seazen
新城发展

SEAZEN GROUP LIMITED
新城發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1030)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

RESULTS HIGHLIGHTS

– Revenue was approximately RMB17,686.4 million, of which revenue from commercial property management services and rental income were approximately RMB6,561.1 million, representing a year-on-year increase of 2.1%;

– Gross profit was approximately RMB5,424.0 million with a gross profit margin of 30.7%, representing an increase of 6.3 percentage points from 24.4% for the same period in 2025;

– Net profit attributable to equity holders of the Company was approximately RMB608.1 million; and

– The net debt-to-equity ratio was 57.1%.

The board (the "**Board**") of directors (the "**Directors**") of Seazen Group Limited (the "**Company**" or "**Seazen**") is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively referred to as the "**Group**" or "**Seazen Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"), together with comparative figures for the corresponding period in 2025, as follows:

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

	Note	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**3,132,675**	3,190,759
Right-of-use assets		**862,157**	877,251
Investment properties		**123,852,134**	123,785,578
Intangible assets		**28,456**	33,859
Investment in associates		**9,489,589**	9,637,591
Investment in joint ventures		**10,082,743**	10,206,875
Deferred income tax assets		**5,836,502**	5,842,222
Financial assets at fair value through profit or loss		**284,310**	364,192
Trade and other receivables and prepayments	*5*	**612**	637
Total non-current assets		**153,569,178**	153,938,964
Current assets			
Prepayments for leasehold land		**607,628**	1,096,958
Properties held or under development for sale		**64,807,620**	71,068,066
Trade and other receivables and prepayments	*5*	**31,362,151**	33,018,674
Contract costs		**331,868**	440,418
Financial assets at fair value through other comprehensive income		**41,978**	48,133
Financial assets at fair value through profit or loss		**35,569**	43,991
Financial assets at amortised costs		**50,240**	54,515
Restricted cash		**2,333,511**	2,331,491
Cash and cash equivalents		**5,514,123**	4,567,726
Total current assets		**105,084,688**	112,669,972
Total assets		**258,653,866**	266,608,936

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2026

	Note	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
EQUITY			
Equity attributable to owners of the Company			
Share capital: nominal value	*6*	**5,998**	5,822
Reserves		**47,652,491**	46,578,358
		47,658,489	46,584,180
Non-controlling interests		**34,883,474**	34,974,424
Total equity		**82,541,963**	81,558,604
LIABILITIES			
Non-current liabilities			
Trade and other payables	*8*	**752,909**	752,909
Borrowings	*7*	**44,627,952**	40,604,196
Lease liabilities		**2,804,524**	2,445,175
Deferred income tax liabilities		**8,038,393**	7,580,939
Total non-current liabilities		**56,223,778**	51,383,219
Current liabilities			
Trade and other payables	*8*	**70,416,023**	75,340,546
Advances from lessees		**1,092,268**	1,237,309
Contract liabilities		**26,191,543**	31,322,225
Current income tax liabilities		**11,062,991**	11,317,194
Borrowings	*7*	**10,812,752**	14,153,992
Lease liabilities		**312,548**	295,847
Total current liabilities		**119,888,125**	133,667,113
Total liabilities		**176,111,903**	185,050,332
Total equity and liabilities		**258,653,866**	266,608,936

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Note	Six months ended 30 June	
		2026	2025
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	*9*	**17,686,416**	22,173,548
Cost of sales and services	*10*	**(12,262,465)**	(16,772,983)
Gross profit		**5,423,951**	5,400,565
Fair value losses on investment properties		**(203,226)**	(83,461)
Selling and marketing costs	*10*	**(674,348)**	(988,759)
Administrative expenses	*10*	**(1,179,521)**	(1,350,414)
Net impairment losses on financial assets		**(18,465)**	(101,649)
Other income		**22,441**	43,803
Other expenses		**(56)**	(1,987)
Other losses – net		**(47,063)**	(8,157)
Operating profit		**3,323,713**	2,909,941
Finance income	*11*	**21,183**	33,731
Finance costs	*11*	**(1,476,365)**	(1,412,056)
Finance costs – net	*11*	**(1,455,182)**	(1,378,325)
Share of results of associates		**(99,771)**	(3,319)
Share of results of joint ventures		**(5,810)**	128,512
Profit before income tax		**1,762,950**	1,656,809
Income tax expense	*12*	**(945,339)**	(763,727)
Profit for the period		**817,611**	893,082
Profit for the period attributable to:			
– Equity holders of the Company		**608,088**	691,550
– Non-controlling interests		**209,523**	201,532
		817,611	893,082
Earnings per share for profit attributable to equity holders of the Company			
– Basic earnings per share	*13*	**RMB0.08**	RMB0.10
– Diluted earnings per share	*13*	**RMB0.08**	RMB0.10

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit for the period	**817,611**	893,082
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
– Currency translation differences	**31,442**	14,030
– Changes in fair value of debt instruments at fair value through other comprehensive income	**(866)**	5,725
Items that will not be reclassified subsequently to profit or loss		
– Currency translation differences attributable to non-controlling interests	**(507)**	158
– Share of other comprehensive loss of an associate accounted for using the equity method	**–**	(6,770)
– Changes in fair value of equity investments at fair value through other comprehensive income	**(552)**	(810)
Other comprehensive income for the period, net of tax	**29,517**	12,333
Total comprehensive income for the period	**847,128**	905,415
Total comprehensive income for the period attributable to:		
– Equity holders of the Company	**638,112**	702,168
– Non-controlling interests	**209,016**	203,247
	847,128	905,415

1 GENERAL INFORMATION

Seazen Group Limited (the "**Company**") was incorporated in the Cayman Islands on 23 April 2010 as an exempted company with limited liability under the Companies Law (2010 Revision) of the Cayman Islands. The address of its registered office is Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, Grand Cayman KY1-1205, Cayman Islands.

The principal activities of the Company and its subsidiaries (together, the "**Group**") are property development, property investment and commercial property management in the People's Republic of China (the "**PRC**"). The Company's parent company is Wealth Zone Hong Kong Investments Limited and the Company's ultimate holding company is First Priority Group Limited, both of which are incorporated in the British Virgin Islands ("**BVI**"). The ultimate controlling party of the Group is Mr. Wang Zhenhua ("**Mr. Wang**" or the "**Controlling Shareholder**").

The Company's shares began to list on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 29 November 2012 (the "**Listing**").

The condensed consolidated interim financial statements are presented in thousands of Renminbi ("**RMB'000**"), unless otherwise stated, and were approved and authorized for issue by the Board of the Company on 26 August 2026.

The condensed consolidated interim financial statements have not been audited.

2 BASIS OF PREPARATION

The condensed consolidated interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting", as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

The interim results announcement does not include all the notes normally included in an annual financial report. Accordingly, the condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2025, which have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA.

3 ACCOUNTING POLICIES

The accounting policies adopted are consistent with the annual consolidated financial statements of the Group for the year ended 31 December 2025, except for the adoption of the new and amended HKFRS Accounting Standards which are effective as of 1 January 2026.

New standards, amendments and interpretation adopted by the Group for the six months ended 30 June 2026

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

The adoption of the new amendments starting from 1 January 2026 had no significant impact on the condensed consolidated interim financial statements of the Group.

4 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker (the "**CODM**") that are used to make strategic decisions. The Board has been identified as the CODM.

The Group manages its business by two operating segments, which is consistent with the way in which information is reported internally to the Group's CODM for the purpose of resources allocation and performance assessment. No operating segments have been aggregated to form the following reportable segments.

- Seazen Holdings Co., Ltd., a company listed on the Shanghai Stock Exchange (the "**A share company**" or "**Seazen Holdings**").

- Other service companies not within the A share company (the "**Non-A share companies**").

The A share company is mainly engaged in development of residential properties and mixed-use complexes for sale and investment, while the Non-A share companies are mainly engaged in services. All the property development projects are in the PRC, and accordingly majority of the revenue of the Group are derived from the PRC and most of the assets are located in the PRC.

The CODM assesses the performance of the operating segments based on a measure of revenue and profit before income tax. The measurement basis excludes the effects of income tax expense.

	Six months ended 30 June 2026 (Unaudited)				
	A share company *RMB'000*	**Non-A share companies** *RMB'000*	**Total segment** *RMB'000*	**Elimination** *RMB'000*	**Total Group** *RMB'000*
Segment revenue	**17,644,161**	**44,675**	**17,688,836**	**(2,420)**	**17,686,416**
– At a point in time	**10,883,122**	**23,652**	**10,906,774**	**(92)**	**10,906,682**
– Over time	**3,367,234**	**17,224**	**3,384,458**	**(877)**	**3,383,581**
– Rental income	**3,393,805**	**3,799**	**3,397,604**	**(1,451)**	**3,396,153**
Segment profit before income tax expense	**1,769,058**	**15,550**	**1,784,608**	**(21,658)**	**1,762,950**
Fair value losses on investment properties	**(128,261)**	**(74,965)**	**(203,226)**	**–**	**(203,226)**
Finance income	**20,970**	**279,137**	**300,107**	**(278,924)**	**21,183**
Finance costs	**(1,601,640)**	**(153,649)**	**(1,755,289)**	**278,924**	**(1,476,365)**
Depreciation and amortisation	**(90,891)**	**(2,674)**	**(93,565)**	**–**	**(93,565)**
Share of results of associates	**(92,610)**	**14,461**	**(78,149)**	**(21,622)**	**(99,771)**
Share of results of joint ventures	**(6,230)**	**420**	**(5,810)**	**–**	**(5,810)**

	Six months ended 30 June 2026 *RMB'000* **(Unaudited)**
Total segment profits before income tax expense after elimination	**1,762,950**
Income tax expense	**(945,339)**
Profit for the period	**817,611**

	As at 30 June 2026 (Unaudited)				
	A share company *RMB'000*	**Non-A share companies** *RMB'000*	**Total segment** *RMB'000*	**Elimination** *RMB'000*	**Total Group** *RMB'000*
Segment assets	**257,676,300**	**10,524,349**	**268,200,649**	**(9,546,783)**	**258,653,866**
Segment assets include:					
Investments in associates	**9,426,414**	**1,180,258**	**10,606,672**	**(1,117,083)***	**9,489,589**
Investments in joint ventures	**10,054,953**	**27,790**	**10,082,743**	**–**	**10,082,743**
Additions to non-current assets (other than financial instruments and deferred tax assets)	**490,803**	**5,889**	**496,692**	**–**	**496,692**
Segment liabilities	**179,674,304**	**3,647,299**	**183,321,603**	**(7,209,700)**	**176,111,903**

* The elimination mainly represents the Non-A share companies' associate interests in companies controlled by the A share company.

	Six months ended 30 June 2025 (Unaudited)				
	A share company *RMB'000*	**Non-A share companies** *RMB'000*	**Total segment** *RMB'000*	**Elimination** *RMB'000*	**Total Group** *RMB'000*
Segment revenue	22,100,442	84,768	22,185,210	(11,662)	22,173,548
– At a point in time	15,459,880	55,818	15,515,698	(4,197)	15,511,501
– Over time	3,284,080	25,284	3,309,364	(6,509)	3,302,855
– Rental income	3,356,482	3,666	3,360,148	(956)	3,359,192
Segment profit before income tax expense	1,645,184	99,558	1,744,742	(87,933)	1,656,809
Fair value losses on investment properties	(83,461)	–	(83,461)	–	(83,461)
Finance income	27,429	245,263	272,692	(238,961)	33,731
Finance costs	(1,520,870)	(130,147)	(1,651,017)	238,961	(1,412,056)
Depreciation and amortisation	(89,535)	(4,992)	(94,527)	–	(94,527)
Share of results of associates	(16,545)	101,159	84,614	(87,933)	(3,319)
Share of results of joint ventures	128,183	329	128,512	–	128,512

	Six months ended 30 June 2025 *RMB'000* (Unaudited)
Total segment profits before income tax expense after elimination	1,656,809
Income tax expense	(763,727)
Profit for the period	893,082

	As at 30 June 2025 (Unaudited)				
	A share company *RMB'000*	**Non-A share companies** *RMB'000*	**Total segment** *RMB'000*	**Elimination** *RMB'000*	**Total Group** *RMB'000*
Segment assets	288,328,937	11,922,943	300,251,880	(9,133,316)	291,118,564
Segment assets include:					
Investments in associates	9,968,608	1,294,632	11,263,240	(1,200,510)*	10,062,730
Investments in joint ventures	10,352,967	27,063	10,380,030	–	10,380,030
Additions to non-current assets (other than financial instruments and deferred tax assets)	275,840	2,753	278,593	–	278,593
Segment liabilities	207,630,555	5,334,813	212,965,368	(6,712,840)	206,252,528

* The elimination mainly represents the Non-A share companies' associate interests in companies controlled by the A share company.

5 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 30 June 2026 *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Trade accounts receivables	**525,700**	533,448
Notes receivables	**7,954**	5,830
Total trade receivables	**533,654**	539,278
Less: Impairment losses	**(18,120)**	(18,359)
Trade receivables – net	**515,534**	520,919
Prepayments		
– Prepaid income tax and land appreciation tax	**1,298,807**	1,355,639
– Prepaid value-added tax and input value-added tax to be deducted	**3,767,959**	3,897,990
– Prepaid surcharges and other taxes	**103,004**	397,928
– Prepayments for construction costs	**–**	25,733
– Others	**637,317**	838,048
	5,807,087	6,515,338

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Other receivables		
– Receivables from government related bodies	**2,232,714**	2,634,289
– Due from related parties	**9,554,600**	9,631,660
– Receivables from joint ventures partners	**386,862**	385,155
– Receivables from non-controlling shareholders of subsidiaries	**12,277,518**	12,590,164
– Receivables from other deposits	**1,275,743**	1,371,773
– Others	**2,172,049**	2,425,739
	27,899,486	29,038,780
Less: Impairment losses	**(2,859,344)**	(3,055,726)
	25,040,142	25,983,054
Trade and other receivables and prepayments – net	**31,362,763**	33,019,311
Less: Non-current portion	**(612)**	(637)
Current portion	**31,362,151**	33,018,674

Trade receivables are mainly arisen from sales of properties, leases of investment properties and other services businesses. Proceeds in respect of properties sold are normally received within three months after signing of related sales and purchase agreements, and rentals in respect of leased properties are generally received in advance. Customers of other services businesses are generally granted a credit term of 30 days to 90 days.

The aging of trade accounts receivables and notes receivables based on invoice date as at 30 June 2026 and 31 December 2025 are as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 1 year	**262,017**	277,317
Between 1 and 2 years	**63,564**	147,570
Between 2 and 3 years	**141,485**	105,546
Over 3 years	**66,588**	8,845
	533,654	539,278

The maximum exposure to credit risk at 30 June 2026 and 31 December 2025 is the carrying value of each class of receivables mentioned above.

As at 30 June 2026 and 31 December 2025, the fair values of trade and other receivables are approximately as their carrying amounts.

As at 30 June 2026 and 31 December 2025, the carrying amounts of trade and other receivables and prepayments are primarily denominated in RMB.

6 SHARE CAPITAL

(a) Authorised shares

	Number of authorised shares *HK$ share*
As at 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026 (par value of HK$0.001)	10,000,000,000

(b) Issued shares

	Number of issued shares *HK$0.001 each*	**Ordinary shares** *RMB'000*
As at 1 January 2026	**7,065,741,521**	**5,822**
Issue of Shares	**198,000,000**	**176**
As at 30 June 2026	**7,263,741,521**	**5,998**

7 BORROWINGS

	As at 30 June 2026 *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Long-term, secured:		
– Loans from banks and non-bank financial institutions	**37,192,552**	35,445,599
– Middle term notes	**8,236,251**	8,230,604
– Corporate bonds	**–**	400,000
– Financing under securitisation arrangements	**3,314,701**	2,294,751
	48,743,504	46,370,954
Long-term, unsecured:		
– Loans from banks and non-bank financial institutions	**112,000**	541,527
– Senior notes	**5,281,044**	6,320,584
	5,393,044	6,862,111
	54,136,548	53,233,065
Less: Non-current portion of long-term borrowings	**(44,627,952)**	(40,604,196)
Current portion of long-term borrowings	**9,508,596**	12,628,869

	As at 30 June 2026 *RMB'000* (Unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Short-term borrowings, secured:		
– Loans from banks and non-bank financial institutions	**763,060**	1,098,959
Short-term borrowings, unsecured:		
– Loans from banks and non-bank financial institutions	**100,000**	100,000
	10,371,656	13,827,828
Interest payable		
– Short-term borrowings	**2,249**	6,983
– Long-term borrowings	**438,847**	319,181
	441,096	326,164
	10,812,752	14,153,992

8 TRADE AND OTHER PAYABLES

	As at 30 June 2026 *RMB'000* (Unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Trade payables	**32,375,683**	36,132,147
Notes payable	**775,583**	702,714
Payables to related parties	**21,175,972**	21,519,071
Output value-added tax on contract liabilities to be transferred	**2,237,332**	2,710,360
Advances from non-controlling shareholders of subsidiaries	**3,316,133**	3,356,165
Amounts received for potential investments in property projects	**851,803**	851,871
Accrued expenses	**1,467,501**	1,327,013
Value-added tax and other taxes payable	**891,425**	927,204
Deposits for construction biddings and rental deposits	**2,483,454**	2,509,692
Accrued payroll	**33,845**	447,188
Payables for acquisition of subsidiaries, joint ventures and associates	**6,997**	6,997
Others	**5,553,204**	5,603,033
	71,168,932	76,093,455
Less: Non-current portion	**(752,909)**	(752,909)
Current portion	**70,416,023**	75,340,546

The aging analysis of trade payables and notes payable based on the date of invoice or demand note as at 30 June 2026 and 31 December 2025 are as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**25,752,520**	30,423,322
Between 1 and 2 years	**7,398,746**	6,411,539
	33,151,266	36,834,861

As at 30 June 2026 and 31 December 2025, the fair values of trade and other payables approximate their carrying amounts.

As at 30 June 2026 and 31 December 2025, the carrying amounts of trade and other payables are primarily denominated in RMB.

9 REVENUE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contract with customers recognised at a point in time		
A share company		
– Sales of properties	**10,564,341**	15,168,156
– Other services	**318,781**	291,724
Non-A share companies		
– Other services	**23,560**	51,621
	10,906,682	15,511,501
Revenue from contract with customers recognised over time		
A share company		
– Commercial property management services	**3,164,990**	3,066,037
– Other services	**202,171**	218,017
Non-A share companies		
– Other services	**16,420**	18,801
	3,383,581	3,302,855
Rental income		
A share company	**3,392,354**	3,355,526
Non-A share companies	**3,799**	3,666
	3,396,153	3,359,192
	17,686,416	22,173,548

10 EXPENSES BY NATURE

Expenses included in cost of sales and services, selling and marketing costs and administrative expenses are analysed as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Construction costs	**6,632,219**	8,465,502
Land use rights costs	**3,510,089**	5,598,100
Capitalised interest	**691,946**	1,037,726
Staff costs	**1,049,285**	1,185,839
Advertising and publicity costs and sales commission	**522,869**	680,808
Tax and surcharges	**445,594**	557,765
Depreciation of property, plant and equipment	**75,612**	73,508
Professional fees	**85,924**	87,649
Bank charges	**80,495**	55,338
Amortisation of right-of-use assets and intangible assets	**17,953**	21,019
Travelling expenses	**40,161**	56,279
Entertainment expenses	**20,846**	22,911
Rental expenses of low-value and short-term leases	**411**	471
Auditors' remuneration	**285**	249
Other expenses	**942,645**	1,268,992
Total cost of sales and services, selling and marketing costs and administrative expenses	**14,116,334**	19,112,156

11 FINANCE COSTS – NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Finance costs		
– Interest on borrowings	**(1,691,415)**	(1,570,054)
– Interest and finance charges paid/payable for lease liabilities	**(77,689)**	(28,923)
– Less: Interest capitalised	**80,419**	197,844
	(1,688,685)	(1,401,133)
– Net foreign exchange gains/(losses)	**212,320**	(10,923)
Total finance costs	**(1,476,365)**	(1,412,056)
Finance income		
– Interest income on bank deposits	**21,183**	33,731
Net finance costs	**(1,455,182)**	(1,378,325)

12 INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax		
– PRC land appreciation tax	**400,366**	337,700
– PRC corporate income tax	**109,157**	552,170
	509,523	889,870
Deferred income tax	**435,816**	(126,143)
Total income tax charged for the period	**945,339**	763,727

Cayman Island income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

BVI income tax

Under the current laws of BVI, the Group's subsidiaries incorporated in the BVI and all dividends, interest, rents, royalties, compensation and other amounts paid by such subsidiaries incorporated in the BVI to persons who are not resident in the BVI and any capital gains realised with respect to any shares, debt obligations, or other securities by such subsidiaries incorporated in the BVI by persons who are not resident in the BVI are exempt from all provisions of the Income Tax Ordinance in the BVI. In addition, upon payments of dividends by our BVI subsidiaries to us, no BVI withholding tax is imposed.

Hong Kong profits tax

Hong Kong profits tax has been provided at a tax rate of 16.5%, on the Group's assessable profits in Hong Kong during the six months ended 30 June 2026 (for the six months ended 30 June 2025: 16.5%).

The mainland China corporate income tax

Under the Corporate Income Tax Law of the mainland China ("**CIT Law**"), the CIT rate applicable to the Group's subsidiaries located in mainland China is 25%.

The CIT Law and its implementation rules impose a withholding tax at 10% for dividends distributed by the PRC-resident enterprise to its immediate holding company outside the PRC for earnings generated beginning 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. A lower 5% withholding tax rate may be applied when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the mainland China and Hong Kong. For the six months ended 30 June 2026, the Group made provision for PRC withholding tax based on the tax rate of 5% on a portion of the earnings generated by its mainland China entities. The Group controls the dividend policies of these subsidiaries and it has been determined that it is probable that a majority of these earnings will not be distributed in the foreseeable future.

Land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including lease charges for land use rights and all property development expenditures, and is included in the condensed consolidated statement of profit or loss as income tax expense.

13 EARNINGS PER SHARE

Basic earnings per share for the six months ended 30 June 2026 and 2025 is calculated by dividing the profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Consolidated profit attributable to equity holders of the Company (RMB'000)	**608,088**	691,550
Weighted average number of ordinary shares in issue ('000)	**7,196,732**	7,043,583
Basic earnings per share (RMB)	**0.08**	0.10

For the six months ended 30 June 2026, diluted earnings per share were equal to the basic earnings per share as the Group does not have any dilutive shares.

14 DIVIDENDS

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Review and Prospects

In the first half of 2026, the domestic real estate and consumer markets exhibited differentiated development trends. In terms of residential real estate, the focus of policies shifted significantly from "controlling risks" to "stabilising expectations and promoting recovery", with the core logic centering on three key pillars: urban renewal, housing consumption, and reshaping of asset attributes. The industry in general showed significant characteristics of "trading volume contracts as prices stabilize, with divergence across sectors". Core cities were the first to show signs of stabilisation, whilst the national market remained in a phase of bottoming-out following a period of profound adjustment. In terms of commercial consumption, with 2026 marking the beginning of the 15th Five-Year Plan, the government called for nationwide efforts to proactively expand and improve the quality of consumption, driven simultaneously by policy planning and a series of initiatives. The State Council of the PRC has approved the "Plan for Expanding Consumption During the 15th Five-Year Plan Period (《擴大消費「十五五」規劃》)", which serves as the general outline for promoting nationwide consumption over the next five years. Meanwhile, the state is prioritising the implementation of consumption policies in the western regions, where regional consumption resilience is gradually becoming apparent, providing companies holding commercial assets with opportunities for value reassessment amidst the wave of regional consumption upgrading.

In the first half of 2026, the Company established the pathway towards high-quality development in line with its asset management strategy, and seized the opportunities arising from industry transformation. All business segments operated steadily with synergies, achieving an overall improvement in the quality of the Company's fundamental performance whilst maintaining stability.

In terms of commercial operations, in the first half of 2026, three new Wuyue Plazas were successfully opened, which were located in Tai'an, Shandong, Chongqing and Taizhou Wan, Zhejiang respectively, adding a total of 272,200 sq.m. of commercial gross floor area. As of 30 June 2026, the number of Wuyue Plazas in operation nationwide had increased to 181. The quality of the Company's commercial real estate operation continued to improve. From January to June 2026, our operating Wuyue Plazas achieved commercial operation revenue of RMB7.112 billion, representing a year-on-year increase of 2.42%; total retail sales of RMB52 billion (excluding sales of vehicles), representing a year-on-year increase of 0.97%; total customer traffic of 1.033 billion, representing a year-on-year increase of 8.74%.

In terms of residential development, the Company adheres to its core strategy of "ensuring property delivery and reducing real estate inventory", and concentrates its resources on advancing the construction and delivery of existing projects. In the first half of 2026, over 10,000 properties were successfully delivered. On the sales side, it maintains an operational approach focused on steady destocking and profit strengthening, making every effort to accelerate capital recovery and enhance operational efficiency. From January to June 2026, the Company achieved cumulative contracted sales of approximately RMB6.357 billion, with total capital recovery reaching RMB7.530 billion.

In terms of construction management business, leveraging the Company's comprehensive advantages in entity credit, asset base, and nationwide layout, the construction management segment of Seazen has established core competitiveness that withstands economic cycles, advancing steadily in the construction management sector whilst steadily expanding its business scope. From January to June 2026, the planned gross floor area of newly signed construction management projects amounted to 5.53 million sq.m., with a total delivered area of 700,000 sq.m. The construction management segment of Seazen has utilised its professional capabilities to realise market value, effectively diversifying the revenue structure of the Company.

In the first half of 2026, the Company continued to optimise its debt structure. By accurately seizing the window of market opportunities, the Company diversified its financing instruments layout reasonably extended their maturity structure to boost financial resilience. During the year, Seazen Holdings, our subsidiary, successfully issued US$355 million offshore bonds and RMB750 million domestic medium-term notes, and completed the first expansion issuance of consumer-class inter-institutional REITs of RMB2.146 billion in China, achieving the full continuation of the RMB895.8 million Phase 1 Commercial Mortgage-Backed Securities (CMBS) following the put option period, which effectively supplemented its operating cash flow and strengthened its financial security. In active response to policy guidance, the Company successfully completed the filing of Commercial REITs (as defined thereafter), positioning the Company as one of the first private commercial operating entities which had proactively captured policy benefits.

In May 2026, S&P Global Ratings upgraded its outlook on Seazen Group from "negative" to "stable". In August 2026, the MSCI ESG rating of Seazen Group was upgraded to AA, signifying the high recognition from the international capital market of the Company's comprehensive performance in environmental, social, and governance, which further solidified the Company's long-term credit and brand value.

Looking ahead to the second half of the year, as the industry may see a further deepened trend of existing asset transformation, the Company will adhere to the development strategy of maintaining "stability" and winning with "quality" to continuously pursue the synergy between its business segments. For the commercial segment, we will seek to build professional capacities to drive sustainable and leading year-on-year growth in operating results with inherent certainty; for the residential segment, we will optimise asset structure, accelerate the unlocking of existing asset value, and fully support business development; for the construction management segment, we will expand into external markets and amplify our asset-light competitive advantages; for the asset management segment, we will comprehensively implement REITs and revitalise the value of existing assets; and for the financing segment, we will leverage policies to optimise debt structure and consolidate credit advantages. All Seazen employees remain dedicated and grounded in their role to hard work, conduct themselves with integrity and act with practical effort, striving together toward our new goals and new directions!

Investment Properties

The Group's investment properties were mainly derived from the 181 Wuyue Plazas in operation as of 30 June 2026 with an area in operation amounting to 16.7531 million sq.m.

Table 1: Breakdown of rental and management fee income from investment properties of the Group for the first half of 2026

Province/Region	**Number of plazas**	**Occupancy rate**	**Rental and management fee income for the first half of 2026** *RMB'000*	**Rental and management fee income for the first half of 2025** *RMB'000*
Jiangsu	44	97.58%	1,738,533	1,766,642
Zhejiang	19	98.12%	767,307	795,440
Anhui	14	98.85%	473,639	462,995
Shaanxi	7	99.25%	353,117	344,597
Shandong	17	98.11%	446,997	399,963
Hunan	6	98.09%	188,216	201,125
Guangxi	5	99.89%	148,573	145,074
Yunnan	6	99.14%	189,086	183,189
Hubei	8	100.00%	316,084	302,148
Jiangxi	4	98.04%	130,175	137,659
Sichuan	6	99.21%	177,209	170,316
Jilin	2	99.31%	109,631	101,068
Hainan	1	96.45%	74,820	81,254
Tianjin	4	99.46%	139,232	139,206
Hebei	2	99.29%	100,872	98,492
Shanghai	3	95.58%	89,587	89,214
Guizhou	2	98.79%	70,654	65,364
Qinghai	2	99.34%	106,559	100,885
Inner Mongolia	2	98.01%	45,317	45,936
Fujian	3	99.63%	104,208	97,873
Liaoning	3	96.99%	90,951	85,308
Henan	6	99.69%	210,726	129,600
Ningxia	1	98.68%	38,953	39,595
Chongqing	6	95.31%	99,558	88,192
Guangdong	3	97.21%	88,909	91,383
Shanxi	3	99.02%	144,627	142,397
Gansu	1	100.00%	69,774	63,853
Xinjiang	2	99.08%	122,536	109,888
Total	**182**	**98.32%**	**6,635,847**	**6,478,655**

Notes:

1. The data of Shanghai include the occupancy of the offices of Shanghai Seazen Holdings Tower B.

2. Rental income includes rentals, management fees, carpark income, various operation income and other sporadic management income.

3. The Company's total commercial operating income from January to June 2026 was RMB7.112 billion (i.e. tax-included rental income), including: rentals, management fees, carpark income, various operation income and other sporadic management income from shops and shopping centres.

4. The occupancy rate represents the occupancy of the commercial property on 30 June 2026.

5. In the first half of 2026, the total retail sales of Wuyue Plazas was RMB52.0 billion (excluding sales of vehicles), which increased by 0.97% year-on-year.

Development Business

In the first half of 2026, the revenue of the Group's property development business was approximately RMB10,564 million. Properties with a total GFA of 1,859,625 sq.m. were delivered. The average selling price of properties delivered and recognised as sales was approximately RMB5,681 per sq.m.

Table 2: Breakdown of property development revenue for the first half of 2026

The following table sets forth the revenue information relating to the properties the Group delivered for sale during the first half of 2026:

Province	**Revenue** *(RMB million)*	**GFA** *(sq.m.)*	**Average selling price** *(RMB/sq.m.)*
Jiangsu Province	1,843	258,857	7,119
Henan Province	1,077	221,392	4,866
Tianjin City	1,613	200,898	8,031
Hubei Province	928	168,445	5,510
Shaanxi Province	691	165,127	4,182
Sichuan Province	920	160,553	5,731
Hunan Province	511	137,020	3,729
Yunnan Province	406	88,841	4,571
Shandong Province	374	83,965	4,449
Chongqing City	308	71,077	4,329
Anhui Province	272	70,649	3,847
Zhejiang Province	572	68,376	8,364
Guizhou Province	413	47,572	8,685
Hebei Province	374	44,664	8,384
Others	262	72,189	3,632
Total	**10,564**	**1,859,625**	**5,681**

As at 30 June 2026, the pre-sold but not delivered properties of the Group (including joint ventures and associates) amounted to approximately RMB47,429 million, with a total GFA of approximately 7.45 million sq.m.

For the six months ended 30 June 2026, the contracted sales of the Group amounted to approximately RMB6,357 million, the total GFA sold was approximately 1.02 million sq.m. and the average contracted selling price (excluding parking space sales) amounted to approximately RMB8,489 per sq.m.

Table 3: Breakdown of the Group's contracted sales for the first half of 2026

The following table sets out the geographic breakdown of the Group's contracted sales for the first half of 2026:

Province/Region	**Contracted GFA sold** *(sq.m.)*	**Contracted sales** *(RMB million)*
Yangtze River Delta Region		
Jiangsu Province	147,594	1,212
Zhejiang Province	99,058	708
Anhui Province	35,649	58
Central and Western Regions		
Hubei Province	91,371	451
Henan Province	55,610	247
Chongqing City	67,662	354
Sichuan Province	15,433	67
Hunan Province	50,638	221
Jiangxi Province	8,584	56
Yunnan Province	25,781	121
Guizhou Province	34,716	245
Bohai Rim Region		
Tianjin City	74,976	597
Shandong Province	117,511	519
Hebei Province	27,595	223
Greater Bay Area		
Guangdong Province	81,900	623
Fujian Province	48,124	499
Other Regions	42,549	155
Total	**1,024,751**	**6,357**

Rentable and Saleable Land Resources

The geographic spread of the rentable and saleable land resources of the Group as at 30 June 2026 was as follows, among which the area for future residential sales was about 24.95 million sq.m.:

Table 4: Breakdown of rentable and saleable land resources of the Group

Province/Region	Rentable and saleable area *(sq.m.)*	Accumulative contracted area as of 30 June 2026 *(sq.m.)*
Yangtze River Delta Region		
Jiangsu Province	20,545,217	14,915,958
Zhejiang Province	4,085,147	3,017,573
Anhui Province	3,428,903	2,368,785
Shanghai City	625,019	458,093
Central and Western Regions		
Hubei Province	6,508,502	4,621,200
Hunan Province	5,327,036	3,051,254
Yunnan Province	4,558,805	1,903,181
Chongqing City	4,294,021	2,698,685
Guizhou Province	4,175,812	1,617,616
Henan Province	4,123,011	2,546,643
Sichuan Province	2,420,977	1,757,597
Guangxi Zhuang Autonomous Region	1,151,050	861,179
Shaanxi Province	1,217,609	733,397
Shanxi Province	2,571,024	1,717,391
Xinjiang Uygur Autonomous Region	2,163,293	1,114,410
Jiangxi Province	1,614,527	794,801
Inner Mongolia Autonomous Region	129,664	120,690
Qinghai Province	574,629	381,118
Ningxia Hui Autonomous Region	599,832	435,963
Gansu Province	421,328	223,799
Bohai Rim Region		
Shandong Province	12,204,575	6,390,441
Tianjin City	3,921,627	2,935,899
Hebei Province	1,603,859	891,253
Beijing City	658,759	517,021
Liaoning Province	971,304	710,782
Greater Bay Area and Other Regions		
Guangdong Province	4,852,350	3,161,377
Fujian Province	998,818	419,481
Total	**95,746,698**	**60,365,587**

Financial Review

Revenue

For the six months ended 30 June 2026, the Group's revenue amounted to approximately RMB17,686.4 million. The main reason for the year-on-year decrease compared to the corresponding period in 2025 was the decrease in revenue from sale of properties due to the downturn in the real estate industry. The amount of revenue of each significant category is as follows:

	Six months ended 30 June	
	2026	2025
	RMB million	*RMB million*
Revenue from sale of properties	**10,564.3**	15,168.2
Revenue from commercial property management services	**3,165.0**	3,066.0
Rental income	**3,396.1**	3,359.2
Other income	**561.0**	580.1
	17,686.4	22,173.5

Gross Profit

For the six months ended 30 June 2026, the gross profit of the Group was approximately RMB5,424.0 million, representing an increase of RMB23.4 million from RMB5,400.6 million for the same period of 2025. For the six months ended 30 June 2026, gross profit margin was 30.7%, representing an increase of 6.3 percentage points from 24.4% for the same period of 2025, which was mainly due to the increase in the proportion of commercial property management service income and rental income with higher gross profit margin in total revenue compared with the same period of last year.

Fair Value Losses on Investment Properties

The Group develops and holds several commercial properties such as shopping malls and carparks for rental income or capital appreciation. The Group's investment properties are appraised semi-annually by an independent property valuer. Any appreciation or depreciation in the Group's investment property value is recognised as fair value gains or losses in the Group's condensed consolidated statement of profit or loss. Valuation losses on investment properties for the six months ended 30 June 2026 were approximately RMB203.2 million, which was mainly due to the decrease in valuation of certain investment properties in certain market segments affected by increased market competition.

Selling and Marketing Costs

For the six months ended 30 June 2026, the selling and marketing costs of the Group decreased by 31.8% to approximately RMB674.3 million from approximately RMB988.8 million for the same period in 2025, which was primarily attributable to the reduction in advertising and publicity costs, sales commissions and staff payroll compared with the corresponding period last year.

Administrative Expenses

For the six months ended 30 June 2026, the administrative expenses of the Group decreased by 12.7% to approximately RMB1,179.5 million from approximately RMB1,350.4 million for the same period in 2025, which was mainly due to cost savings.

Finance Costs – Net

For the six months ended 30 June 2026, net finance costs of the Group increased by 5.6% to approximately RMB1,455.2 million from approximately RMB1,378.3 million for the same period in 2025 primarily due to the decreased in capitalised interest with the contraction of property development business.

Income Tax Expense

Income tax expense comprises the corporate income tax and land appreciation tax. The income tax expense of the Group for the six months ended 30 June 2026 increased by 23.8% to approximately RMB945.3 million from approximately RMB763.7 million for the same period in 2025. The increase was primarily attributable to the increase in deferred income tax expense compared with the same period of last year.

Half-year Profit and use of non-HKFRS measures

Net profit attributable to equity holders of the Company amounted to approximately RMB608.1 million for the six months ended 30 June 2026, representing a year-on-year decrease of 12.1% compared to the six months ended 30 June 2025. The change was mainly due to the combined effect of revenue, costs of sales and services, selling and marketing costs, fair value losses on investment properties, administrative expenses, net finance costs and income tax expense.

To supplement the consolidated financial statements prepared and presented in accordance with HKFRS, we utilise non-HKFRS adjusted core earnings as an additional financial measure. Core earnings is a non-HKFRS measure for facilitating the evaluation of financial performance of the Group's core operations, which primarily excludes the impact of (i) fair value losses on investment properties and financial assets of approximately RMB118.0 million; (ii) unrealised foreign exchange gains relating to borrowings and financial assets of approximately RMB99.2 million; and (iii) losses on acquisition and disposal of subsidiaries of RMB0.

The Board believes that the exclusion of the above items which are non-recurring in nature and not indicative of the Group's operating performance during the Reporting Period would facilitate the evaluation of financial performance of the Group's core operations by shareholders of the Company (the "**Shareholders**") and potential investors of the Company.

However, the use of non-HKFRS measures has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under HKFRSs. In addition, these non-HKFRS financial measures may be defined differently from similar terms used by other companies, and may not be comparable to other similar measures used by other companies.

Reconciliation of our net profit attributable to equity holders of the Company to non-HKFRS adjusted core earnings is as follows:

	For the six months ended	
	30 June 2026	30 June 2025
	(RMB million)	*(RMB million)*
Net profit attributable to equity holders of the Company (HKFRS measure)	**608.1**	691.6
Add: Fair value losses on investment properties and financial assets	**118.0**	76.2
Unrealised foreign exchange gains relating to borrowings and financial assets	**(99.2)**	(10.7)
Losses on acquisition and disposal of subsidiaries	**–**	8.6
Core earnings attributable to equity holders of the Company (non-HKFRS measure)	**626.9**	765.7

Financial Position

As at 30 June 2026, the total borrowings of the Group amounted to RMB55.44 billion and cash on hand amounted to RMB7.85 billion*. Net debt-to-equity ratio** was 57.1%, and the debt-to-asset ratio excluding advances received*** was 64.3%.

As of 30 June 2026, the proportion of long-term borrowings to total borrowings of the Group was 80.5%, ensuring the healthy and stable future cash flow of the Group. The Group continued to optimise and maintain a reasonable debt level and financial structure. The Board believes that it has laid a solid foundation for the Group to withstand market fluctuations and reduce financial risks.

The weighted average borrowing cost of the Group's bank borrowings, senior notes, medium-term notes and other financing instruments was 6.0% per annum; and the proportion of unsecured debt to total debt was 10.0%.

Borrowings due within one year amounted to RMB10.81 billion, accounting for 19.5% of the total borrowings.

In the first half of 2026, New Metro Global Limited (新城環球有限公司) ("**New Metro Global**"), a subsidiary of the Company, completed the issuance of the 11.8% senior notes amounting to US$355,000,000 which will mature in 2029.

As at 30 June 2026, the cash balances held by the Group are as follows:

Cash balances	**30 June 2026** *RMB million*	31 December 2025 *RMB million*
Denominated in RMB	**7,582.6**	**6,826.8**
Denominated in USD	**157.2**	**31.1**
Denominated in HKD	**107.8**	**41.3**
	7,847.6	**6,899.2**

Significant Investments Held

As at 30 June 2026, the Group did not hold any significant investments.

* *Among which, the restricted funds amounted to approximately RMB2.33 billion, which mainly comprise pre-sale regulatory funds and security for mortgage loans.*

** *Net debt-to-equity ratio = net debts/total equity at the end of the period. Net debts = total borrowings – (interest payable + cash and cash equivalents + restricted cash).*

*** *The debt-to-asset ratio excluding advances received = (total debt – advances – contract liabilities)/(total assets – advances – contract liabilities).*

Material Acquisition and Disposal

During the Reporting Period, the Group did not have any material acquisitions or disposals of subsidiaries, associates or assets.

Future Plans for Material Investments or Capital Assets

The Directors confirmed that as at the date of this announcement, the Group currently has no intention to acquire any material investments or capital assets other than those acquired in the Group's ordinary business of property development.

Dividend

The Board did not recommend the declaration of any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: nil).

Employees and Compensation Policy

As at 30 June 2026, the Group had a total of 17,796 full-time employees.

The Group determines the remuneration packages of all the employees (including Directors) based on their performance, work experience and the prevailing market wage level, and provides promotional opportunities with reference to their individual strengths and potentials.

The remuneration package of the employees consists of basic salary, cash bonus and share-based payments. The Group has established a performance appraisal system to evaluate the performance of its employees on an annual basis and use the evaluation results to determine their salary increment or promotion accordingly.

Purchase, Sale or Redemption of any Listed Securities of the Company

Save as disclosed in this announcement, during the six months ended 30 June 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed listed securities (including sale of treasury shares (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), if any) of the Company. The Company does not have any treasury shares as at 30 June 2026.

EVENTS DURING THE REPORTING PERIOD

Connected transaction – Disposal of Subsidiaries

On 20 January 2026, Seazen Resources Capital Investment Management Limited (新城晉峰資本投資管理有限公司) (a wholly-owned subsidiary of the Company) ("**SRCIM**") entered into two share transfer agreements (the "**Transfer Agreements**") with Resocore Capital Hong Kong Investments Limited (晉峰資本控股有限公司) ("**Resocore**") (a company indirectly wholly-owned by Ms. Wang Kelly, an associate of Mr. Wang Xiaosong and Mr. Wang, controlling shareholder of the Company), pursuant to which SRCIM sold to Resocore, the entire issued share capital of Seazen Resources Asset Management Limited (新城晉峰資產管理有限公司) ("**Target Company A**") and the entire issued share capital of Seazen Resources Securities Limited (新城晉峰證券有限公司) ("**Target Company B**") at the consideration of HK$25,230,000 and HK$62,820,000, respectively (the "**Disposals**"). For details of the Disposals, please refer to the announcement of the Company dated 20 January 2026. As at the date of this announcement, Resocore has obtained approval from the Securities and Futures Commission to become a substantial shareholder in Target Company A and Target Company B. As all conditions precedent under the Transfer Agreements have been fulfilled, the parties will proceed with completion accordingly.

Placing of Existing Shares and Top-up Subscription of New Shares under General Mandate in February 2026

On 5 February 2026, Wealth Zone Hong Kong Investments Limited ("**Wealth Zone Hong Kong**"), the Company, Citigroup Global Markets Limited ("**Citi**"), China International Capital Corporation Hong Kong Securities Limited ("**CICC**") and Huatai Financial Holdings (Hong Kong) Limited ("**Huatai**", together with Citi and CICC, the "**Placing Agents**") entered into the placing and subscription agreement (the "**Placing and Subscription Agreement**"), pursuant to which: (a) Wealth Zone Hong Kong agreed to appoint the Placing Agents as agents, and the Placing Agents agreed to procure, on a several (and not joint or joint and several) and best effort basis, not less than six purchasers to purchase the 198,000,000 existing shares (the "**Sale Shares**") at the placing price (the "**Placing Price**") of HK$2.39 per share; and (b) Wealth Zone Hong Kong agreed to subscribe for, and the Company agreed to allot and issue to Wealth Zone Hong Kong, the new shares (which shall be the same number as the number of the Sale Shares actually sold by Wealth Zone Hong Kong pursuant to the Placing and Subscription Agreement) (the "**Subscription Shares**") at the subscription price of HK$2.39 per share (which is the same as the Placing Price). The net subscription price (after deducting all related costs and expenses borne by the Company) is estimated to be approximately HK$2.37 per share. The closing price of the shares as quoted on the Stock Exchange on 4 February 2026, being the last full trading day prior to the date of the announcement, was HK$2.81 per share. The aggregate nominal value of the Subscription Shares is HK$198,000. The completion of the placing of the Sale Shares took place on 9 February 2026, and the Company allotted and issued 198,000,000 Subscription Shares to Wealth Zone Hong Kong on 11 February 2026 (the "**Subscription**") under the general mandate granted to the Directors pursuant to a resolution passed at the annual general meeting of the Company held on 8 May 2025. For further details, please refer to the announcements of the Company dated 5 February 2026 and 11 February 2026, respectively.

The Company received total net proceeds from the Subscription of approximately HK$468.92 million. The Directors are of the view that the placing and subscription will strengthen the financial position and liquidity of the Group and provide funding to the Group for the future development of the Group, the repayment of the Company's debts when they fall due in the future and as general working capital of the Group.

As of 30 June 2026, the Company has fully utilised the net proceeds from the Subscription for future development of the Group, the repayment of the Company's debts when they fall due in the future and as general working capital of the Group.

PROPOSED SPIN-OFF OF COMMERCIAL REITS

In response to the favourable policies published by the relevant authorities of the PRC and to further enhance the professional capabilities of Seazen Holdings Group Co., Ltd. ("**Seazen Holdings**"), a subsidiary of the Company whose A-shares are listed on the Shanghai Stock Exchange ("**SSE**") (Stock Code: 601155), in real estate operation, optimize its capital structure, and strengthen its core competitiveness and sustainable development capabilities, the Company has announced on 9 March 2026 that Seazen Holdings has commenced its application for the public issuance of commercial property real estate investment trusts ("**Commercial REITs**") using its commercial real estate projects as underlying assets.

As disclosed in the announcement of the Company dated 9 March 2026, Seazen Holdings proposes to spin off two projects and their underlying assets (the "**Projects**") as the underlying assets of its Commercial REITs (the "**Proposed Spin-off**"). The Projects include:

1. Changzhou Xincheng Hongxing Commercial Operation and Management Co., Ltd. (常州新城鴻興商業經營管理有限公司) ("**Changzhou Project Company**") and its holding of the Changzhou Tianning Wuyue Plaza Project (常州天寧吾悦廣場項目) ("**Tianning Wuyue Plaza Project**") located on the south side of Dongfang West Road and the east side of Mingshan Road in Tianning District, Changzhou City; and

2. Qidong Yuebo Commercial Operation and Management Co., Ltd. (啟東市悦博商業經營管理有限公司) ("**Qidong Project Company**", which, together with Changzhou Project Company, are referred to as "**Project Companies**") and its holding of the Nantong Qidong Wuyue Plaza Project (南通啟東吾悦廣場項目) ("**Qidong Wuyue Plaza Project**") located in Huilong Town, Qidong City.

The above proposal is subject to refinement or necessary adjustments based on subsequent application progress, relevant rules and requirements of regulatory authorities, and market conditions. For details, please refer to the announcement of the Company dated 9 March 2026.

As of 30 June 2026, the Company has submitted an application in relation to the Proposed Spin-off to the Stock Exchange for approval pursuant to PN15 of the Listing Rules, and the Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off under PN15 of the Listing Rules. As at the date of this announcement, save for the confirmation given by the Stock Exchange pursuant to PN15 of the Listing Rules, the Proposed Spin-off remains subject to, among other things, the requisite approvals of the SSE and the China Securities Regulatory Commission. The Company will issue further announcements to keep Shareholders informed of any material developments regarding the Proposed Spin-off, as and when appropriate.

Issue of Senior Notes

On 9 March 2026, New Metro Global completed the issuance of the 11.8% guaranteed senior notes in the aggregate principal amount of US$355,000,000 which will mature on 9 March 2029. For details of the issuance, please refer to the announcements of the Company dated 26 February 2026 and 10 March 2026, respectively.

Repurchase of Senior Notes

As part of the Group's strategies to actively manage its balance sheet liabilities and optimize its debt structure, the Company repurchased the following senior notes: On 11 March 2026, New Metro Global accepted and repurchased its issued US$167,978,000 of the May 2026 Senior Notes, which were cancelled on 10 March 2026. Upon cancellation, principal amount of US$236,022,000 in aggregate of the May 2026 Senior Notes remained outstanding. For details, please refer to the announcements of the Company dated 26 February 2026, 6 March 2026 and 11 March 2026, respectively. On 11 March 2026, New Metro Global accepted and repurchased its issued US$65,973,000 of the September 2027 Senior Notes, which were cancelled on 10 March 2026. Upon cancellation, principal amount of US$94,027,000 in aggregate of the September 2027 Senior Notes remained outstanding. For details, please refer to the announcements of the Company dated 26 February 2026, 6 March 2026 and 11 March 2026, respectively.

Resignation of Executive Director

Mr. Lv Xiaoping has resigned as an executive Director, the chief executive officer and a member of the environmental, social and governance committee of the Company with effect from 16 March 2026, due to his desires to devote more time and effort to other endeavours. For details, please refer to the announcement of the Company dated 16 March 2026.

Save as disclosed above, the Group did not have any significant events as at the end of the Reporting Period.

SIGNIFICANT EVENT SUBSEQUENT TO THE REPORTING PERIOD

The Group had no significant event subsequent to the end of the Reporting Period and up to the date of this announcement.

MATERIAL CHANGES

Save as disclosed in this announcement, there have been no material changes in respect of the future development of the business of the Group (including the Company's prospects for the current financial year) since the publication of the Company's 2025 annual report.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules as its own code of corporate governance. The Company has complied with the code provisions as set out in Part 2 of the CG Code for the six months ended 30 June 2026. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

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 as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries with all the Directors, each of the Directors has confirmed that he/she has complied with the Model Code during the Reporting Period.

REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The audit committee of the Company, comprising all the independent non-executive Directors, namely Ms. Wu Ke (Chairman), Mr. Zhu Zengjin and Mr. Zhong Wei, has reviewed with the management the accounting principles and policies adopted by the Group and the unaudited interim results of the Group for the six months ended 30 June 2026.

PUBLICATION OF THE INTERIM RESULTS AND 2026 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.seazengroup.com.cn), and the 2026 interim report containing all the information required under the Listing Rules will be dispatched to the Shareholders (if requested) and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Seazen Group Limited
Wang Xiaosong
Chairman

The PRC, 26 August 2026

As at the date of this announcement, the Directors are Mr. Lu Zhongming and Mr. Zhou Fudong as executive Directors, Mr. Wang Xiaosong as non-executive Director, and Mr. Zhu Zengjin, Mr. Zhong Wei and Ms. Wu Ke as independent non-executive Directors.