083,880)	(4,805,403)
Repayment of lease liabilities		(136,189)	(205,770)
Repayment to related parties and third parties		(39,047)	(1,340,021)
Repayment to Xiamen C&D		(5,961,426)	(4,609,714)
Net cash (used in)/generated from financing activities		(565,622)	814,594
Net increase in cash and cash equivalents		333,850	70,063
Effect of foreign exchange rate changes		(335)	(32)
Cash and cash equivalents at beginning of period		2,788,566	3,111,833
Cash and cash equivalents at end of period, represented by bank balances and cash		3,122,081	3,181,864

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

1. GENERAL INFORMATION

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

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

The respective addresses of the registered office and the principal place of business of the Company are disclosed in the corporate information section of the interim report.

The principal activities of the Company and its subsidiaries (collectively the "Group") are operating and managing home furnishing shopping malls. The Group is also involved in pan home furnishings consumption, including internet home decoration, internet retail, etc..

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

2. BASIS OF PREPARATION

2.1 Basis of measurement

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

The condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2025 as set out in the annual report of the Company, which have been prepared in accordance with IFRS Accounting Standards.

2.2 Going concern

The Group had net current liabilities of RMB24,492,951 thousand as at 30 June 2026.

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

- The management had assessed the going concern of the Group for the 12 months starting from 1 July 2026, and after taking into account unutilised bank facilities granted to the Group and the Group’s expected operating cash inflows and financing arrangements as of 30 June 2026, believed that the liquidity risks that the Group is exposed to due to the fact that it has net current liabilities at 30 June 2026 fall within the range of controllable risks, and thus will not have material effects on the going concern and financial position of the Group.
- Continuing to negotiate with banks and financial institutions for financing.

The directors of the Company are therefore of the opinion that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the condensed consolidated financial statements to adjust the value of the Group’s assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

3. PRINCIPAL ACCOUNTING POLICIES

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

Other than additional/change in accounting policies resulting from application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

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

In the current interim period, the Group has applied the following new and amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

4. SEGMENT INFORMATION AND REVENUE

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

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

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

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

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

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

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

4. SEGMENT INFORMATION AND REVENUE (continued)

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

	Owned/ Leased Portfolio Shopping Malls RMB'000	Managed Shopping Malls RMB'000	Construction and decoration services RMB'000	Others RMB'000	Total RMB'000
Six months ended 30 June 2026 (Unaudited)					
Segment revenue from external customers	2,381,678	507,218	30,752	175,037	3,094,685
Segment profit/(loss)	1,261,923	92,185	(36,538)	33,723	1,351,293
Unallocated:					
Other income					38,070
Other gains or losses, net					23,380
Central administrative expense					(7,931)
Research and development expenses					(987)
Change in fair value of investment properties, net					(234,200)
Impairment losses under expected credit loss model, net of reversal					(48,658)
Share of results of associates, net					61,455
Share of results of joint ventures, net					10,629
Finance cost					(1,024,171)
Profit before tax					168,880

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

4. SEGMENT INFORMATION AND REVENUE (continued)

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

The revenue of sales set out as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	663,716	861,311
Rental and related income	2,430,969	2,475,765
	3,094,685	3,337,076

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

4. SEGMENT INFORMATION AND REVENUE (continued)

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

	Managed Shopping Malls RMB'000	Construction and decoration services RMB'000	Others RMB'000	Total RMB'000
Six months ended 30 June 2026 (Unaudited)				
Primary geographical markets				
Chinese Mainland	507,218	30,752	125,746	663,716
Timing of revenue recognition				
At a point in time				
Revenue from sales of goods	–	–	2,445	2,445
Other revenues	–	11,969	6,922	18,891
Over-time				
Revenue from operation and management services	507,218	–	–	507,218
Revenue from decoration, construction and design services	–	18,783	–	18,783
Other revenues	–	–	116,379	116,379
Total	507,218	30,752	125,746	663,716

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

4. SEGMENT INFORMATION AND REVENUE (continued)

	Managed Shopping Malls RMB'000 (Unaudited)	Construction and decoration services RMB'000 (Unaudited)	Others RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Six months ended 30 June 2025 (unaudited)				
Primary geographical markets				
Chinese Mainland	609,371	103,613	148,327	861,311
Timing of revenue recognition				
At a point in time				
Revenue from sales of goods	–	5,038	6,721	11,759
Other revenues	–	15,539	27,022	42,561
Over-time				
Revenue from operation and management services	609,371	–	–	609,371
Revenue from decoration, construction and design services	–	83,036	–	83,036
Other revenues	–	–	114,584	114,584
Total	609,371	103,613	148,327	861,311

Geographic information

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

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

	Non-current assets	
	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
The PRC	78,592,073	79,211,604
The Cayman Islands	35,467	35,467
	78,627,540	79,247,071

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

5. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest income on		
– bank deposits	2,602	5,028
– other loans and receivables	15,197	15,765
Total interest income	17,799	20,793
Government grants	7,209	32,194
Subsidy for land supporting expense and subsidy for gas-fired air conditioning equipment	2,962	2,962
Dividend income from financial instruments at FVTOCI	3,856	3,564
Dividend income from financial instruments at FVTPL	12	7,483
Income from default compensation	1,242	941
Income from project termination	4,990	4,638
	38,070	72,575

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

6. OTHER GAINS OR LOSSES, NET

	Six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
(Loss)/Gain on disposal of associates and joint ventures	(46,525)	12,300
Gain on derecognition of subsidiaries	88,236	–
Gain on disposal of financial instruments at FVTPL	–	5,093
Gain on disposal of property, plant and equipment	3,355	13,567
Loss on disposal of intangible assets	(3,122)	–
Gain/(loss) on lease modification	643	(10,485)
Fair value change on financial instruments at FVTPL	–	(53,849)
Compensation expenses	(11,796)	(4,954)
Written off of property, plant and equipment	(596)	(900)
Exchange gain	1,007	4,294
Others	(7,822)	43,945
	23,380	9,011

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

7. FINANCE COST

	Six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest on bank and other borrowings	990,899	1,006,536
Interest on lease liabilities	33,272	41,082
Interest on bonds	–	47,677
	1,024,171	1,095,295

8. INCOME TAX

	Six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Income tax expenses/(credit) comprise:		
Current tax:		
PRC enterprise income tax	123,293	105,713
Deferred tax – current period	26,816	(68,163)
	150,109	37,550

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

In December 2025, a subsidiary of the Group, Shanghai Red Star Macalline Building Design Company Limited (上海紅星美凱龍建築設計有限公司), obtained the Certificate for Hi-tech Enterprise, whose certificate number was GR202231006369 with a validity of three years, and was subject to a tax rate of 15% for the year.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

9. PROFIT/(LOSS) FOR THE PERIOD

	Six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Profit/(loss) for the period has been arrived at after charging/(crediting):		
Staff costs (including directors emoluments)		
Salaries and other benefits	698,685	778,325
Retirement benefits scheme contributions	67,041	80,270
Total staff costs	765,726	858,595
Cost of inventories recognised as an expense	559	8,060
Depreciation of property, plant and equipment	65,902	77,263
Depreciation of right-of-use assets	1,419	1,489
Amortisation of intangible assets	11,723	13,695
Advertising and promotional expenses	150,336	222,904
Gross rental income from investment properties	(2,430,969)	(2,475,765)
Less: Direct operating expenses incurred for investment properties	583,412	599,278
	(1,847,557)	(1,876,487)

10. DIVIDEND

The Board resolved that no interim dividend will be declared in respect of the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

11. EARNINGS/(LOSS) PER SHARE

The calculation of basic and diluted earnings/(loss) per share as of 30 June 2026 and 2025 is based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB (Unaudited)	RMB (Unaudited)
Basic and diluted earnings/(loss) per share	0.00	(0.45)

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

There were no dilutive potential ordinary shares outstanding for the six months ended 30 June 2026 (Six months ended 30 June 2025: nil). Accordingly, the diluted earnings/(loss) per share is the same as basic earnings/(loss) per share for the six months ended 30 June 2026 and 2025.

As of 30 June 2026 and 2025, the calculation of basic and diluted earnings/(loss) per share is detailed as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
<i>Profit/(loss)</i>		
Net profit/(loss) for the period attributable to owners of the Company (RMB'000)	6,981	(1,954,786)
<i>Number of the ordinary shares</i>		
Weighted average number of the ordinary shares of the Company ('000)	4,354,335	4,354,733

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

12. INVESTMENT PROPERTIES

The Group leases out shops and buildings under operating leases with rentals payable monthly. The leases typically run for an initial period of 6 months to 2 years (31 December 2025: 6 months to 2 years), with unilateral rights to extend the lease beyond initial period held by lessees only. Majority of the lease contracts contain market review clauses in the event the lessee exercises the option to extend.

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

	Completed investment properties RMB'000	Properties under construction RMB'000	Leased properties RMB'000	Total RMB'000
Fair value				
As at 1 January 2025 (Audited)	85,150,200	8,299,000	1,655,000	95,104,200
Additions	132,756	5,564	490,328	628,648
Acquisition of subsidiaries	2,364,672	–	–	2,364,672
Lease modification	–	–	(236,644)	(236,644)
Disposals	(22,831)	–	–	(22,831)
Transfer from/(to) property, plant and equipment and properties under construction	1,175,089	(678,000)	–	497,089
Changes in fair value	(22,563,087)	(1,285,564)	(366,683)	(24,215,334)
As at 31 December 2025 and 1 January 2026 (Audited)	66,236,799	6,341,000	1,542,001	74,119,800
Additions	–	37,659	–	37,659
Lease modification	–	–	(1,635)	(1,635)
Transfer from property, plant and equipment and properties under construction	73,024	–	–	73,024
Disposals	(36,648)	–	(7,200)	(43,848)
Derecognition of subsidiaries (note 23)	(404,000)	–	–	(404,000)
Changes in fair value	(77,375)	(24,659)	(132,166)	(234,200)
As at 30 June 2026 (Unaudited)	65,791,800	6,354,000	1,401,000	73,546,800

12. INVESTMENT PROPERTIES (continued)

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

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

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

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

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

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

12. INVESTMENT PROPERTIES (continued)

As at 30 June 2026 (unaudited)

	Fair value Hierarchy	Valuation technique(s)	Significant unobservable input(s)	Range	Effect on fair value for changes to key inputs	Carrying amounts RMB'000
Completed investment properties	Level 3	Income approach	Price of unit area leasable (per square meter per month)	RMB10 to RMB172	Increase	65,791,800
			Discount rate	3.5% to 6.5%	Decrease	
Investment properties at an early development stage	Level 3	Direct comparison approach	Unit area price of investment properties (per square meter)	RMB356 to RMB24,094	Increase	5,426,000
Other investment properties under development	Level 3	Hypothetical development approach	Unit area price of investment properties (per square meter)	RMB49 to RMB69	Increase	928,000
			Discount rate	6.0%	Decrease	
Leased properties	Level 3	Income approach	Price of unit area leasable (per square meter per month)	RMB18 to RMB178	Increase	1,401,000
			Yield rate	3.95% to 5.95%	Decrease	
						73,546,800

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

12. INVESTMENT PROPERTIES (continued)

As at 31 December 2025 (audited)

	Fair value Hierarchy	Valuation technique(s)	Significant unobservable input(s)	Range	Effect on fair value for changes to key inputs	Carrying amounts RMB'000
Completed investment properties	Level 3	Income approach	Price of unit area leasable (per square meter per month)	RMB10 to RMB214	Increase	66,236,799
			Discount rate	3.5% to 6.5%	Decrease	
Investment properties at an early development stage	Level 3	Direct comparison approach	Unit area price of investment properties (per square meter)	RMB358 to RMB30,653	Increase	5,420,000
Other investment properties under development	Level 3	Hypothetical development approach	Unit area price of investment properties (per square meter)	RMB51 to RMB69	Increase	921,000
			Discount rate	6.00%	Decrease	
Leased properties	Level 3	Income approach	Price of unit area leasable (per square meter per month)	RMB18 to RMB178	Increase	1,542,001
			Yield rate	3.95% to 6.95%	Decrease	
						74,119,800

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

12. INVESTMENT PROPERTIES (continued)

There were no transfers into or out of Level 3 during the six months ended 30 June 2026 and 2025.

The unrealised loss on property revaluation amounting to RMB234,200 thousand was recognised in profit or loss during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB2,274,001 thousand).

As of 30 June 2026, the Company holds an investment property with a carrying value of RMB1,823,000 thousand (31 December 2025: RMB1,814,000 thousand) located on land where the project partner holds the land use rights. The land is designated for scientific research and design purposes, and the land use rights are classified as allocated land.

As of 30 June 2026, the Company holds shopping mall properties with a carrying value of RMB102,000 thousand (31 December 2025: RMB114,000 thousand) acquired through transfer. Due to historical land-related issues associated with these properties, the transfer of ownership registration has not yet been completed.

Other than the abovementioned, the Group was in process of obtaining the relevant ownership property certificates for the investment properties with carrying amounts of RMB637,000 thousand and RMB643,000 thousand as at 30 June 2026 and 31 December 2025, respectively. In the opinion of the directors of the Company, the relevant property ownership certificates can be obtained in due time without incurring significant costs.

The Group's investment properties of RMB61,493,800 thousand (31 December 2025: RMB61,520,800 thousand) was pledged to secure the bank and other borrowing of the Group as detailed in Notes 19.

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

During the six months ended 30 June 2026, the Group acquired property, plant and equipment, right-of-use assets and intangible assets at an aggregate cost of RMB42,485 thousand, RMB293 thousand and RMB654 thousand respectively (30 June 2025: RMB19,722 thousand, RMB1,460 thousand and RMB491 thousand respectively).

During the six months ended 30 June 2026, the Group did not acquire any property, plant and equipment through the acquisition of subsidiaries. During the six months ended 30 June 2025, the Group acquired property, plant and equipment through acquisition of subsidiaries at an aggregate cost of RMB2,338 thousand.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

14. ACCOUNTS RECEIVABLE/NOTES RECEIVABLE

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Accounts receivable	2,053,885	1,980,193
Less: provision of expected credit loss	(1,608,804)	(1,530,845)
	445,081	449,348
Notes receivable	164	278
	445,245	449,626

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 1 year	467,156	415,138
1 to 2 years	148,627	150,151
2 to 3 years	199,409	248,301
Over 3 years	1,238,693	1,166,603
Less: provision of expected credit loss	(1,608,804)	(1,530,845)
	445,081	449,348

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

At 30 June 2026 and 31 December 2025, all the notes are with a maturity period of less than one year. The Group considers the credit risk is limited because counterparties are banks with good credit standing and are highly likely to be paid, and the ECL are considered as immaterial.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

15. DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Current portion:		
Prepayment	92,868	109,987
Deposits	87,972	90,054
Interest receivables	–	191
Tax prepaid (note a)	559,631	608,339
Others (note e)	526,665	619,789
	1,267,136	1,428,360
Less: provision of expected credit loss/impairment loss	(181,975)	(200,606)
Total current portion	1,085,161	1,227,754
Non-current portion:		
Deposit	116,505	116,505
Lease deposit	24,803	33,993
Prepayments for purchase of properties (note d)	108,348	118,596
Prepayments for acquisition of equity interests	43,500	177,153
Receivable for prepayment refund	22,156	146,008
Others	82,153	82,151
	397,465	674,406
Less: provision of expected credit loss	(165,632)	(289,493)
	231,833	384,913
Prepayments for construction and advance payment for land compensation	1,442,938	1,438,073
Earning right related to land consolidation (note c)	1,835,868	1,835,868
	3,278,806	3,273,941
Less: impairment losses (note b)	(2,826,393)	(2,826,393)
	452,413	447,548
Total non-current portion	684,246	832,461

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

15. DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES (continued)

Notes:

- (a) The Group's tax prepaid is mainly VAT to be deducted, which is expected to be deductible within the next year.
- (b) The management of the Group concluded there was indication of impairment and conducted impairment assessment on recoverable amounts of certain prepayment for construction and advance payment and earning right related to land consolidation with carrying amounts (before impairment) of RMB1,442,938 thousand (31 December 2025: RMB1,438,073 thousand) and RMB1,835,868 thousand (31 December 2025: RMB1,835,868 thousand), respectively. For the six months ended 30 June 2026, the Group estimates the recoverable amounts of the individual assets based on higher of fair value less costs of disposal and value in use. Based on the result of assessments, a provision for impairment of RMB990,526 thousand (31 December 2025: RMB990,526 thousand) and RMB1,835,867 thousand (31 December 2025: RMB1,835,867 thousand) has been recognised against the carrying amount of certain prepayment for construction and advance payment and earning right related to land consolidation respectively.
- (c) In August 2018, the Group acquired 70% equity interest in Yintai (Yongqing) New City Investment Co., Ltd. (銀泰(永清)新城投資有限公司) at a consideration of RMB1 billion, and acquired an earning right thereof related to land consolidation simultaneously.

As the project became fully suspended due to unfulfilled government planning and policy uncertainty, location-specific advantages diminished, local market demand growth weakened, the Group no longer plans to make further investments in primary land development services. Management's revised strategy is now limited to assisting the government in completing the consolidation and transfer of the 2,360 mu of land already acquired, with the sole aim of recovering part of the project costs. Based on the independent valuer's opinion, the Group reassessed the recoverable amount of the Earning Right using income approach, resulting in an additional impairment of RMB1,873,425,000 during the year ended 31 December 2025.

- (d) As at 30 June 2026 and 31 December 2025, prepayments for purchasing properties were mainly prepayments paid by the Group for the purchase of several commercial properties and office buildings.
- (e) As at 30 June 2026 and 31 December 2025, others included sales proceeds collected and paid on behalf of the tenants of approximately RMB80,968 thousand (31 December 2025: RMB88,381 thousand).

16. RESTRICTED BANK DEPOSITS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Deposits pledged for banking facilities	24,787	23,949
Other restricted bank deposits	334,847	388,981
	359,634	412,930

As at 30 June 2026, restricted bank deposits of approximately RMB319,322 thousand (31 December 2025: RMB330,650 thousand) was frozen due to litigation. In the opinion of the directors of the Company, such litigation will not have a material adverse effect on the Group's financial condition, financial position or cash flows.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

17. BANK BALANCES AND CASH

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Cash	2,680	3,802
Bank deposits with original maturity within three months or less	3,119,401	2,784,764
Cash and cash equivalents	3,122,081	2,788,566
Bank deposits with original maturity over three months	19,894	19,894
Bank balances and cash	3,141,975	2,808,460

18. TRADE AND OTHER PAYABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade payables (note a)	815,031	962,350
Advance from tenants	253,889	280,791
Deposit received from tenants	2,312,065	2,392,669
Amounts due to Xiamen C&D (note b)	12,816,771	9,949,476
Amounts due to partners (note c)	2,335,789	2,432,237
Amounts payable for property purchases	43,318	138,723
Amounts payable to construction contractors	223,237	250,835
Payroll payable	398,191	351,382
Other tax payable	318,803	369,737
Other payables (note d)	1,006,769	1,123,945
Less: Current portion	20,523,863 (20,154,286)	18,252,145 (17,811,179)
Non-current portion (note c)	369,577	440,966

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

18. TRADE AND OTHER PAYABLES (continued)

Notes:

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 1 year	428,770	409,207
1 to 2 years	146,280	129,997
2 to 3 years	127,190	213,529
Over 3 years	112,791	209,617
	815,031	962,350

- (b) Amounts due to Xiamen C&D included dividend payables of RMB83,437 thousand (31 December 2025: RMB83,437 thousand), loan of RMB12,725,000 thousand (31 December 2025: RMB9,500,000 thousand) and interest payables of RMB8,334 thousand (31 December 2025: RMB363,851 thousand). The loan is interest bearing at 3% to 3.6% (31 December 2025: 3% to 4%) and is repayable within one year (31 December 2025: within 3 months from the drawdown date).
- (c) Amounts due to partners included the borrowings provided by the minority shareholders of certain subsidiaries of the Group, and shall be repaid by agreements after the completion of relevant cooperation projects with fund surpluses or be repaid on demands after one year. Therefore, such amounts of approximately RMB369,577 thousand (31 December 2025: RMB440,966 thousand) shall be recognised as non-current portion payables.
- (d) Others mainly represent the interest payables and accrued expense of approximately RMB66,310 thousand and RMB394,136 thousand respectively (31 December 2025: RMB65,502 thousand and RMB460,660 thousand respectively).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

19. BANK AND OTHER BORROWINGS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Bank and other borrowings:		
Secured (note a)	21,371,271	23,737,426
Unsecured (note a)	–	10,012
Commercial mortgage-backed securities (note b)	7,702,875	7,645,069
	29,074,146	31,392,507
Less: Current portion	(8,693,658)	(9,676,448)
Non-current portion	20,380,488	21,716,059
Fixed-rate borrowings	12,334,633	14,435,932
Floating-rate borrowings	16,739,513	16,956,575
	29,074,146	31,392,507
The borrowings are repayable:		
Within one year or on demand	8,693,658	9,676,448
More than one year but not exceeding two years	7,019,440	5,234,551
More than two years but not exceeding five years	8,803,476	11,986,536
More than five years	4,557,572	4,494,972
	29,074,146	31,392,507
Less: Amount due within one year shown under current liabilities	(8,693,658)	(9,676,448)
Amount due after one year	20,380,488	21,716,059

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

19. BANK AND OTHER BORROWINGS (continued)

Notes:

- (a) As at 30 June 2026 and 31 December 2025, no single borrowing is individually material, and terms and conditions of all borrowings are presented by appropriate groupings.
- (b) On 25 January 2024, the Company issued an asset-backed security for home furnishing malls, titled the "Red Star Macalline Shanghai Global Home Furnishing Store No. 1 South Pavilion Asset-Backed Special Plan". This special plan is secured by the property rights of the home furnishing mall located at 1058 and 1108 Zhenbei Road, 558, 558-2, 558-3, and 598 Nujiang Road, as well as the land use rights within the occupied area. The special plan consists of senior and subordinated tranches. The senior tranche has an issuance size of RMB3.64 billion, with an annual yield of 4.2% and a maturity period of 17.85 years. Principal and interest are repaid quarterly on a fixed schedule. The subordinated tranche has an issuance size of RMB1 million, with no fixed yield. It is entitled to excess returns and has a maturity period of 17.85 years, with a lump-sum repayment of principal at maturity. The asset-backed special plan will enter its first put option exercise period in 2026, and investors holding the senior asset-backed securities may opt to declare for a full or partial put-back of their holdings on the put option exercise date during the put-back registration period. As at 30 June 2026, the principal repayment plan within one year, amounting to RMB3.501 billion (31 December 2025: RMB3.539 billion), has been reclassified to current liabilities.

On 29 October 2025, the Company issued the home furnishing mall asset-backed securities titled the "CITIC Jiantou – Jianmei – Southwest Global Home Furnishing Store No. 1 and Tianjin Binhai Mall Asset-Backed Special Plan". This asset-backed special plan is secured by the property rights and the land use rights within the occupied area of the Tianjin Binhai Mall located at 2857 Yunshan Road, Tanggu, Tianjin Binhai New Area, and the Southwest Global Home Furnishings Store 1 located at 888 Xin'nian Road, Tiangongdian Street, Yubei District, Chongqing (Jinke Xingcheng). The special plan includes priority and subordinated tranches. The priority tranche has an issuance size of RMB1.657 billion, an annual yield of 3.8%, a term of 14.95 years, with fixed quarterly repayment of principal and interest. The subordinated tranche has an issuance size of RMB1 million with no fixed yield. It is entitled to excess returns and has a term of 14.95 years, with principal repaid in full at maturity. As at 30 June 2026, the total principal repayment scheduled within one year amounting to RMB54,681 thousand (31 December 2025: RMB48,053 thousand) has been reclassified to current liabilities.

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

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

	As at 30 June 2026 % (Unaudited)	As at 31 December 2025 % (Audited)
Bank and other borrowings:		
Fixed rate bank and other borrowings	3.00-7.00	3.00-7.00
Floating rate bank and other borrowings	2.80-6.35	3.10-6.35

The floating rate is based on the loan prime rate announced by the People's Bank of China.

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

20. OTHER NON-CURRENT LIABILITIES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
One-off discount received on pre-purchase of property service for 20 years (note)	669,422	705,693
Less: Current portion	(71,568)	(72,541)
	597,854	633,152

Note:

The Group entered into the agreement with CIFI Ever Sunshine (Hainan) Investment Company Limited (旭輝永升(海南)投資有限公司) (hereinafter referred to as "CIFI Ever Sunshine") in 2021 to agree that the property services of the Group's 71 Portfolio Shopping Malls in the next 20 years will be provided by Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司), a subsidiary of CIFI Ever Sunshine, and a discount will be charged. The discount shall be apportioned during the subsequent period of receiving property services to offset the cost of property services. As of 30 June 2026, the unamortised balance totaled RMB669,422 thousand (31 December 2025: RMB705,693 thousand), of which RMB71,568 thousand (31 December 2025 RMB72,541 thousand) will be amortised in next financial year.

21. SHARE CAPITAL

The movements to the Company's issued share capital during the period ended 30 June 2026 are as follows:

	Number of H Shares '000	Number of A Shares '000	Share capital RMB'000
As at 1 January 2025, 31 December 2025 and 1 January 2026 (audited)	741,286	3,613,447	4,354,733
Cancellation of repurchased shares and reduction of registered capital (note)	–	(1,045)	(1,045)
As at 30 June 2026 (unaudited)	741,286	3,612,402	4,353,688

All shares issued are of par value RMB1.

Note:

The Company convened the fiftieth extraordinary meeting of the fifth session of the Board and the 2026 first extraordinary general meeting on 19 December 2025 and 16 January 2026, respectively, at which the resolution on the cancellation of repurchased A Shares and reduction of registered capital was considered and approved. Pursuant to the resolution, the Company cancelled the 1,044,800 A shares held in its dedicated repurchase securities account on 22 April 2026 and reduced its registered capital accordingly.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

22. COMMITMENTS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Contracted but not provided for in the condensed consolidated financial statements:		
Capital expenditure in respect of acquisition and construction of investment properties	692,671	714,280
Investment commitments	43,318	69,225
	735,989	783,505

23. DERECOGNITION OF SUBSIDIARIES

(a) Deregistration of subsidiaries

During the period ended 30 June 2026, the Group deregistered three subsidiaries.

Except for the RMB11,201 thousand return of share capital to the non-controlling shareholder on deregistration, there were no cash inflows or outflows and no gain or loss on derecognition.

(b) Liquidation of subsidiaries

During the period ended 30 June 2026, three subsidiaries of the Group were liquidated.

	RMB'000 (Unaudited)
Consideration received:	
Cash received	–
Consideration receivables	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

23. DERECOGNITION OF SUBSIDIARIES (continued)

(b) Liquidation of subsidiaries (continued)

Analysis of assets and liabilities over which control was lost:

	RMB'000 (Unaudited)
Property, plant and equipment	21
Accounts receivable	15,874
Deposits, prepayment and other receivables	11,907
Bank balances and cash	7,671
Trade and other payables	(100,675)
Contract liabilities	(9,937)
Other current liabilities	(1,557)
Net liabilities derecognised	(76,696)
Gain on derecognition of a subsidiary:	
Consideration received and receivable	–
Net liabilities derecognised	76,696
Gain on derecognition	76,696
	RMB'000 (Unaudited)
Net cash outflow arising on derecognition:	
Cash and cash equivalents derecognised	7,671

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

23. DERECOGNITION OF SUBSIDIARIES (continued)

(c) Lost control over subsidiaries

In addition, as the Group ceased its operational and management control over a subsidiary, it consequently lost control over the entity. The remaining equity interest held by the Group was classified as interests in associates upon loss of control.

	RMB'000 (Unaudited)
Consideration received:	
Cash received	–
Consideration receivables	–
Analysis of assets and liabilities over which control was lost:	
	RMB'000 (Unaudited)
Investment properties	404,000
Property, plant and equipment	113
Accounts receivable	607
Deposits, prepayment and other receivables	37,534
Bank balances and cash	132
Trade and other payables	(116,483)
Rental and service fee received in advance	(53)
Tax payables	(102)
Deferred tax liabilities	(90,113)
Net assets derecognised	235,635
Gain on derecognition of a subsidiary:	
Consideration received and receivable	–
Remaining equity interests classified as interests in associates	113,758
Net assets derecognised	(235,635)
Non-controlling interests	133,417
Gain on derecognition	11,540

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

23. DERECOGNITION OF SUBSIDIARIES (continued)

(c) Lost control over subsidiaries (continued)

	RMB'000 (Unaudited)
Net cash outflow arising on derecognition:	
Cash and cash equivalents derecognised	132

24. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES

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

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

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

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

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

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

24. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES (continued)

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

Fair value hierarchy as at 30 June 2026

	Level 1 RMB'000 (Unaudited)	Level 2 RMB'000 (Unaudited)	Level 3 RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Financial assets at FVTPL				
– Debt instrument investments	–	–	216	216
– Equity instrument investments	–	–	92,875	92,875
Equity instruments at FVTOCI	110,398	3,151	266,752	380,301

Fair value hierarchy as at 31 December 2025

	Level 1 RMB'000 (Audited)	Level 2 RMB'000 (Audited)	Level 3 RMB'000 (Audited)	Total RMB'000 (Audited)
Financial assets at FVTPL				
– Debt instrument investments	–	–	112	112
– Equity instrument investments	–	–	93,400	93,400
Equity instruments at FVTOCI	221,531	1,454	285,799	508,784

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

24. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES (continued)

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

Financial assets/ financial liabilities	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)	Fair value hierarchy	Valuation techniques and significant unobservable inputs
1) Debt instrument investments	216	112	Level 3	Discounted cash flow approach Risk-adjusted discount rate: 1%-4% (31 December 2025: 6%) (note a)
2) Equity instrument investments – FVTPL	92,875	93,400	Level 3	Discounted cash flow approach Risk-adjusted discount Rate: 8%-14% (31 December 2025: 12%-14%) (note b)
3) Equity instrument investments – FVTOCI	266,752	285,799	Level 3	Comparable company approach Liquidity discount rate: 71%-77% (31 December 2025: 96%-97%) (note c)

Notes:

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

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

24. FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES (continued)

Reconciliation measurements of Level 3 fair value

	Equity instruments at FVTOCI RMB'000	Debt instruments at FVTPL RMB'000	Equity instruments at FVTPL RMB'000
As at 1 January 2025 (Audited)	658,954	144,634	160,879
Included in profit or loss	–	–	(72,399)
Included in other comprehensive income	(205,926)	–	–
Additions	–	119,647	22,576
Disposal/settlements	(167,229)	(264,169)	(13,064)
Transferred to subsidiaries	–	–	(4,592)
As at 31 December 2025 and 1 January 2026 (Audited)	285,799	112	93,400
Included in other comprehensive income	(17,558)	–	–
Additions	–	216	–
Disposal/settlements	(1,489)	(112)	(525)
As at 30 June 2026 (Unaudited)	266,752	216	92,875

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS

1. Major Transactions between the Group and Related Parties

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

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

Purchase of goods and receipt of services from related parties

	Details of Transactions	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Nanjing C&D Clean Energy Co., Ltd. (南京建發清潔能源有限公司) and its subsidiaries	Purchase of goods	3,942	–
Xiamen Jianfa Hengrong Supply Chain Co., Ltd. (廈門建發恒融供應鏈有限公司)	Purchase of goods	3,094	1,203
Xiamen C&D Wine & Spirits Co., Ltd (廈門建發美酒匯酒業有限公司)	Purchase of goods	1,324	666
Xiamen Jianfa International Wine Group Co., Ltd. (廈門建發國際酒業集團有限公司) and its subsidiaries and branches	Purchase of goods	450	311
YangGuang Haitian Parking Holdings Limited (陽光海天停車控股有限公司) and its subsidiaries and branches	Purchase of goods	107	–
Xiamen C&D International Travel Service Group Co., Ltd (廈門建發國際旅行社集團有限公司)	Purchase of goods	20	–
Xiamen C&D Light Industry Co., Ltd. (廈門建發輕工有限公司)	Purchase of goods	4	–
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	Purchase of goods	2	8
		8,943	2,188

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

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

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

	Details of Transactions	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Interest income from deposit	2	2

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

	Details of Transactions	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限公司) and its subsidiaries	Joint marketing	1,818	1,832
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	Joint marketing	1,295	2,736
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Joint marketing	329	294
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Joint marketing	329	236
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	Joint marketing	225	75
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Joint marketing	204	210
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Joint marketing	104	–
		4,304	5,383

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

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

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

	Details of Transactions	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Costs for advertising space lease/ Management expenses	10	38

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

	Details of Transactions	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Xiamen Jianfa Commercial Management Co., Ltd. (廈門建發商業管理有限公司) and its subsidiaries and branches	Shopping mall operation and management services	8,354	3,687

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

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

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

		Six months ended 30 June	
		2026	2025
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its subsidiaries and branches	Receipt of services	314,054	322,052
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	Receipt of services	2,624	7,214
C&D Real Estate Corp., Ltd. (建發房地產集團有限公司) and its subsidiaries and branches	Receipt of services	944	–
Xiamen C&D International Travel Service Group Co., Ltd (廈門建發國際旅行社集團有限公司)	Receipt of services	181	–
Xiamen C&D Co., Ltd (廈門建發集團有限公司)	Receipt of services	77	–
Xiamen International Convention and Exhibition Hotel Co., Ltd. (廈門國際會展酒店有限公司)	Receipt of services	–	67
Xiamen Haiyue Villa Hotel Co., Ltd (廈門海悅山莊酒店有限公司)	Receipt of services	–	64
		317,880	329,397

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

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

Sales of goods and rendering of services to related parties

	Details of Transactions	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
C&D Real Estate Corp., Ltd. (建發房地產集團有限公司) and its subsidiaries and branches	Sales of goods	917	–
Xiamen C&D Living Technology Co., Ltd. (廈門建發居住科技有限公司)	Sales of goods	592	–
Shanghai Huojing Business Management Company Limited (上海或京商業管理有限公司) and its branches	Sales of goods	39	–
Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限公司) and its subsidiaries	Sales of goods	26	83
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Sales of goods	22	9
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Sales of goods	18	28
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its subsidiaries and branches	Sales of goods	16	–
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Sales of goods	9	13
Shanghai Jianfa Materials Co., Ltd. (上海建發物資有限公司)	Sales of goods	–	879
China Metallurgical Real Estate (Fujian) Co., Ltd. (中冶置業(福建)有限公司)	Sales of goods	–	113
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	Sales of goods	–	30
Yangzhou Kailong Management Consulting Co., Ltd. (揚州凱龍管理諮詢有限公司)	Sales of goods	–	15
Xiamen Jianyu Industry Co., Ltd. (廈門建宇實業有限公司)	Sales of goods	–	13
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Sales of goods	–	1
		1,639	1,184

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

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

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

	Details of Transactions	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its subsidiaries and branches	Rendering of service	18,314	28,457
Jianfa Property Services Group Co., Ltd. (建發物業服務集團有限公司) and its subsidiaries and branches	Rendering of service	1,877	1,384
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Rendering of service	292	254
Shanghai Aegean Sea Commercial Group Co., Ltd. (上海愛琴海商業集團股份有限公司)	Rendering of service	257	430
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	Rendering of service	231	7
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	Rendering of service	215	282
Hangzhou Nabel Holding Group Co., Ltd. (杭州諾貝爾控股集團有限公司) and its subsidiaries and branches	Rendering of service	64	68
Shanghai Red Star Macalline Property Co., Ltd (上海紅星美凱龍置業有限公司)	Rendering of service	31	455
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Rendering of service	29	32

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

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

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

	Details of Transactions	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Rendering of service	28	28
Changzhou Red Star Home Furnishing City (常州市紅星裝飾城)	Rendering of service	27	–
Shanghai Huojing Business Management Company Limited (上海或京商業管理有限公司) and its branches	Rendering of service	23	–
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its branches	Rendering of service	5	6
Xiamen Jianfa Hengrong Supply Chain Co., Ltd. (廈門建發恒融供應鏈有限公司)	Rendering of service	5	–
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	Rendering of service	3	10
Shanghai Zhaomin Real Estate Development Co., Ltd. (上海兆閔房地產開發有限公司)	Rendering of service	–	4,659
Taicang Jiansheng Real Estate Development Co., Ltd. (太倉建盛房地產開發有限公司)	Rendering of service	–	1,010
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Rendering of service	–	943
Shanghai CTME Economy & Trade Development Co., Ltd. (上海中貿美凱龍經貿發展有限公司)	Rendering of service	–	234

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

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

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

	Details of Transactions	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Shanghai Lianhong Real Estate Development Co. (上海聯泓房地產開發有限公司)	Rendering of service	–	212
Yangzhou Kailong Management Consulting Co., Ltd. (揚州凱龍管理諮詢有限公司)	Rendering of service	–	168
Xiamen Haiyue Villa Hotel Co., Ltd (廈門海悅山莊酒店有限公司)	Rendering of service	–	75
Xiamen C&D Living Technology Co., Ltd. (廈門建發居住科技有限公司)	Rendering of service	–	11
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	Rendering of service	–	9
C&D (Chongqing) Co., Ltd. (建發(重慶)有限公司)	Rendering of service	–	2
		21,401	38,736

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

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

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

	Details of Transactions	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	Brand management service	1,415	1,415
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	Brand management service	1,065	943
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	Brand management service	943	943
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	Brand management service	943	943
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	Brand management service	849	849
Jining Hongrui Market Operation Management Co., Ltd. (濟寧鴻瑞市場經營管理有限公司)	Brand management service	568	–
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	Brand management service	552	–
Changzhou Hongxing Furniture Decoration Mall (常州市紅星裝飾城)	Brand management service	377	–
		6,712	5,093

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

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

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

	Details of Transactions	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Maxxis Intelligent Home (Shenzhen) Co., Ltd. (美時智能家居(深圳)有限公司)	Joint marketing	132	27

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

	Details of Transactions	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Zhanjiang Haixin Meikai Investment Co., Ltd. (湛江市海新美凱投資有限公司)	Design consultation income	–	314

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

	Details of Transactions	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Xiamen C&D Finance Guarantee Co., Ltd. (廈門建發融資擔保有限公司)	Guarantee fee	–	1

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

(2) Leases with related party

As lessors

	Type of leased assets	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Shanghai Aegean Sea Commercial Group Co., Ltd. (上海愛琴海商業集團股份有限公司)	Office	531	1,084
Shanghai Red Star Macalline Property Co., Ltd (上海紅星美凱龍置業有限公司)	Office	531	1,062
Shanghai Huojing Business Management Company Limited (上海或京商業管理有限公司) and its branches	Office	96	277
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	Office	13	23
Shanghai Lianhong Real Estate Development Co. (上海聯泓房地產開發有限公司)	Office	–	712
Hangzhou Nabel Holding Group Co., Ltd. (杭州諾貝爾控股集團有限公司) and its subsidiaries and branches	Shop(s) in shopping mall	741	757
Shanghai Huojing Business Management Company Limited (上海或京商業管理有限公司) and its branches	Shop(s) in shopping mall	589	1,168
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	Shop(s) in shopping mall	343	516
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	Shop(s) in shopping mall	334	334
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	Shop(s) in shopping mall	186	371

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

(2) Leases with related party (continued)

As lessors (continued)

	Type of leased assets	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its branches	Shop(s) in shopping mall	180	191
Zhejiang Tmall Technology Co., Ltd (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	Shop(s) in shopping mall	–	296
YangGuang Haitian Parking Holdings Limited (陽光海天停車控股有限公司) and its subsidiaries and branches	Parking garage	952	–
Xiamen C&D Living Technology Co., Ltd. (廈門建發居住科技有限公司)	Parking garage	143	69
Shanghai Red Star Macalline Property Co., Ltd (上海紅星美凱龍置業有限公司)	Parking garage	13	30
Shanghai Aegean Sea Commercial Group Co., Ltd. (上海愛琴海商業集團股份有限公司)	Parking garage	2	7
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	Parking garage	–	206
Xiamen C&D Warehouse Co., Ltd (廈門建發倉儲有限公司)	Warehouse	1,235	1,189
C&D Real Estate Corporation Limited (建發房地產集團有限公司) and its subsidiaries and branches	Site	2,055	–
		7,944	8,292

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

(2) Leases with related party (continued)

As lessees

	Type of leased assets	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Changzhou Red Star Home Furnishing City (常州市紅星裝飾城)	Shop(s) in shopping mall	–	11,641

(3) Interest expenses

	Details of Transactions	Six months ended 30 June	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Xiamen C&D Co., Ltd (廈門建發股份有限公司)	Interest expenses	182,609	158,077
Xiamen International Bank Limited (廈門國際銀行股份有限公司)	Interest expenses	13,079	14,521
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	Interest expenses	2,978	2,978
Chiyu Banking Corporation Limited (集友銀行有限公司)	Interest expenses	1,833	–
Luso International Banking Ltd. (澳門國際銀行股份有限公司)	Interest expenses	1,759	–
Xiamen C&D Finance Leasing Co., Ltd (廈門建發融資租賃有限公司)	Interest on lease liabilities	15,089	5,668
		217,347	181,244

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

(4) Guarantees from related parties

Receiving guarantees from related parties

As at 30 June 2026

	Amount of guarantees RMB'000 (Unaudited)	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 1)	165,808	20 June 2019	20 June 2029	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 2)	332,944	25 March 2020	25 March 2030	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 3)	33,750	8 June 2020	10 December 2030	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 4)	269,700	1 July 2019	20 June 2029	No
Liuzhou Red Star Macalline Real Estate Co., Ltd. (柳州紅星美凱龍置業有限公司) and Che Jianxing (車建興) (note 5)	116,696	28 November 2019	27 November 2029	No
Che Jianxing (車建興) (note 6)	991,719	3 March 2020	2 March 2030	No
Che Jianxing (車建興) and Chen Shuhong (陳淑紅) (note 7)	1,491,667	15 June 2022	15 June 2037	No
Che Jianxing (車建興) (note 8)	685,628	29 March 2023	20 March 2033	No

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

(4) Guarantees from related parties (continued)

Receiving guarantees from related parties (continued)

	Amount of guarantees RMB'000 (Unaudited)	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 9)	461,250	22 November 2024	6 January 2028	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 10)	3,498,040	25 January 2024	12 November 2041	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 11)	940,000	8 November 2024	14 November 2027	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 12)	582,000	26 June 2025	26 June 2043	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 13)	544,500	28 July 2025	28 July 2043	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 14)	1,635,459	7 November 2025	15 October 2040	No
Lianfa Group Co., Ltd (聯發集團有限公司) (note 15)	2,682,000	16 May 2025	15 May 2043	No

Note 1: The loan was secured by an investment property of Zhengzhou Red Star Macalline International Furniture Plaza Property Co., Ltd., a subsidiary of the Group.

Note 2: The loan was secured by an investment property of Nanning Red Star Macalline Expo Home Furnishing Exhibition Center Co., Ltd., a subsidiary of the Group.

Note 3: The loan was secured by property, plant and equipment of Shanghai Laicheng Enterprise Management Co., Ltd., a subsidiary of the Group.

Note 4: The loan was secured by an investment property of Hangzhou Weiliang Electromechanical Hardware Market Co., Ltd., a subsidiary of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

(4) Guarantees from related parties (continued)

Receiving guarantees from related parties (continued)

Note 5: The loan was secured by an investment property of Liuzhou Hongxing Meikailong Home Furnishing Co., Ltd., a subsidiary of the Group.

Note 6: The loan was secured by an investment property of Shanghai Shanhai Art Furniture Co., Ltd., a subsidiary of the Group.

Note 7: The loan was secured by investment properties of Beijing Red Star Meikailong International Furniture Construction Materials Plaza and Wuhan Red Star Macalline Shibo Home Furnishing Plaza Development Co., Ltd., subsidiaries of the Group.

Note 8: The loan was secured by investment properties of Jinan Red Star Macalline World Expo Home Furnishing and Living Plaza Co., Ltd. and Beijing Red Star Meikailong International Furniture Construction Materials Plaza, subsidiaries of the Group.

Note 9: The loan was secured by an investment property of Ningbo Red Star Macalline Home Shopping Plaza Co., Ltd., a subsidiary of the Group.

Note 10: The loan was secured by an investment property of Shanghai Xinwei Properties Co., Ltd., a subsidiary of the Group.

Note 11: The loan was secured by investment properties of Changzhou Home World Furniture & Home Furnishings Plaza Co., Ltd., Changzhou Meikailong International Computer & Household Electric Appliance Decoration City, Changzhou Hongyang Domestic Living Plaza Co., Ltd. and Chongqing Red Star Macalline Zhongkun Home Living Plaza Co., Ltd., subsidiaries of the Group.

Note 12: The loan was secured by investment properties of Nanchang Red Star Macalline Global Home Expo Center Co., Ltd., subsidiary of the Group.

Note 13: The loan was secured by an investment property of Wuhan Red Star Macalline Global Home Plaza Development Co., Ltd., a subsidiary of the Group.

Note 14: The loan was secured by investment properties of Chongqing Xingkaik Home Furnishing Co., Ltd. and Tianjin Red Star Macalline Home Furnishings and Life Plaza Co., Ltd., subsidiaries of the Group.

Note 15: The loan was secured by investment properties of Beijing Red Star Macalline World Expo Furniture and Building Materials Plaza Co., Ltd. and Yantai Red Star Macalline Home Furnishings Co., Ltd, subsidiaries of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

(4) Guarantees from related parties (continued)

Receiving guarantees from related parties (continued)

As at 31 December 2025

	Amount of guarantees RMB'000	Inception date of guarantee	Expiration date of guarantee	Whether guarantee has been performed
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 1)	193,558	20 June 2019	20 June 2029	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 2)	397,944	25 March 2020	25 March 2030	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 3)	37,500	8 June 2020	10 December 2030	No
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司) (note 4)	317,700	1 July 2019	20 June 2029	No
Liuzhou Red Star Macalline Real Estate Co., Ltd. and CHE Jianxing (柳州紅星美凱龍置業有限公司、車建興) (note 5)	131,588	28 November 2019	27 November 2029	No
CHE Jianxing (note 6)	1,120,982	3 March 2020	2 March 2030	No
CHE Jianxing and CHEN Shuhong (note 7)	1,550,000	15 June 2022	15 June 2037	No
CHE Jianxing (note 8)	719,299	29 March 2023	20 March 2033	No
CHE Jianxing and CHEN Shuhong (note 9)	49,210	28 December 2022	29 November 2026	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 10)	525,000	22 November 2024	6 January 2028	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 11)	3,534,440	25 January 2024	12 November 2041	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 12)	960,000	8 November 2024	14 November 2027	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 13)	591,000	26 June 2025	26 June 2043	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 14)	550,000	28 July 2025	28 July 2043	No
Xiamen C&D Co., Ltd (廈門建發股份有限公司) (note 15)	1,657,000	7 November 2025	15 October 2040	No
Lianfa Group Co., Ltd (聯發集團有限公司) (note 16)	2,682,000	16 May 2025	15 May 2043	No

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

(4) Guarantees from related parties (continued)

Receiving guarantees from related parties (continued)

Note 1: The loan was secured by an investment property of Zhengzhou Red Star Macalline International Furniture Plaza Property Co., Ltd., a subsidiary of the Group.

Note 2: The loan was secured by an investment property of Nanning Red Star Macalline Expo Home Furnishing Exhibition Center Co., Ltd., a subsidiary of the Group.

Note 3: The loan was secured by an investment property of Shanghai Laicheng Enterprise Management Co., Ltd., a subsidiary of the Group.

Note 4: The loan was secured by an investment property of Hangzhou Weiliang Electromechanical Hardware Market Co., Ltd., a subsidiary of the Group.

Note 5: The loan was secured by an investment property of Liuzhou Red Star Meikailong Home Furnishing Co., Ltd., a subsidiary of the Group.

Note 6: The loan was secured by an investment property of Shanghai Shanhai Art Furniture Co., Ltd., a subsidiary of the Group.

Note 7: The loan was secured by investment properties of Beijing Hongxing Meikailong International Furniture Construction Materials Plaza and Wuhan Red Star Macalline Shibo Home Furnishing Plaza Development Co., subsidiaries of the Group.

Note 8: The loan was secured by investment properties of Jinan Red Star Macalline World Expo Home Furnishing and Living Plaza Co., Ltd. and Beijing Red Star Meikailong International Furniture Construction Materials Plaza, subsidiaries of the Group.

Note 9: The loan was secured by an investment property of Chengdu Tianfu New Area Red Star Macalline World Trade Home Co., Ltd., a subsidiary of the Group.

Note 10: The loan was secured by an investment property of Ningbo Red Star Macalline Home Shopping Plaza Co., Ltd., a subsidiary of the Group.

Note 11: The loan was secured by an investment property of Shanghai Xinwei Properties Co., Ltd., a subsidiary of the Group.

Note 12: The loan was secured by investment properties of Changzhou Home World Furniture & Home Furnishings Plaza Co., Ltd., Changzhou Meikailong International Computer & Household Electric Appliance Decoration City, Changzhou Hongyang Domestic Living Plaza Co., Ltd. and Chongqing Red Star Macalline Zhongkun Home Living Plaza Co., Ltd., subsidiaries of the Group.

Note 13: The loan was secured by an investment property of Nanchang Red Star Macalline Global Home Expo Center Co., Ltd., a subsidiary of the Group.

Note 14: The loan was secured by an investment property of Wuhan Red Star Macalline Global Home Plaza Development Co., Ltd., a subsidiary of the Group.

Note 15: The loan was secured by investment properties of Chongqing Xingkaik Home Furnishing Co., Ltd. and Tianjin Red Star Macalline Home Furnishings and Life Plaza Co., Ltd., subsidiaries of the Group.

Note 16: The loan was secured by investment properties of Beijing Red Star Macalline World Expo Furniture and Building Materials Plaza Co., Ltd. and Yantai Red Star Macalline Home Furnishings Co., Ltd., subsidiaries of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

2. Amounts due from/to related parties

	As at 30 June 2026		As at 31 December 2025	
	Book balance RMB'000 (Unaudited)	Bad debt allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt allowance RMB'000 (Audited)
Accounts receivable				
Quzhou Huicheng Ole Business Management Co., Ltd. (衢州市慧城奧萊商業管理有限公司)	178,169	82,076	—	—
Shanghai Xinhua Chengcheng Asset Management Co., Ltd. (上海新華成城資產管理有限公司)	40,000	40,000	40,000	40,000
Shanghai Xingzhiyu Commercial Management Co., Ltd. (上海星之域商業經營管理有限公司)	32,525	32,525	32,525	32,525
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	8,517	6,713	7,681	5,434
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its subsidiaries and branches	6,382	287	4,242	191
Shenzhen Huasheng Home Furnishing Group Co., Ltd. (深圳華生大家居集團有限公司)	4,000	4,000	4,000	4,000
Zhejiang Zhongguang Electric Appliances Group Co., Ltd. (浙江中廣電器集團股份有限公司)	3,500	3,500	3,500	3,500
Cixi Xingkai Real Estate Co., Ltd. (慈溪星凱置業有限公司)	3,265	3,265	3,265	3,265
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	1,879	771	2,342	1,195
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	1,804	556	1,804	556
Changzhou Jintan Weiyi Construction Engineering Co., Ltd. (常州市金壇維億建設工程有限公司)	1,500	1,500	1,500	1,500
Chongqing Xingyuan Kaijian Commercial Management Co., Ltd (重慶星遠凱建商業管理有限公司)	1,360	624	1,360	484
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	585	184	918	403

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026		As at 31 December 2025	
	Book balance RMB'000 (Unaudited)	Bad debt allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt allowance RMB'000 (Audited)
Jianfa Property Services Group Co., Ltd. (建發物業服務集團有限公司) and its subsidiaries and branches	420	19	537	24
C&D Real Estate Corp., Ltd. (建發房地產集團有限公司) and its subsidiaries and branches	280	13	193	9
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	143	6	–	–
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	136	6	5	–
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	130	6	–	–
Shaoxing Xingkai Real Estate Co., Ltd. (紹興星凱置業有限公司)	106	106	106	106
Zhongye Fujian Real Estate Development Co., Ltd. (中冶置業(福建)有限公司)	99	4	–	–
Shanghai Lihao Environmental Protection Technology Co., Ltd. (上海麗浩環保科技有限公司)	67	3	67	3
Shanghai Red Star Dragon Commercial Management Co., Ltd (上海紅星星龍商業管理有限公司)	53	47	53	47
Xiangshan Meilong Real Estate Co., Ltd. (象山美龍置業有限公司)	44	44	44	44
Xiangshan Kaisheng Real Estate Co., Ltd. (象山凱勝置業有限公司)	34	34	34	34
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	31	1	11	–
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its branches	31	1	–	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026		As at 31 December 2025	
	Book balance RMB'000 (Unaudited)	Bad debt allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt allowance RMB'000 (Audited)
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	25	6	5	–
Wuhu Minghui Commercial Management Co., Ltd. (蕪湖明輝商業管理有限公司)	25	1	–	–
Shanghai Longhong Cinema Management Co., Ltd. (上海龍紅影院管理有限公司)	12	1	12	1
Shanghai Red Star Macalline Property Co., Ltd. (上海紅星美凱龍置業有限公司)	5	–	7	–
Shanghai Meiying Enterprise Management Co., Ltd. (上海美影企業管理有限公司)	3	–	3	–
Shenzhen Red Star Macalline World Expo Home Plaza Co., Ltd. (深圳紅星美凱龍世博家居廣場有限公司)	N/A	N/A	50	2
Xuzhou Maoxing Real Estate Co., Ltd. (徐州茂星置業有限公司)	–	–	1,750	1,400
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	–	–	1,281	561
Xuzhou Red Star Macalline International Furniture Decoration City Co., Ltd. (徐州紅星美凱龍國際家具裝飾城有限公司)	–	–	1,151	792
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	–	–	700	307
Hengshui Xinglong Real Estate Development Co., Ltd. (衡水星龍房地產開發有限公司)	–	–	138	138
Xiamen C&D Living Technology Co., Ltd. (廈門建發居住科技有限公司)	–	–	48	2
Xiamen C&D Warehouse Co., Ltd. (廈門建發倉儲有限公司)	–	–	24	1
Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限公司) and its subsidiaries	–	–	12	1
	285,130	176,299	109,368	96,525

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026		As at 31 December 2025	
	Book	Bad debt	Book	Bad debt
	balance	allowance	balance	allowance
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Prepayments				
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its subsidiaries and branches	1,171	–	2,437	–
C&D Real Estate Corp., Ltd. (建發房地產集團有限公司) and its subsidiaries and branches	1,000	–	–	–
YangGuang Haitian Parking Holdings Limited (陽光海天停車控股有限公司) and its subsidiaries and branches	344	–	–	–
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	194	–	221	–
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	177	–	177	–
Xiamen C&D International Travel Service Group Co., Ltd (廈門建發國際旅行社集團有限公司)	158	–	–	–
Jianfa Property Services Group Co., Ltd. (建發物業服務集團有限公司) and its subsidiaries and branches	64	–	94	–
Xiamen Jianfa Hengrong Supply Chain Co., Ltd. (廈門建發恒融供應鏈有限公司)	44	–	76	–
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	43	–	43	–
Xiamen C&D Wine & Spirits Co., Ltd (廈門建發美酒匯酒業有限公司)	15	–	23	–
C&D (Chongqing) Co., Ltd. (建發(重慶)有限公司)	8	–	8	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026		As at 31 December 2025	
	Book	Bad debt	Book	Bad debt
	balance	allowance	balance	allowance
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	8	–	8	–
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	4	–	4	–
Asia New Materials (Beijing) Building Materials Co., Ltd. (亞細亞新材(北京)建築材料有限公司)	2	–	–	–
Xiamen Jianfa International Wine Group Co., Ltd. (廈門建發國際酒業集團有限公司) and its subsidiaries and branches	1	–	24	–
Wuhu Red Star Macalline Equity Investment Fund Management Co., Ltd (蕪湖紅星美凱龍股權投資基金管理有限公司)	N/A	N/A	9,800	–
Tianjin Lees Consulting Service Co., Ltd. (天津利時諮詢服務有限公司)	–	–	750	–
	3,233	–	13,665	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026		As at 31 December 2025	
	Book balance RMB'000 (Unaudited)	Bad debt allowance RMB'000 (Unaudited)	Book balance RMB'000 (Audited)	Bad debt allowance RMB'000 (Audited)
Other receivables				
Shanghai Mingyi Enterprise Development Co., Ltd. (上海名藝商業企業發展有限公司)	142,600	7,130	146,600	7,330
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its subsidiaries and branches	44,540	2,801	2,699	440
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	23,200	1,160	24,032	1,202
Shenzhen Red Star Macalline Home Furnishing Plaza Company Limited (深圳紅星美凱龍家居生活廣場有限公司)	7,680	7,680	7,693	2,584
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	5,632	5,632	5,632	1,321
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	3,550	3,350	3,550	277
Shanghai Aegean Business Management Co., Ltd (上海愛琴海商務管理有限公司)	3,265	3,265	3,265	1,751
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	2,045	149	387	28
Xuzhou Red Star Macalline Global Home Furnishings Plaza Co., Ltd. (徐州紅星美凱龍全球家居生活廣場有限公司)	1,014	71	1,725	120
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	210	–	210	–
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	37	2	–	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026		As at 31 December 2025	
	Book	Bad debt	Book	Bad debt
	balance	allowance	balance	allowance
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Changzhou Aegean Ole Business Management Co., Ltd. (常州愛琴海奧萊商業管理有限公司)	30	2	30	2
Xi'an Red Star Jiaxin Home Furnishing Co., Ltd. (西安紅星佳鑫家居有限公司)	25	–	25	–
Jianfa Property Services Group Co., Ltd. (建發物業服務集團有限公司)				
and its subsidiaries and branches	10	–	10	–
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	5	–	1,704	122
Shanghai Yunshen Intelligent Technology Co., Ltd. (上海雲紳智能科技有限公司)	–	–	1,200	1,200
	233,843	31,242	198,762	16,377

For the six months ended 30 June 2026

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

Red Star Macalline Group Corporation Ltd. 103

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For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Accounts payable		
Shanghai Xincheng'an Construction Co., Ltd. (上海鑫誠安建設有限公司)	6,476	6,476
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its subsidiaries and branches	4,208	705
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	3,308	3,383
Nanjing C&D Clean Energy Co., Ltd. (南京建發清潔能源有限公司) and its subsidiaries	1,010	35
Xiamen Jianfa Hengrong Supply Chain Co., Ltd. (廈門建發恒融供應鏈有限公司)	637	86
Pu Fa (Shanghai) E-commerce Co., Ltd. (璞發(上海)電子商務有限公司)	245	–
Shanghai Shengyu Information Technology Co., Ltd (上海盛域信息技術有限公司)	126	126
Beijing Allgf Cultural and Scientific Consultation Co., Ltd. (北京國富縱橫文化科技諮詢股份有限公司)	120	152
Xiamen C&D Group Co., Ltd (廈門建發集團有限公司)	82	–
Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司) and other companies substantially related to the Alibaba Group	46	471
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	33	33
YangGuang Haitian Parking Holdings Limited (陽光海天停車控股有限公司) and its subsidiaries and branches	28	–
Xiamen C&D Wine & Spirits Co., Ltd (廈門建發美酒匯酒業有限公司)	8	437

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Xiamen Jianfa International Wine Group Co., Ltd. (廈門建發國際酒業集團有限公司) and its subsidiaries and branches	3	46
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	–	2,304
Xiamen Convention & Exhibition Advertising Co., Ltd. (廈門會展廣告有限公司)	–	368
Xiamen International Convention and Exhibition Hotel Co., Ltd. (廈門國際會展酒店有限公司)	–	61
Xiamen C&D International Travel Service Group Co., Ltd (廈門建發國際旅行社集團有限公司)	–	20
Xiamen C&D Light Industry Co., Ltd. (廈門建發輕工有限公司)	–	4
	16,330	14,707

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Other payables		
Xiamen C&D Co., Ltd (廈門建發股份有限公司)	12,816,771	9,949,476
Chengdu Dongtai Shopping Mall Company Limited (成都東泰商城有限公司)	163,403	155,184
Xiamen C&D Finance Leasing Co., Ltd (廈門建發融資租賃有限公司)	115,470	491,920
Shanghai Xincheng'an Construction Co., Ltd. (上海鑫誠安建設有限公司)	28,127	38,374
Lianfa Group Co., Ltd (聯發集團有限公司)	20,903	20,903
Xi'an Jiahexing Home Furnishing Co., Ltd (西安佳和興家居有限責任公司)	6,006	6,765
Shanghai Red Star Cloud Computing Technology Co., Ltd. (上海紅星雲計算科技有限公司)	3,231	3,231
Changzhou Red Star Home Furnishing City (常州市紅星裝飾城)	2,538	1,700
Red Star Macalline Holding Group Company Limited (紅星美凱龍控股集團有限公司)	1,778	1,778
Greenland Group Chengdu Jinniu Real Estate Development Co., Ltd. (綠地集團成都金牛房地產開發有限公司) and its subsidiaries	1,697	N/A
Yangzhou Red Star Macalline Global Home Furnishings Plaza Property Co., Ltd. (揚州紅星美凱龍全球家居生活廣場置業有限公司)	1,583	—
Hangzhou Nabel Holding Group Co., Ltd. (杭州諾貝爾控股集團有限公司) and its subsidiaries and branches	1,514	1,066
Shenzhen Red Star Macalline Business Management Company Limited (深圳紅星美凱龍商業管理有限公司)	1,329	1,678

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	1,151	833
Yangzhou Kailong Management Consulting Co., Ltd. (揚州凱龍管理諮詢有限公司)	975	12
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	632	635
C&D Real Estate Corp., Ltd. (建發房地產集團有限公司) and its subsidiaries and branches	500	–
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	390	328
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its subsidiaries	347	341
Shandong Inzone Green Home Co., Ltd. (山東銀座家居有限公司) and its subsidiaries	329	–
Shanghai Shujia Medical Technology Co., Ltd. (上海樹家醫學科技有限公司)	273	273
Shanghai Aegean Sea Commercial Group Co., Ltd. (上海愛琴海商業集團股份有限公司)	273	273
Shanghai Macalline Property Management Service Co., Ltd. (上海美凱龍物業管理服務有限公司) and its subsidiaries and branches	270	200
Xiamen C&D Warehouse Co., Ltd (廈門建發倉儲有限公司)	218	218
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	217	685
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	129	130
Shanghai Lianhong Real Estate Development Co. (上海聯泓房地產開發有限公司)	129	129

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For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Shaanxi Hongrui Home Furnishings Plaza Co., Ltd. (陝西鴻瑞家居生活廣場有限公司)	113	438
Xiamen C&D Living Technology Co., Ltd. (廈門建發居住科技有限公司)	70	40
Shanghai Huojing Business Management Company Limited and its branches (上海或京商業管理有限公司及其分公司)	52	–
Xiamen Silber Technology Co., Ltd (廈門絲柏科技有限公司)	52	52
Anka Household Products (Shanghai) Co., Ltd. (安咖家居用品(上海)有限公司)	50	50
METRO (Shanghai) Building Technology Co., Ltd (美宅(上海)建築科技有限公司)	50	50
Shanghai Weilaishi Decoration Technology Company Limited (上海威來適裝飾科技有限公司)	50	50
Changzhou Red Star Furniture General Factory Co., Ltd. (常州市紅星傢俱總廠有限公司)	42	42
Maxxis Intelligent Home (Shenzhen) Co., Ltd. (美時智能家居(深圳)有限公司)	40	80
Hangzhou Feishi Bath & Kitchen Products Co., Ltd. (杭州菲氏浴廚用品有限公司)	20	20
Asia New Materials (Beijing) Building Materials Co., Ltd. (亞細亞新材(北京)建築材料有限公司)	12	10
Suzhou Supin Home Culture Co., Ltd. (蘇州市蘇品宅配文化有限公司)	11	11
Shanghai Hezi Tiaodong Development Co., Ltd. (上海赫茲跳動科技有限公司)	10	10

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Nanjing C&D Clean Energy Co., Ltd. (南京建發清潔能源有限公司) and its subsidiaries	1	–
YangGuang Haitian Parking Holdings Limited (陽光海天停車控股有限公司) and its subsidiaries and branches	–	30,000
Xiamen C&D Hengyuan Cultural Development Co., Ltd. (廈門建發恒遠文化發展有限公司)	–	1,265
Shanghai Red Star Macalline Property Co., Ltd (上海紅星美凱龍置業有限公司)	–	267
Shenzhen Red Star Macalline Home Furnishing Plaza Company Limited (深圳紅星美凱龍家居生活廣場有限公司)	–	13
Hangzhou Jianmei Scene Technology Co., Ltd. (杭州建美場景科技有限公司)	–	5
	13,170,756	10,708,535

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Rental and service fee received in advance		
YangGuang Haitian Parking Holdings Limited (陽光海天停車控股有限公司) and its subsidiaries and branches	649	–
Hangzhou Nabel Holding Group Co., Ltd. (杭州諾貝爾控股集團有限公司) and its subsidiaries and branches	362	588
Xiamen C&D Warehouse Co., Ltd. (廈門建發倉儲有限公司)	288	–
Shanghai Trina Intelligent Technology Company Limited (上海天合智能科技股份有限公司) and its subsidiaries	43	52
Xiamen Jianfa Automobile Co., Ltd. (廈門建發汽車有限公司) and its subsidiaries and branches	42	179
Shanghai Shujia Medical Technology Co., Ltd. (上海樹家醫學科技有限公司)	40	511
Xiamen C&D Living Technology Co., Ltd. (廈門建發居住科技有限公司)	28	62
Super Smart Home (Shanghai) Internet of Things Technology Co., Ltd. (超級智慧家(上海)物聯網科技有限公司)	14	2
Asia New Materials (Beijing) Building Materials Co., Ltd. (亞細亞新材(北京)建築材料有限公司)	3	3
Nanjing C&D Clean Energy Co., Ltd. (南京建發清潔能源有限公司) and its subsidiaries	1	–
	1,470	1,397

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Contract liabilities		
Wuhu Minghui Commercial Management Co., Ltd (蕪湖明輝商業管理有限公司)	859	–
Hangzhou Nabel Holding Group Co., Ltd. (杭州諾貝爾控股集團有限公司) and its subsidiaries and branches	405	402
Jining Hongrui Market Management Company Limited (濟寧鴻瑞市場經營管理有限公司)	236	–
Maxxis Intelligent Home (Shenzhen) Co., Ltd. (美時智能家居(深圳)有限公司)	104	236
Wuhan Zhengkai Logistics Co., Ltd. (武漢市正凱物流有限公司)	65	–
Shanghai Red Star Macalline Property Co., Ltd (上海紅星美凱龍置業有限公司)	41	–
Suzhou Supin Home Culture Co., Ltd. (蘇州市蘇品宅配文化有限公司)	31	31
Shanghai Shujia Medical Technology Co., Ltd. (上海樹家醫學科技有限公司)	21	21
Dream Maker Home (Shenzhen) Co., Ltd (造夢者家居(深圳)有限公司)	N/A	30
	1,762	720

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (continued)

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Amounts due to partners		
Wuhu Xinyuhong Enterprise Management Co., Ltd (蕪湖信于弘企業管理有限公司)	N/A	9,800
	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Bank and other borrowings		
Xiamen International Bank Limited (廈門國際銀行股份有限公司)	604,850	838,692
Luso International Banking Ltd. (澳門國際銀行股份有限公司)	87,500	92,645
Chiyu Banking Corporation Limited (集友銀行有限公司)	83,974	88,912
	776,324	1,020,249

3. Key management personnel emoluments

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

	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Key management personnel compensation	4,347	9,535