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C&D INTERNATIONAL INVESTMENT GROUP LIMITED

建發國際投資集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1908)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

- For the six months ended 30 June 2025, the Group together with its joint ventures and associates achieved cumulated contracted sales attributable to the shareholders of the Company of approximately RMB53.35 billion with contracted sales GFA attributable to the shareholders of the Company of approximately 2.008 million sq.m., representing an increase of approximately RMB2.48 billion and a decrease of approximately 451,000 sq.m., respectively (an increase of approximately 4.9% and a decrease of approximately 18.4%, respectively) as compared with the corresponding period of the previous year.
- For the six months ended 30 June 2025, cash collected from development of properties by the Group together with its joint ventures and associates totalled approximately RMB65.8 billion.
- For the six months ended 30 June 2025, the Group's revenue amounted to approximately RMB34.16 billion, representing an increase of approximately RMB1.41 billion (or approximately 4.3%) as compared with the corresponding period of the previous year. Revenue from the property development segment amounted to approximately RMB32.14 billion, representing an increase of approximately RMB1.13 billion (or approximately 3.7%) as compared with the corresponding period of the previous year.
- For the six months ended 30 June 2025, the profit attributable to the equity holders of the Company amounted to approximately RMB0.91 billion, representing an increase of approximately RMB0.09 billion (or approximately 11.8%) as compared with the corresponding period of the previous year.
- The Group's basic earnings per Share was RMB48.09 cents. The Board has resolved not to declare an interim dividend for the Period.

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the “Board”) of directors (the “Directors”) of C&D International Investment Group Limited (the “Company”) is pleased to announce the following unaudited interim consolidated results of the Company and its subsidiaries (together the “Group”) for the six months ended 30 June 2025 (the “Period”) together with the comparative figures for the corresponding period in 2024 (the “corresponding period of the previous year”).

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

		For the six months ended 30 June 2025	For the six months ended 30 June 2024
	<i>Notes</i>	<i>RMB’000</i>	<i>RMB’000</i>
		(Unaudited)	(Unaudited)
Revenue	4	34,164,664	32,753,303
Cost of sales		(29,762,390)	(28,850,554)
Gross profit		4,402,274	3,902,749
Other income	5	354,150	409,133
Loss on changes in fair value of investment properties		(34,849)	(1,369)
Administrative expenses		(986,783)	(926,748)
Selling expenses		(1,392,190)	(1,436,784)
(Provision for)/reversal of expected credit losses allowance		(19,986)	89,892
Finance costs	6	(466,897)	(266,707)
Share of profit of associates		405,447	254,639
Share of loss of joint ventures		(6,505)	(17,111)
Profit before income tax	7	2,254,661	2,007,694
Income tax expense	8	(750,096)	(571,216)
Profit for the period		1,504,565	1,436,478

	For the six months ended 30 June 2025	For the six months ended 30 June 2024
<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences	<u>34,071</u>	<u>(27,737)</u>
Total comprehensive income for the period	<u>1,538,636</u>	<u>1,408,741</u>
Profit for the period attributable to:		
— Equity holders of the Company	913,748	817,068
— Non-controlling interests	<u>590,817</u>	<u>619,410</u>
	<u>1,504,565</u>	<u>1,436,478</u>
Total comprehensive income for the period attributable to:		
— Equity holders of the Company	947,812	789,331
— Non-controlling interests	<u>590,824</u>	<u>619,410</u>
	<u>1,538,636</u>	<u>1,408,741</u>
Earnings per share for profit attributable to the equity holders of the Company	<i>10</i>	
— Basic (RMB cents)	48.09	47.30
— Diluted (RMB cents)	<u>45.18</u>	<u>42.95</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
	<i>Notes</i>		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		669,955	511,736
Right-of-use assets		255,617	271,354
Investment properties	11	3,016,927	2,778,052
Intangible assets		728,170	731,623
Interests in associates		19,768,640	18,083,675
Interests in joint ventures		7,407,691	7,438,931
Other financial assets	12	107,877	111,538
Deposits for acquisition of land		64,166	64,166
Deferred tax assets		6,150,653	5,107,063
		<u>38,169,696</u>	<u>35,098,138</u>
Current assets			
Inventories of properties, other inventories and other contract costs	13		
— Properties under development		243,923,464	223,028,034
— Properties held for sale		19,578,211	21,739,904
— Other inventories		207,958	235,345
— Other contract costs		2,483,833	2,026,697
Contract assets		372,074	316,605
Trade and other receivables	14	17,081,217	16,135,726
Amounts due from non-controlling interests	17	52,684,641	48,685,189
Deposits for acquisition of land		5,850,440	1,116,547
Prepaid taxes		7,325,388	6,842,047
Cash at banks and on hand	15	56,255,461	57,259,153
		<u>405,762,687</u>	<u>377,385,247</u>
Total assets		<u>443,932,383</u>	<u>412,483,385</u>

		As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
	<i>Notes</i>		
Current liabilities			
Trade and other payables	16	32,017,929	32,730,657
Contract liabilities		184,410,331	159,457,346
Amounts due to related companies	17	22,172,561	21,355,737
Amounts due to non-controlling interests	17	7,833,977	6,996,648
Interest-bearing borrowings	18	8,100,151	6,124,502
Income tax liabilities		3,578,125	4,411,832
Lease liabilities		53,735	67,942
		<u>258,166,809</u>	<u>231,144,664</u>
Net current assets		<u>147,595,878</u>	<u>146,240,583</u>
Total assets less current liabilities		<u>185,765,574</u>	<u>181,338,721</u>
Non-current liabilities			
Loans from intermediate holding company	17	45,328,009	50,752,538
Lease liabilities		74,954	70,751
Interest-bearing borrowings	18	33,011,567	27,622,395
Deferred tax liabilities		349,919	388,144
		<u>78,764,449</u>	<u>78,833,828</u>
Total liabilities		<u>336,931,258</u>	<u>309,978,492</u>
Net assets		<u>107,001,125</u>	<u>102,504,893</u>
EQUITY			
Share capital	19	174,233	174,233
Reserves		26,332,997	25,385,637
Equity attributable to the equity holders of the Company		<u>26,507,230</u>	<u>25,559,870</u>
Equity attributable to the subscriber of the perpetual loan		<u>12,000,000</u>	<u>12,000,000</u>
Equity attributable to owners of the parent		<u>38,507,230</u>	<u>37,559,870</u>
Non-controlling interests		68,493,895	64,945,023
Total equity		<u>107,001,125</u>	<u>102,504,893</u>

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

1. GENERAL INFORMATION

The Company's functional currency is Hong Kong Dollars ("HK\$"). However, the interim condensed consolidated financial information for the six months ended 30 June 2025 (the "Interim Financial Information") is presented in Renminbi ("RMB"), as the Directors of the Company consider that RMB is the functional currency of the primary economic environment in which most of the Group's transactions are denominated and settled in and this presentation is more useful for its existing and potential investors. The Interim Financial Information is presented in thousands of RMB ("RMB'000"), unless otherwise stated.

Well Land International Limited ("Well Land") is the Company's immediate holding company which was incorporated in the British Virgin Islands ("BVI") with limited liability; Xiamen C&D Inc.* (廈門建發股份有限公司) ("C&D Inc.") and C&D Real Estate Corporation Limited* (建發房地產集團有限公司) ("C&D Real Estate") which were both incorporated in the People's Republic of China (the "PRC" or "China") with limited liability are both the Company's intermediate holding companies and Xiamen C&D Corporation Limited* (廈門建發集團有限公司) ("Xiamen C&D") which was incorporated in the PRC with limited liability is the Company's ultimate holding company.

2. BASIS OF PREPARATION

The Interim Financial Information is prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Interim Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

3. ADOPTION OF NEW AND AMENDED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

New and amended HKFRSs that are effective for annual periods beginning on or after 1 January 2025

The accounting policies and methods of computation used in the preparation of the Interim Financial Report are consistent with those used in the annual financial statements for the year ended 31 December 2024, except for the adoption of the following new and amended HKFRSs effective as of 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

Amendments to HKAS 21

Lack of Exchangeability

3. ADOPTION OF NEW AND AMENDED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

The adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

HKFRSs in issued but not yet effective

At the date of authorisation of this Interim Financial Report, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 ¹
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature — dependent Electricity ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ Effective date not yet determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the Period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group’s consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

The Group determines its operating segment based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. The chief operating decision-maker has been identified as the Company’s executive directors.

The Group is principally engaged in the businesses of property development and property management and other related services. The property development and property management and other related services businesses have been identified as a single segment on the basis for internal management reports that are regularly reviewed by the chief operating decision-maker. No separate analysis is presented.

As the chief operating decision-maker of the Company considers that most of the Group’s revenue and results are attributable to the market in the PRC, and the Group’s assets are substantially located inside the PRC, no geographical information is presented.

For the six months ended 30 June 2025 and 2024, none of customers contributed 10% or more of the Group’s revenue.

4. REVENUE AND SEGMENT INFORMATION *(Continued)*

An analysis of the Group's revenue is as follows:

	For the six months ended	
	30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Property development	32,143,307	31,010,852
Property management and other related services <i>(Note)</i>	2,021,357	1,742,451
	<u>34,164,664</u>	<u>32,753,303</u>

Note: The balance mainly comprises revenue from property management services of RMB1,316,229,000 (corresponding period of the previous year: RMB1,036,916,000), revenue from construction management service and entrusted construction services of RMB453,701,000 (corresponding period of the previous year: RMB403,397,000) and rental income from property leasing of RMB43,203,000 (corresponding period of the previous year: RMB39,753,000) of which rental income does not fall within the scope of HKFRS 15.

Disaggregation of revenue is as follows:

	For the six months ended	
	30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Timing of revenue recognition		
— A point in time	32,213,056	31,121,612
— Over time	1,951,608	1,631,691
	<u>34,164,664</u>	<u>32,753,303</u>

5. OTHER INCOME

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income from:		
— banks	249,468	318,965
— loans to associates	24,099	20,080
— loans to joint ventures	7,359	11,261
— others	17,691	4,849
	<u>298,617</u>	<u>355,155</u>
Compensation income	21,185	16,492
Government grants	10,285	11,246
(Loss)/gain on changes in fair value of financial assets measured at FVTPL	(4,000)	1,000
Sundry income	<u>28,063</u>	<u>25,240</u>
	<u><u>354,150</u></u>	<u><u>409,133</u></u>

6. FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest charges on:		
Bank borrowings	399,215	502,061
Loans from intermediate holding company	960,110	1,029,169
Amounts due to non-controlling shareholders	95,341	37,052
Amounts due to associates	39,260	16,077
Amounts due to joint ventures	8,025	3,742
Significant financing component of contract liabilities	1,750,473	2,509,394
Finance charges on lease liabilities	<u>1,315</u>	<u>2,828</u>
Total borrowing costs	3,253,739	4,100,323
Less: Interest capitalised	<u>(2,786,842)</u>	<u>(3,833,616)</u>
	<u><u>466,897</u></u>	<u><u>266,707</u></u>

Borrowing costs have been capitalised at various applicable rates ranging from 0.95% to 10.0% per annum (corresponding period of the previous year: 1.30% to 10.0% per annum).

7. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	For the six months ended	
	30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Auditor's remuneration	—	—
Cost of properties sold	28,244,621	27,441,170
Depreciation:		
— Owned assets	13,490	16,294
— Right-of-use assets	57,732	36,766
Provision for/(reversal of) the expected credit loss ("ECL") allowance on loans to associates and joint ventures	20,629	(65,225)
Reversal of ECL allowance on trade and other receivables	(4,646)	(29,753)
Provision for ECL allowance on amounts due from non-controlling interests	4,003	5,086
Net foreign exchange losses/(gains)	9,728	(2,837)
Lease charges of short leases	15,994	13,281
Provision for inventories of properties and other contract costs	392,815	284,937

8. INCOME TAX EXPENSE

	For the six months ended	
	30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax		
PRC corporate income tax ("CIT")		
— The period	1,731,246	1,009,099
PRC land appreciation tax ("LAT")	100,665	160,112
	1,831,911	1,169,211
Deferred tax	(1,081,815)	(597,995)
Total income tax expense	750,096	571,216

8. INCOME TAX EXPENSE *(Continued)*

Notes:

(a) Hong Kong profits tax

No Hong Kong profits tax has been provided as the Group did not derive any assessable profit arising in Hong Kong during the six months ended 30 June 2025 and 2024.

(b) PRC CIT

The income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the Period, based on the existing legislation, interpretations and practices in respect thereof.

PRC CIT has been provided on the estimated assessable profits of subsidiaries operating in the PRC at 25% for the six months ended 30 June 2025 and 2024.

(c) PRC LAT

Under the Provisional Rules on LAT Implementation Rules of the PRC implemented on 27 January 1995, all gains from the sales or transfer of land use rights, buildings and their attached facilities in the PRC are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sale of properties less deductible expenditures including cost of land use rights, borrowing costs, additional tax and all property development expenditures. There are certain exemptions available for the sale of ordinary residential properties if the appreciation values do not exceed 20% of the total deductible items (as defined in the relevant PRC tax laws). Sales of commercial properties are not eligible for such an exemption.

(d) PRC withholding income tax

Pursuant to the Detailed Implementation Regulations for implementation of the new CIT Law issued on 6 December 2007, a 10% withholding income tax shall be levied on the dividends remitted by the companies established in the PRC to their foreign investors starting from 1 January 2008. Dividends coming from the profits generated by the PRC companies after 1 January 2008 shall be subject to this withholding income tax.

(e) Cayman Islands corporate tax

Pursuant to the rules and regulations of Cayman Islands, the Group is not subject to any corporate tax in Cayman Islands for the six months ended 30 June 2025 and 2024.

(f) BVI profits tax

Pursuant to the rules and regulations of the BVI, the Group is not subject to any income tax in the BVI for the six months ended 30 June 2025 and 2024.

9. DIVIDEND

The Board has resolved not to declare an interim dividend for the Period (corresponding period of the previous year: Nil).

10. EARNINGS PER SHARE

(A) Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the Period.

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the purpose of basic earnings per share:		
Profit for the period attributable to the equity holders of the Company	913,748	817,068
Weighted average number of ordinary shares in issue during the Period (thousands)	1,899,953	1,727,565
Earnings per share (expressed in RMB cents per share)	48.09	47.30

(B) Diluted earnings per share

The restricted shares granted by the Company have potential dilutive effect on earnings per share. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from restricted shares granted by the Company (collectively forming the denominator for computing the diluted earnings per share). In addition, the profit attributable to equity holders of the Company (numerator) has been adjusted by the effect of the restricted shares granted by the Company's non-wholly owned subsidiary.

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings		
Profit for the period attributable to the equity holders of the Company	913,748	817,068
Dilution effect arising from restricted shares issued by non-wholly owned subsidiary	(3,354)	(3,255)
Profit attributable to equity holders of the Company for the calculation of diluted earnings per share	910,394	813,813
Shares		
Weighted average number of ordinary shares in issue (thousands)	1,899,953	1,727,565
Adjustments for restricted shares (thousands)	114,922	167,426
Weighted average number of ordinary shares for the calculation of diluted earnings per share (thousands)	2,014,875	1,894,991
Earnings per share (expressed in RMB cents per share)	45.18	42.95

11. INVESTMENT PROPERTIES

Movements of the carrying amounts presented in the consolidated statement of financial position can be summarised as follows:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Carrying amount at 1 January	2,778,052	1,668,273
Change in fair value of investment properties	(34,849)	(364,658)
Subsequent expenditures	–	4,865
Transfers from inventories of properties	273,724	1,469,572
	<u>3,016,927</u>	<u>2,778,052</u>
Carrying amount at 30 June 2025/31 December 2024	<u>3,016,927</u>	<u>2,778,052</u>

As at 30 June 2025, the investment properties with a fair value of RMB623,000,000 (as at 31 December 2024: RMB623,000,000) have been pledged to banks to secure the Group's bank borrowings. Details of the secured bank borrowings are set out in Note 18.

The analysis of the net carrying amounts of investment properties according to lease periods is as follows:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
In PRC:		
Leases of between 10 to 50 years	<u>3,016,927</u>	<u>2,778,052</u>

Valuation process and methodologies

Investment properties were valued at 30 June 2025 and 31 December 2024 by independent professional qualified valuers, Cushman & Wakefield International Property Advisers (Guangzhou) Co., Ltd. and Xiamen Academic Practice Valuer Co., Ltd., who have the relevant experience in the location and category of properties being valued. There was no change to the valuation techniques during the Period.

Discussions of valuation processes and results are held between management and the valuers on a semi-annual basis, in line with the Group's interim and annual reporting dates.

11. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy

Fair value adjustment of investment properties is recognised in the line item “Loss on changes in fair value of investment properties” on the face of the consolidated statement of profit or loss and other comprehensive income.

The following table shows the Group’s investment properties measured at fair value in the consolidated statement of financial position on a recurring basis, categorised into three levels of a fair value hierarchy. The levels are based on the observability of significant inputs to the measurements, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

As at 30 June 2025 and 31 December 2024, all of the Group’s investment properties were within level 3 of the fair value hierarchy as the valuation was arrived at by reference to certain significant unobservable inputs. There were no transfers into or out of Level 3 during the Period (2024: Nil)

The fair value of investment properties is determined using the direct capitalisation method by capitalising the rental income derived from the existing tenancies with due provision for the reversionary income potential of the properties. The fair value measurement is positively correlated to the market monthly rental rate and factors adjustment, and negatively correlated to capitalisation rate.

	Valuation techniques	Significant unobservable inputs	Range	
			As at 30 June 2025	As at 31 December 2024
Investment properties (Nanning District)	Direct capitalisation method	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m.)	36–1,920	36–1,920
		Capitalisation rate of reversionary income	3.5%–7%	3.5%–7%
Investment properties (Shanghai District)	Direct capitalisation method	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m.)	220–489	223–496
		Capitalisation rate of reversionary income	5.5%–6%	5.5%–6%

11. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy (Continued)

	Valuation techniques	Significant unobservable inputs	Range	
			As at 30 June 2025	As at 31 December 2024
Investment properties (Suzhou District)	Market comparison approach	Market price (RMB/sq.m.)	23,850	25,024
Investment properties (Fuzhou District)	Income approach	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m.)	52	52
		Discount rate	5.5%	5.5%
Investment properties (Chengdu District)	Income approach	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m.)	62	62
		Discount rate	5%	5%
Investment properties (Putian District)	Income approach	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m.)	18	17
		Discount rate	5.5%	5.5%

11. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy (Continued)

	Valuation techniques	Significant unobservable inputs	Range	
			As at 30 June 2025	As at 31 December 2024
Investment properties (Hangzhou District)	Income approach	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m.)	48	49
		Discount rate	5.5%	5.5%
Investment properties (Beijing District)	Income approach	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m.)	109	116
		Discount rate	5.5%	5.5%
Investment properties (Shanghai District)	Income approach	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m.)	61	N/A
		Discount rate	<u>5.5%</u>	<u>N/A</u>

12. OTHER FINANCIAL ASSETS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Other non-current financial assets:		
Financial assets measured at fair value through profit or loss		
Unlisted equity securities	<u>107,877</u>	<u>111,538</u>

13. INVENTORIES OF PROPERTIES, OTHER INVENTORIES AND OTHER CONTRACT COSTS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Inventories of properties		
Properties under development (<i>Note (a)</i>)	243,923,464	223,028,034
Properties held for sale (<i>Note (a)</i>)	<u>19,578,211</u>	<u>21,739,904</u>
	263,501,675	244,767,938
Other inventories	207,958	235,345
Other contract costs (<i>Note (b)</i>)	<u>2,483,833</u>	<u>2,026,697</u>
	<u>266,193,466</u>	<u>247,029,980</u>
Inventories of properties	268,432,411	250,522,172
Less: Provision for inventories	<u>(4,930,736)</u>	<u>(5,754,234)</u>
	<u>263,501,675</u>	<u>244,767,938</u>

Notes:

(a) Inventories of properties

The properties under development and properties held for sale are all located in the PRC. The relevant land use rights are on lease of 40 to 70 years.

As at 30 June 2025, properties under development with carrying amount of RMB23,733,157,000 (31 December 2024: RMB46,440,119,000) have been pledged to banks to secure the Group's bank borrowings. Details of the secured bank borrowings are set out in note 18.

(b) Other contract costs

Contract costs capitalised relate to the incremental sales commissions paid to property agents whose selling activities resulted in customers entering into sale and purchase agreements for the Group's properties which are still under construction at the announcement date. Contract costs are recognised as part of "Selling expenses" in the consolidated statement of profit or loss and other comprehensive income in the period in which revenue from the related property sales is recognised. The amount of capitalised costs recognised in profit or loss during the Period was RMB453,840,000. There was no impairment in relation to the costs capitalised during the Period.

14. TRADE AND OTHER RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade receivables (<i>Note (a)</i>)		
From third parties	3,183,464	3,380,255
From related parties	110,215	128,715
Less: Loss allowance	(266,759)	(276,964)
	<u>3,026,920</u>	<u>3,232,006</u>
Other receivables		
Deposits (<i>Note (b)</i>)	2,570,978	5,201,681
Prepayment	113,337	86,562
Other receivables	1,048,303	866,874
Prepayments for proposed development projects (<i>note (c)</i>)	2,535,730	–
Payments on behalf of property owners	45,304	48,853
Value-added-tax receivables	7,824,138	6,777,684
	<u>14,137,790</u>	<u>12,981,654</u>
Less: Loss allowance	(83,493)	(77,934)
	<u>14,054,297</u>	<u>12,903,720</u>
	<u>17,081,217</u>	<u>16,135,726</u>

14. TRADE AND OTHER RECEIVABLES (Continued)

- (a) Trade receivables mainly arose from property development, property management and other related services. Trade receivables were settled in accordance with the terms stipulated in the property sale and purchase agreements or service agreements.

Based on the invoice dates, the ageing analysis of the trade receivables, net of loss allowance, is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
0–30 days	262,881	1,840,753
31–90 days	192,930	7,355
91–180 days	195,265	444,524
181–365 days	1,750,168	165,538
Over 1 year	625,676	773,836
	<u>3,026,920</u>	<u>3,232,006</u>

Movements of the Group's loss allowance on trade receivables are as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Balance at 1 January	276,964	193,563
ECL allowances recognised during the period/the year	<u>(10,205)</u>	<u>83,401</u>
Balance at 30 June 2025/31 December 2024	<u>266,759</u>	<u>276,964</u>

Movements of the Group's loss allowance on other receivables are as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Balance at 1 January	77,934	68,584
ECL allowances recognised during the period/the year	<u>5,559</u>	<u>9,350</u>
Balance at 30 June 2025/31 December 2024	<u>83,493</u>	<u>77,934</u>

At each reporting date, the Group reviews receivables for evidence of impairment on both individual and collective basis.

14. TRADE AND OTHER RECEIVABLES *(Continued)*

- (b) Deposits mainly included rental deposits, utilities deposits, miscellaneous project-related deposits, deposits for construction work and land bidding.
- (c) The Group had entered into several contractual arrangements with independent third parties in respect of the proposed acquisitions of equity interests in certain PRC entities, which own land use rights or property development projects in the PRC.
- (d) The directors of the Group considered that the fair values of trade and other receivables are not materially different from their carrying amounts because these amounts have short maturity periods on their inception.

15. CASH AT BANKS AND ON HAND

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Cash at banks and on hand	53,294,875	54,245,647
Restricted bank deposits	2,960,586	3,013,506
	<u>56,255,461</u>	<u>57,259,153</u>

Bank balances of RMB56,049,923,000 (31 December 2024: approximately RMB56,993,900,000) are denominated in RMB placed with banks in the PRC. RMB is not a freely convertible currency. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks that are authorised to conduct foreign exchange business.

Restricted bank deposits represented security deposits for construction of pre-sale properties mainly denominated in RMB placed in designated bank accounts. In accordance with relevant government requirements, certain property development companies of the Group are required to place in designated bank accounts certain amount of pre-sale proceeds as security deposits for the construction of the related properties. The deposits can only be used for payments for construction costs of the relevant properties when approval from related government authority is obtained. Such security deposits will be released upon completion of construction of the related properties.

16. TRADE AND OTHER PAYABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade payables (Note (a))	25,887,266	25,851,482
Other payables		
Receipts in advance and other payables	165,233	108,085
Interest payable	28,923	28,586
Salaries payable	416,149	955,979
Value-added-tax payable	373,918	938,856
Deposits received	820,103	717,576
Accrued expenses	2,220,834	2,111,069
Collection and payment on behalf of others	877,267	934,285
Payable for restricted share incentive scheme	882,169	1,084,739
Dividends payables	346,067	—
	6,130,663	6,879,175
	32,017,929	32,730,657

Notes:

- (a) The credit terms of trade payables vary according to the terms agreed with different suppliers. Included in trade payables are trade creditors with the following aging analysis, based on invoice dates, as at the end of the Period:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
0–30 days	12,093,181	16,515,253
31–60 days	3,786,806	1,997,491
61–90 days	1,162,549	1,138,791
Over 90 days	8,844,730	6,199,947
	25,887,266	25,851,482

- (b) The carrying values of trade and other payables are considered to be reasonable approximation of their fair values.

17. AMOUNTS DUE FROM/(TO) RELATED COMPANIES/NON-CONTROLLING INTERESTS/ LOANS FROM INTERMEDIATE HOLDING COMPANY

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Amounts due from non-controlling interests	52,737,378	48,733,923
Less: Loss allowance	(52,737)	(48,734)
	<u>52,684,641</u>	<u>48,685,189</u>
	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Amounts due to related companies:		
— Intermediate holding company	5,002,131	4,238,906
— Associates	11,302,413	11,365,845
— Joint Ventures	5,868,017	5,750,986
	<u>22,172,561</u>	<u>21,355,737</u>
Amounts due to non-controlling interests	<u>7,833,977</u>	<u>6,996,648</u>

As at 30 June 2025 and 31 December 2024, the amounts due from/(to) non-controlling interests/ associates/joint ventures/intermediate holding company are unsecured, interest-free and repayable on demand, except that amounts due from non-controlling interests of RMB651,634,000 (as at 31 December 2024: Nil), bear interest ranging from 1.92% to 6.5% (2024: Nil) per annum; amounts due to non-controlling interests of RMB1,670,006,000 (as at 31 December 2024: RMB1,301,512,000), bear interest ranging from 3.5% to 10% (2024: 6% to 10.00%) per annum; amounts due to associates of RMB3,077,200,000 (31 December 2024: RMB3,373,848,000) bear interest ranging from 1.9% to 4.75% per annum (2024: 1.9% to 4.75%), and amounts due to joint ventures of RMB778,480,000 (31 December 2024: RMB665,439,000), bear interest ranging from 1.95% to 4.3% (2024: 2.05% to 2.16%) per annum.

As at 30 June 2025, the loans from intermediate holding company are unsecured, bearing interest at effective interest rate of 4.06% (31 December 2024: at effective interest rate of 4.45%) per annum and would not be repayable within one year.

The carrying amounts of the balances approximate their fair values.

17. AMOUNTS DUE FROM/(TO) RELATED COMPANIES/NON-CONTROLLING INTERESTS/ LOANS FROM INTERMEDIATE HOLDING COMPANY *(Continued)*

Movements of the Group's loss allowance on amounts due from non-controlling interests are as follows:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Balance at 1 January	48,734	41,825
ECL allowances recognised during the period/year	4,003	6,909
	<hr/> 52,737 <hr/>	<hr/> 48,734 <hr/>
Balance at 30 June 2025/31 December 2024	52,737	48,734

At each reporting date, the Group reviews receivables for evidence of impairment on both individual and collective basis. The Group applies the 12-month ECL method to amounts due from non-controlling interests in providing for ECL prescribed by HKFRS 9. As at 30 June 2025, the Group has made provision of impairment for amounts due from non-controlling interests of approximately RMB52,737,000 (at 31 December 2024: RMB48,734,000).

18. INTEREST-BEARING BORROWINGS

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Bank loans		
— Secured	6,644,137	6,821,723
— Unsecured	34,467,581	26,925,174
	<hr/> 41,111,718 <hr/>	<hr/> 33,746,897 <hr/>

18. INTEREST-BEARING BORROWINGS (Continued)

The Group's bank loans were repayable as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Carrying amount repayable		
Within one year or on demand	8,100,151	6,124,502
In the second year	12,136,868	11,201,871
In the third to fifth year	20,593,008	16,127,149
After the fifth year	281,691	293,375
	41,111,718	33,746,897
Less: Amounts shown under current liabilities	(8,100,151)	(6,124,502)
	33,011,567	27,622,395

As at 30 June 2025 and 31 December 2024, the Group's bank loans are secured by the legal charges over the Group's properties under development with carrying value of approximately RMB23,733,157,000 (31 December 2024: RMB46,440,119,000) and investment properties with fair value of approximately RMB623,000,000 (31 December 2024: RMB623,000,000).

As at 30 June 2025 and 31 December 2024, unsecured borrowings of RMB1,500,000,000 (31 December 2024: Nil) were guaranteed by C&D Inc., RMB29,477,101,000 (31 December 2024: RMB23,929,644,000) were guaranteed by C&D Real Estate, and RMB3,490,480,000 (31 December 2024: RMB2,995,530,000) were guaranteed by both C&D Real Estate and certain non-controlling interests.

As at 30 June 2025 and 31 December 2024, the bank loans bear effective interest rates ranging from 0.95% to 3.05% (31 December 2024: from 1.20% to 3.30%) per annum.

19. SHARE CAPITAL

	Number of shares	Amount RMB'000
Ordinary shares of HK\$0.1 each		
Authorised:		
As at 31 December 2024 (audited) and 30 June 2025 (unaudited)	<u>3,000,000,000</u>	<u>254,870</u>
Issued and fully paid:		
As at 31 December 2024 (audited)/As at 30 June 2025 (unaudited)	<u>2,017,177,631</u>	<u>174,233</u>

20. EVENTS AFTER THE REPORTING DATE

Scrip Dividend Scheme

On 8 July 2025, the Company allotted and issued 158,376,501 ordinary shares pursuant to the exercise of the scrip dividend option by the eligible shareholders under the Company's scrip dividend scheme (the "Scrip Dividend Scheme") in relation to its final dividend for the year ended 31 December 2024 (the "Final Dividend"). For details of the Scrip Dividend Scheme, please refer to the circular of the Company dated 6 June 2025.

Placing and Subscription

On 5 August 2025, the Company issued a total of 64,600,000 ordinary shares under general mandate pursuant to the Placing and Subscription Agreement dated 22 July 2025. Please refer to the announcement of the Company dated 23 July 2025 for details.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

Since 2025, due to the continued complex and challenging domestic and international economic environment, compounded by the impact of tariff wars, the stabilisation of the property market has remained in progress. According to the National Bureau of Statistics, in the first half of 2025, the total sales of newly built commercial housing nationwide amounted to RMB4,424.1 billion, representing a year-on-year decrease of 5.5% and reaching the lowest level in nearly four years. Meanwhile, the trend of polarisation within the real estate industry has become increasingly pronounced, with widening disparities in sales performance across different cities, locations and projects. Demand for improved housing in core areas has become the current mainstream, and customers are placing higher demands on housing quality, location, functionality, environment, supporting facilities and services.

In addition, in recent years, real estate products have continued to evolve and upgrade, and building technical specifications across different regions have gradually been relaxed. With the concept of “quality homes (好房子)” (safe, comfortable, eco-friendly, and smart) incorporated into the Report on the Work of the Government, intelligence, sustainability and digitalisation have become industry trends. At present, with the widespread adoption of new technologies and new business models, competition among real estate enterprises has shifted towards product quality, branding, technology and supply chain capabilities. The polarization among enterprises shall gradually become a constant state.

BUSINESS REVIEW

The Group is principally engaged in the business of property development, real estate industry chain investment services and emerging industry investment. During the Period, the main source of revenue for the Company was property development.

The revenue of the Group for the Period was approximately RMB34.16 billion, representing an increase of approximately RMB1.41 billion (or approximately 4.3%) as compared to approximately RMB32.75 billion for the corresponding period of the previous year. The gross profit of the Group amounted to approximately RMB4.40 billion, representing an increase of approximately RMB0.50 billion (or approximately 12.8%) as compared to approximately RMB3.90 billion for the corresponding period of the previous year. The profit attributable to the equity holders of the Company amounted to approximately RMB0.91 billion, representing an increase of approximately RMB0.09 billion (or approximately 11.8%) as compared to approximately RMB0.82 billion for the corresponding period of the previous year.

Property Development Business

Sales of Properties

During the Period, the Group's revenue from property development business was approximately RMB32.14 billion, representing an increase of approximately RMB1.13 billion as compared to approximately RMB31.01 billion for the corresponding period of the previous year and accounting for approximately 94.1% of the Group's total revenue during the Period. During the Period, the gross floor area ("GFA") of the properties delivered was approximately 1.901 million sq.m., representing a decrease of approximately 0.151 million sq.m. as compared with the corresponding period of the previous year.

The amount recognised for sales by city is set out in the following table:

City	For the six months ended 30 June	
	2025	2024
	Amount (RMB ten thousand)	
Shanghai	771,073	2,371
Xiamen	478,854	786,311
Zhangzhou	349,297	163,966
Guiyang	171,824	5,235
Wuxi	170,992	216,893
Foshan	158,350	15,396
Changsha	145,508	81,565
Quanzhou	102,885	12,824
Suzhou	99,893	11,016
Lishui	93,038	—
Ningde	91,712	208,107
Nanning	81,074	51,313
Nanchang	65,355	—
Nanping	61,853	12,292
Bengbu	57,999	1,549
Jinan	44,905	2,135
Yiyang	38,492	6,040
Jiangmen	38,292	11,881
Hefei	29,757	12,632
Chongqing	23,658	124
Suqian	23,087	16,195
Huai'an	15,117	4,354
Guangzhou	13,658	15,342
Wenzhou	11,952	104,782
Hangzhou	8,930	3,810

City	For the six months ended 30 June	
	2025	2024
	Amount (RMB ten thousand)	
Lu'an	8,508	208
Nantong	7,984	22,517
Longyan	6,767	7,527
Zhuzhou	6,213	27,970
Shaoxing	5,317	—
Ningbo	4,976	344,289
Putian	4,433	310,274
Beijing	4,344	—
Nanjing	4,089	11,134
Chengdu	3,598	287,467
Fuzhou	3,529	156,609
Huangshi	3,087	70,844
Taizhou	2,725	2,353
Jiujiang	840	77,824
Shangrao	162	33,296
Xuzhou	142	—
Zhuhai	40	171
Wuhan	22	665
Liuzhou	—	1,804
Total	3,214,331	3,101,085

Contracted Sales

During the Period, the Group, together with its joint ventures and associates, achieved the cumulative contracted sales attributable to the shareholders of the Company (the “Shareholders”) amounting to approximately RMB53.35 billion, representing an increase of approximately 4.9% as compared with the corresponding period of the previous year (corresponding period of the previous year: approximately RMB50.87 billion). During the Period, the cumulative contracted sales GFA attributable to the Shareholders was approximately 2,008,000 sq.m., representing a decrease of approximately 18.4% as compared with the corresponding period of the previous year.

The amount and GFA sold for contracted sales attributable to the Shareholders by city are set out in the following table:

City	For the six months ended 30 June			
	2025		2024	
	Attributable Amount Sold	Attributable GFA Sold	Attributable Amount Sold	Attributable GFA Sold
	(RMB ten thousand)	(sq.m.)	(RMB ten thousand)	(sq.m.)
Hangzhou	1,191,029	351,905	1,012,884	235,851
Beijing	825,906	110,838	417,680	90,909
Xiamen	555,024	163,777	183,537	71,937
Shanghai	476,576	109,369	258,578	68,956
Fuzhou	269,564	56,382	93,223	40,761
Wuhan	243,131	65,517	58,860	17,493
Chengdu	232,851	87,475	208,524	79,421
Suzhou	135,020	59,066	267,582	112,253
Quanzhou	129,863	108,434	246,537	210,531
Foshan	107,298	35,492	49,342	37,364
Changsha	106,241	68,849	256,776	150,351
Nanchang	103,679	85,142	122,877	106,863
Taizhou	100,085	50,476	144,795	60,003
Nanjing	96,963	24,179	144,794	47,620
Wuxi	89,612	53,487	172,829	84,836
Ningbo	68,179	21,231	70,325	20,581
Guiyang	61,937	72,768	81,201	84,423
Longyan	57,976	49,948	145,948	117,850
Putian	51,482	36,526	73,170	53,068
Jinan	47,541	34,201	75,406	74,278
Zhangzhou	36,179	34,323	119,104	110,504
Wenzhou	33,059	16,028	122,823	48,536
Suqian	29,274	27,455	45,673	48,508
Dongguan	25,133	5,616	54,983	12,431

For the six months ended 30 June				
City	2025		2024	
	Attributable Amount Sold (RMB <i>ten thousand</i>)	Attributable GFA Sold (sq.m.)	Attributable Amount Sold (RMB <i>ten thousand</i>)	Attributable GFA Sold (sq.m.)
Zhuzhou	23,786	35,228	34,196	47,811
Lishui	22,554	9,479	44,451	19,726
Hefei	22,227	12,555	68,622	33,714
Jiaxing	19,390	10,997	31,424	17,399
Chongqing	18,617	22,148	49,780	24,460
Yiyang	17,960	30,399	18,120	23,611
Liuzhou	16,055	15,015	18,844	19,722
Nantong	15,215	11,639	58,362	33,882
Xuzhou	14,971	6,465	58,776	20,060
Huai'an	14,476	17,555	13,562	9,002
Guangzhou	13,467	8,625	65,435	21,413
Nanping	13,316	24,008	21,427	24,123
Huangshi	13,129	17,419	24,515	29,923
Ningde	7,617	14,162	24,191	22,119
Jiangmen	7,014	11,578	19,367	21,653
Zhuhai	6,925	4,739	262	205
Shaoxing	5,290	1,950	10,293	2,294
Nanning	3,845	14,774	40,998	52,046
Yancheng	3,550	8,734	3,716	4,427
Bengbu	1,857	1,652	21,501	14,581
Yiwu	353	287	9,470	2,622
Shangrao	3	24	13,372	20,914
Jiujiang	–	–	9,141	8,440
Total	5,335,219	2,007,916	5,087,276	2,459,475

Land Reserves

As at 30 June 2025, the Group's aggregate saleable GFA of land reserves in the PRC was approximately 12,710,000 sq.m..

The amount of saleable GFA and attributable GFA of land reserves by city are set out in the following table:

City	As at 30 June 2025		As at 31 December 2024	
	Saleable GFA (sq.m.)	Attributable GFA (sq.m.)	Saleable GFA (sq.m.)	Attributable GFA (sq.m.)
Shanghai	1,153,141	883,360	953,918	653,788
Hangzhou	991,803	559,386	777,718	527,349
Xiamen	906,950	814,110	928,890	815,099
Chengdu	677,909	518,291	687,706	620,447
Nanchang	652,620	559,845	599,882	496,154
Guiyang	642,521	642,521	715,200	715,200
Wuxi	558,390	308,456	647,279	361,313
Zhuzhou	517,379	517,379	552,619	552,619
Fuzhou	496,987	327,147	578,376	381,619
Zhangzhou	478,112	270,644	128,205	85,998
Quanzhou	456,605	309,662	236,217	185,082
Changsha	451,444	324,046	563,563	383,921
Suzhou	424,878	341,438	493,961	383,595
Beijing	361,705	292,201	210,216	197,804
Suqian	350,911	350,911	377,543	377,543
Huangshi	309,524	309,524	326,858	326,858
Huai'an	308,609	246,887	330,553	264,443
Wenzhou	304,201	106,779	339,032	122,805
Putian	273,688	114,472	188,963	102,153
Ningde	212,199	112,849	119,807	69,767
Foshan	190,873	166,938	235,426	205,147
Longyan	189,567	156,513	253,133	208,004
Chongqing	181,762	106,021	205,534	128,172
Wuhan	139,201	80,548	128,128	115,255
Taizhou	132,009	83,751	200,840	136,486
Jinan	130,925	110,960	204,117	170,089
Ningbo	126,731	82,397	79,235	72,227
Nanjing	123,127	96,206	155,703	120,403
Nantong	109,784	105,533	121,878	117,172
Jiangmen	102,292	53,514	126,834	66,984

City	As at 30 June 2025		As at 31 December 2024	
	Saleable GFA (sq.m.)	Attributable GFA (sq.m.)	Saleable GFA (sq.m.)	Attributable GFA (sq.m.)
Hefei	99,043	51,788	123,351	64,468
Yancheng	98,626	48,327	116,700	57,183
Yiyang	97,505	97,505	127,879	127,879
Nanning	96,771	83,429	112,406	98,093
Guangzhou	73,356	67,271	84,349	75,750
Yiwu	65,600	21,648	66,470	21,935
Jiaxing	41,199	30,899	55,862	41,896
Bengbu	36,301	36,301	45,109	45,109
Dongguan	32,708	22,896	40,811	28,568
Nanping	30,955	19,896	63,010	43,920
Xuzhou	22,874	17,080	35,742	23,546
Shaoxing	22,195	11,320	26,018	13,269
Zhuhai	16,301	16,301	21,040	21,040
Lishui	12,174	12,174	21,667	21,667
Liuzhou	6,602	6,602	21,604	21,604
Jiujiang	1,743	1,048	1,743	1,048
Shangrao	63	26	124	49
Total	<u>12,709,863</u>	<u>9,496,800</u>	<u>12,431,219</u>	<u>9,670,520</u>

FINANCIAL REVIEW

Revenue

The following table sets out the Group's revenue from the following segments and as a percentage of the total revenue for the relevant periods:

	For the six months ended 30 June			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Property development	32,143,307	94.08	31,010,852	94.68
Property management and other related services (<i>Note</i>)	2,021,357	5.92	1,742,451	5.32
Total	34,164,664	100.00	32,753,303	100.00

Note: Represents income from property management services, construction management services, entrusted construction services and other related services.

Property development

Revenue from property development increased by approximately RMB1.13 billion from approximately RMB31.01 billion for the corresponding period of the previous year to approximately RMB32.14 billion for the Period. Saleable GFA delivered for the six months ended 30 June 2024 and 2025 were approximately 2.052 million sq.m. and 1.901 million sq.m., respectively. Although the saleable GFA delivered for the Period decreased compared with the corresponding period of the previous year, properties delivered in certain cities with higher unit selling price per square meter contributed to an increase in the revenue from property development for the Period.

Property management and other related services

Revenue from property management and other related services increased by approximately RMB0.28 billion (or 16.0%) from approximately RMB1.74 billion for the corresponding period of the previous year to approximately RMB2.02 billion for the Period. As at 30 June 2025, the GFA under management of the Group reached approximately 83.3 million sq.m..

Cost of Sales, Gross Profit and Gross Profit Margin

Cost of sales increased by approximately RMB0.91 billion from approximately RMB28.85 billion for the corresponding period of the previous year to approximately RMB29.76 billion for the Period. The gross profit amounted to approximately RMB3.90 billion and RMB4.40 billion for the six months ended 30 June 2024 and 2025, respectively, representing a gross profit margin of approximately 11.92% and 12.89% respectively. The increase in gross profit margin was mainly due to the higher gross profit margin level of certain projects delivered during the Period as compared with the corresponding period of the previous year.

Other Income

Other income amounted to approximately RMB0.41 billion and RMB0.35 billion for the six months ended 30 June 2024 and 2025, respectively. The decrease was mainly due to a decrease in bank interest income during the Period.

Borrowing Costs

Borrowing costs incurred for the construction projects under development were capitalised during the Period. Other borrowing costs were expensed when incurred.

Total borrowing costs (excluding the significant financing component of contract liabilities and the finance charges on lease liabilities) decreased from approximately RMB1.59 billion for the corresponding period of the previous year to approximately RMB1.50 billion for the Period. The decrease was mainly due to the slight decrease in average financing interest rate as compared with those for the corresponding period of the previous year.

Changes in Fair Value of Investment Properties

The loss on changes in fair value of investment properties was approximately RMB34.85 million during the Period (corresponding period of the previous year: loss of approximately RMB1.37 million). The loss reflected the adjustments in value of investment properties during the Period.

Administrative Expenses

Administrative expenses increased by approximately RMB0.06 billion to approximately RMB0.99 billion for the Period from approximately RMB0.93 billion for the corresponding period of the previous year. It was primarily due to the increase in provision for inventories of properties during the Period.

Selling Expenses

Selling expenses decreased by approximately RMB0.05 billion to approximately RMB1.39 billion for the Period from approximately RMB1.44 billion for the corresponding period of the previous year. It was mainly due to the decrease in selling-related staff expenses during the Period.

Profit before Income Tax

As a cumulative effect of the foregoing factors, the Group recorded a profit before income tax of approximately RMB2.25 billion for the Period, representing an increase of approximately RMB0.24 billion from approximately RMB2.01 billion for the corresponding period of the previous year.

Income Tax Expense

Income tax expense increased from approximately RMB0.57 billion in the corresponding period of the previous year to approximately RMB0.75 billion for the Period. The increase in income tax expense was mainly due to an increase in the corporate income tax expenses in the PRC.

Profit Attributable to the Equity Holders of the Company

The profit attributable to the equity holders of the Company increased by approximately RMB0.09 billion (or approximately 11.8%) from approximately RMB0.82 billion for the corresponding period of the previous year to approximately RMB0.91 billion for the Period.

Liquidity and Financial Resources

The long-term funding and working capital required by the Group were primarily derived from income generated from core business operations, bank borrowings, loans from intermediate holding company and cash proceeds derived from receipt in advance from the pre-sale of properties, which were used to finance its business operations and investment in construction projects. The Group's liquidity position was well-managed during the Period.

The Group continued to adopt a prudent financing policy and sustained a sound capital structure with healthy cash flow. As at 30 June 2025, the Group's cash at banks and on hand amounted to approximately RMB56.26 billion (as at 31 December 2024: approximately RMB57.26 billion) while total assets and net assets (after deducting non-controlling interests) were approximately RMB443.93 billion (as at 31 December 2024: approximately RMB412.48 billion) and approximately RMB38.51 billion (as at 31 December 2024: approximately RMB37.56 billion), respectively. As at 30 June 2025, the Group's working capital amounted to approximately RMB147.60 billion (as at 31 December 2024: approximately RMB146.24 billion). As at 30 June 2025, the Group recorded net debt of approximately RMB35.71 billion (as at 31 December 2024: approximately RMB32.58 billion) with net debt to equity ratio of approximately 33.37% (as at 31 December 2024: approximately 31.78%).

As at 30 June 2025, the Group had (i) interest-bearing borrowings of approximately RMB41.11 billion denominated in RMB which bore an interest rate ranging from 0.95% to 3.05% per annum (as at 31 December 2024: approximately RMB33.75 billion which bore an interest rate ranging from 1.2% to 3.3% per annum); and (ii) loans from intermediate holding company of approximately RMB45.33 billion denominated in RMB which bore an interest rate at 4.06% per annum (as at 31 December 2024: approximately RMB50.75 billion which bore an interest rate at 4.45% per annum); and (iii) the amounts due to non-controlling Shareholders of approximately RMB1.67 billion denominated in RMB which bore an interest rate ranging from 3.5% to 10% per annum (as at 31 December 2024: approximately RMB1.30 billion which bore an interest rate ranging from 6% to 10% per annum); and (iv) the amounts due to associates and joint ventures of the Company of approximately RMB3.86 billion denominated in RMB which bore an interest rate ranging from 1.9% to 4.75% per annum (as at 31 December 2024: approximately RMB4.04 billion which bore an interest rate ranging from 1.9% to 4.75% per annum). Approximately 93.6% and 6.4% of the Group's borrowings carried interest on a floating rate basis and fixed rate basis, respectively.

No particular trend of seasonality was observed for the Group's borrowing requirements for the Period.

The Group's gearing ratio (total borrowings divided by total equity) decreased to approximately 85.9% as at 30 June 2025 (as at 31 December 2024: approximately 87.6%) due to an increase in the contribution from non-controlling interest.

Of the total borrowings, approximately RMB13.63 billion was repayable within one year while approximately RMB78.06 billion was repayable after one year but within five years.

To manage liquidity risk, the Group monitored and maintained a level of cash and cash equivalents which the management considered to be adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flow. The Group's management also monitored its net current assets/liabilities and the utilisation of borrowings to ensure efficient use of the available banking facilities and compliance with loan covenants.

Financial Guarantee Contracts

During the Period, the Group had arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. The balance was approximately RMB21.76 billion as at 30 June 2025 (as at 31 December 2024: approximately RMB43.32 billion). The decrease was mainly attributable to the fact that no guarantee was provided by the Group in respect of the mortgage loans for the sales of some new properties during the Period.

Capital Commitments

Capital commitments were contracts concluded but not provided for leasehold improvements, prepayments for intended cooperative projects concluded but not provided for allowance, nor for construction of properties under development. The balance of capital commitment was approximately RMB66.71 billion as at 30 June 2025 (as at 31 December 2024: approximately RMB59.97 billion). The increase was attributable to the increase in properties under development that concluded but not provided for allowance during the Period as compared to 2024.

Pledge of Assets

As at 30 June 2025, the Group's bank loan was secured by legal charges in respect of investment properties with a fair value of approximately RMB623 million (as at 31 December 2024: approximately RMB623 million) and properties under development with carrying value of approximately RMB23.73 billion (as at 31 December 2024: approximately RMB46.44 billion).

Capital Structure

As at 30 June 2025, the Company's issued share capital was HK\$201,717,763.1, divided into 2,017,177,631 ordinary shares (the "Shares") of HK\$0.1 each (as at 31 December 2024: HK\$201,717,763.1 divided into 2,017,177,631 Shares).

Foreign Currency Exposure

The business operations of the Group were conducted mainly in the PRC and revenues and expenses are denominated mainly in RMB.

As at 30 June 2025, except for the bank deposits denominated in foreign currencies (mainly HK\$), the Group did not have significant foreign currency exposure from its operations.

As the Directors considered the Group's foreign exchange risk to be insignificant, the Group did not use any financial instruments for hedging purposes during the Period.

Contingent Liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities (as at 31 December 2024: Nil).

Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Joint Ventures and Associates

During the Period, the Group did not hold any significant investment or significant securities investment as part of its asset portfolio, and had no material acquisition or disposal of subsidiaries, joint ventures and associates. As at the date of this announcement, the Company does not have any future plans for material investments or capital assets.

Events After the Period

Details of material events affecting the Group after 30 June 2025 are set out in note 20 to this announcement.

Employees and Emolument Policy

As at 30 June 2025, the Group employed approximately 22.4 thousand full-time employees (as at 30 June 2024: approximately 20.9 thousand full-time employees). During the Period, total staff costs, including Directors' emoluments and share-based payments, of the Group were approximately RMB1.85 billion (corresponding period of the previous year: approximately RMB1.95 billion).

The Group reviewed the remuneration policies and packages on a regular basis and made necessary adjustment that to commensurate with the remuneration level in the industry. In addition to a basic monthly salary, year-end bonuses were offered to staff with outstanding performance. Restricted share incentive schemes were adopted to attract and retain eligible employees to contribute to the Group. The Group has established an online learning platform and provided various training courses to help employees enhance their work skills and competence and to accelerate their growth and development.

The aforementioned remuneration philosophy is applicable to the Directors. Apart from benchmarking against the market, the Company reviewed individual competence and contributions and the affordability of the Company in determining the exact level of remuneration for each Director.

KEY RISK FACTORS AND UNCERTAINTIES

The property market in the PRC is affected by a number of factors, such as changes in social, political, economic and legal environment and the government's undertakings of fiscal, economic, monetary, industrial and environmental policies. Changes in macro-economic conditions, consumer confidence, consumption spending and consumption preferences may also affect the Group's business. As such, the Group, taking into account the market situations, implements differentiated investment and marketing strategies and nurtures a number of projects across different regional markets so as to reduce reliance on individual markets. The Group's operation is exposed to a variety of idiosyncratic risks in property development, property investment and property related businesses. Default by buyers and partners, manual and systematic negligence or mistake in internal processes and other external factors may have impact on operation. In addition to the aforesaid factors, other risk factors and uncertainties may also exist.

OUTLOOK AND PROSPECT

With market differentiation continuing to intensify in 2025, industry-wide competition has shifted from scale competition to a comprehensive contest of quality and value. Faced with a complex internal and external environment, the Company deeply recognizes that only by maintaining the robust asset foundation and fortifying the safety barrier of inventories will it stably navigate through the industry cycle. Product capabilities, service capabilities, cost control capabilities, and operational capabilities will become very important core competitiveness for enterprises.

Looking into the second half of 2025, the Company will closely adhere to the work approach of “stabilizing scale, stabilizing profits” (穩規模、穩利潤), and focus on the following key areas to strengthen the execution and implementation of such approach:

I. Sales: Seizing Opportunities to Accelerate Inventory Turnover and Enhance Sales Quality

In terms of marketing, the Company will strive to improve sales quality, with a focus on deepening project our development in core cities to increase market share. By dynamically considering product value and competitive landscape, the Company will adopt appropriate pricing strategies based on evidence, and actively capture policy and market opportunities, and timely raise prices for projects that meet certain conditions.

Specifically, for the pre-sale launch of new projects in the second half of the year, the Company will vigorously keep close track of their pre-sale launch process, with the Group providing unified command and deployment, and business units responsible for their implementation, to ensure the sales and clearance of these pre-sale launch projects as scheduled. For existing projects, the Group will tighten its control, with various strategies including “redevelopment of old projects” (老盤新做) adopted to address different types of stagnant inventory, which will help expedite inventory clearance through targeted strategies, increase project turnover, and expedite cash recovery.

II. Investments: Exercising Prudence in Investments by Focusing on Core Regions and Ensuring Precise Investments

In terms of investment expansion, the Group will continue to increase its efforts in extensive market and regional research, while closely monitoring policy trends and market shifts, so as to maintain a keen awareness of industry dynamics. Good research on the operational logic of cities and land parcels will help us understand cities well, develop good products and control risks well, ensuring precise investments.

In the second half of 2025, the Company will place liquidity as the top priority in expansion, giving precedence to inventory clearance cycles and price risk considerations in investment decisions, while also taking into account profitability requirements, in order to enhance inventory liquidity. The Company will continue to enhance diversified investment capabilities, supplementing high-quality projects in core cities through various expansion methods and channels such as urban renewal and asset packages. By persisting in strategic focus and regional project development, the Company will place emphasis on extensive urban development to build brand value accumulation and establish a stable trust relationship with customers in the market.

III. Products: Innovation in Research and Development to Promote the Implementation of Flagship Projects and Lead Quality Upgrades

Currently, the Company has launched four major product series: “Jin Xiu Hua Zhang” (錦•秀•華•章), including new Chinese residential products of different styles such as “Emperor Chinese (王府中式)”, “Shengshi Tangfeng (盛世唐風)”, “Zen Chinese (禪境中式)”, “Fengya Songyun* (風雅宋韻)”, “Haipai Dongfang (海派東方)”, and “Shiyi Dongfang (詩意東方)”. In terms of products, the Company will continue to increase investments in research and development and new technologies, maintaining product leadership and differentiation. By continuously advancing the iterative upgrades of new Chinese-style products, we will promote the implementation of new products in key cities, facilitating sales and inventory clearance.

In the second half of the 2025, the Company will focus on the implementation of high-quality flagship projects to ensure the achievement of expected goals and secure our leadership in flagship projects. Furthermore, we await opportunities to expand the flagship projects as we see fit. At the same time, we will continue to strengthen production quality control, promote construction site opening and delivery risk screening, and ensure on-time and high-quality delivery. By enhancing brand power based on our reputation for high-quality delivery, we will earn high-level customer recognition and “good reputation” (好口碑) for the Company’s products.

IV. Supply Chain: Integrating Resources to Enhance System Construction and Operational Efficiency

In terms of supply chain, the Company will continue to expedite the development of centralized procurement platforms and construction systems, optimize costs, and enhance operational efficiency, thereby strengthening the Company's core competitiveness in supply chain management.

In the second half of 2025, the Company will strengthen control over key nodes across the entire production and supply chain, including: promoting modularization and standardization in the design phase to reduce redundant costs; strengthening research and application of new materials to form technological reserves; improving the construction system and ensuring seamless transition between design and supply; optimizing supplier management by cultivating strategic cooperative suppliers, with the Group as the leader to deepen cooperation with high-quality central and state-owned enterprise suppliers.

Looking into the future, the real estate industry has entered the “Quality Living Era” (品質居住時代), with continuously upgraded customer demands for the health, comfort, and intelligence of living spaces, as well as diversified community services. The Company will continue to focus on “better living” (美好生活), identify customer needs, and create a value closed-loop of “good products, good services, and good living” (好產品、好服務、好生活). Through refined management and continuous innovation, we will strive to achieve healthy and sustainable development.

ADDITIONAL DISCLOSURES

Registration of lease agreements in the PRC

As disclosed in the prospectus of the Company dated 30 November 2012 (the “Prospectus”), some lease agreements in respect of certain investment properties in the PRC held or leased by the Group, which are required to be registered under the PRC laws, were not registered or registrable.

As at 30 June 2025, 92 lease agreements remained pending to be registered due to the fact that the merchants shall bring their ID cards and go to the competent Real Estate Bureau together with relevant staff of the Group to complete the registration. However, the merchants did not actively assist the Company in completing such registration.

The Company will keep monitoring the registration status of these lease agreements with the aim of completing their registration as early as practicable.

Property ownership certificate of Wan Guo Plaza* (萬國廣場) (formerly named as Yu Feng High Street* (裕豐高街))

As disclosed in the Prospectus, following the refurbishment and renovation of Wan Guo Plaza* (萬國廣場), the property ownership certificate of the refurbished Wan Guo Plaza was issued on 11 May 2012 which covered a GFA of 7,484 sq.m. It was later transpired that there was a shortfall in GFA of approximately 770 sq.m., which was not covered under the property ownership certificate. The Group has delegated a senior management staff to keep liaising with the relevant PRC authorities and following up on the application procedure for a new property ownership certificate of Wan Guo Plaza.

As at 30 June 2025, the application process for the new property ownership certificate was still ongoing. Given that the application for a new property ownership certificate under the above special circumstance is not one which is usually taken out before the relevant PRC authorities, the Group expects that the processing time would be longer than normally required. There was no indication from the PRC authorities as to how long such process would take. The Group will maintain its communication with the relevant PRC authorities closely so as to obtain the up-to-date status of the application progress until the new property ownership certificate covering the abovementioned shortfall in GFA is issued.

OTHER INFORMATION

No material changes

Save as disclosed in this announcement, there have been no material changes in respect of matters relating to the business developments, financial position and future prospects, and important events affecting the Group since the publication of the Annual Report that needs to be disclosed pursuant to paragraphs 32, 40(2) and 46(3) of Appendix D2 to the Listing Rules.

Purchase, sale or redemption of the Company's listed securities

There were no purchases, sales or redemption of the Company's listed securities (including the sale of treasury shares) by the Company or any of its subsidiaries during the Period.

Model Code for securities transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules for dealings in securities of the Company by its Directors. The Company has made specific enquiries to all Directors and each of them confirmed that they have complied with the Model Code during the Period.

Interim dividend

The Board has resolved not to declare an interim dividend for the Period (corresponding period of the previous year: Nil).

Change in Directors’ information under Rule 13.51B(1) of the Listing Rules

With effect from 13 May 2025, (i) Mr. Huang Wenzhou and Mr. Zheng Yongda have resigned from their respective positions as non-executive Directors; and (ii) Mr. Xu Xiaoxi has been appointed as a non-executive Director. Please refer to the Company’s announcement dated 13 May 2025 for details of the change of non-executive Directors.

Mr. Xu Xiaoxi resigned from his position as a director of Xiamen ITG Group Corp., Ltd.* (廈門國貿集團股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600755.SH) in May 2025, and has been appointed as a director of Xiamen C&D Inc. (a company listed on the Shanghai Stock Exchange (stock code: 600153.SH) since June 2025.

Ms. Ye Yanliu has been appointed as a non-executive director of Red Star Macalline Group Corporation Ltd. (a company listed on the Shanghai Stock exchange (stock code: 601828.SH) and the Stock Exchange (stock code: 1528)) with effect from July 2025.

Mr. Chan Chun Yee was a solicitor of Greater Bay Area of Shanghai Digtech (Shenzhen) Law Firm from 2023 to August 2025, and has been a solicitor of Yinghe Guoen (Futian) Law Firm* (瀛和國恩(福田)聯營律師事務所) since August 2025.

Save as disclosed above, since the date of the Annual Report, there was no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Corporate governance

The Company is committed to maintaining high corporate governance standards. It believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability. The Company had complied with all applicable principles and code provisions as set out in Part 2 of the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules during the Period.

Review of results by audit committee

The Board has established an audit committee with written terms of reference in compliance with the CG Code. The primary duties of the audit committee are to assist the Board to review financial information and reporting process, risk management and internal control system, effectiveness of internal audit function, scope of audit and appointment of external auditors, and arrangements for complaints from employees of the Company on potential misconducts in financial reporting, internal control or any other issues of the Company. The audit committee consists of all the independent non-executive Directors, namely, Mr. Wong Chi Wai (committee chairman), Mr. Wong Tat Yan, Paul, Mr. Chan Chun Yee and Mr. Dai Yiyi.

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and the unaudited consolidated financial statements of the Group for the Period and is of the opinion that such statements comply with the applicable accounting standards and requirements, and that adequate disclosure has been made.

Interim report

The interim report of the Company for the Period will be dispatched to the Shareholders who requested for a printed copy and available on the respective websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Group would like to take this opportunity to express its sincere gratitude to the Shareholders for their continuing support and its appreciation to all staff members for the dedication and loyalty to the Group.

By order of the Board
C&D International Investment Group Limited
Lin Weiguo
Chairman and Executive Director

Hong Kong, 22 August 2025

As at the date of this announcement, the Board members are:

Executive Directors:

Mr. Lin Weiguo (*Chairman*)
Mr. Tian Meitan (*Chief Executive Officer*)
Ms. Zhao Chengmin
Mr. Xu Yixuan

Non-executive Directors:

Mr. Xu Xiaoxi
Ms. Ye Yanliu

Independent Non-executive Directors:

Mr. Wong Chi Wai
Mr. Wong Tat Yan, Paul
Mr. Chan Chun Yee
Mr. Dai Yiyi

This announcement is prepared in both English and Chinese. In the event of inconsistency, the English text of the announcement shall prevail over the Chinese text.

* *denotes English translation of the name of a Chinese company, entity and place and is provided for identification purpose only*