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保利置業
POLY PROPERTY

Poly Property Group Co., Limited
保 利 置 業 集 團 有 限 公 司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00119)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

RESULTS HIGHLIGHTS

1. Poly Property Group[1] achieved contracted sales of RMB23.2 billion for the period, with the contracted area sold of 799,000 square metres and the average selling price of contracted sales of approximately RMB29,051 per square metre.

2. During the period, Poly Property Group added Projects with planned total GFA of 285,000 square metres and total land cost of approximately RMB10.8 billion. As at 30 June 2026, the total land bank held by Poly Property Group was 11.16 million square metres, with the attributable land bank of 8.59 million square metres.

3. The debt structure of the Group remained sound, with the three red lines indicators maintaining a green-tier status. Total debt decreased by RMB2.4 billion or 3.4%; total cash as a percentage of total assets stood at 15.5%, indicating ample liquidity. The average financing cost decreased by 11 basis points from the end of last year to 2.75%.

[1] *The Group, together with its joint ventures and associates ("Poly Property Group")*

INTERIM RESULTS

The board of directors (the "Board") of Poly Property Group Co., Limited (the "Company") hereby announces that the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2026, together with the comparative figures for the six months ended 30 June 2025, are as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	*2*	**15,089,225**	18,444,209
Cost of sales		**(14,182,687)**	(15,224,705)
Gross profit		**906,538**	3,219,504
Increase in fair value of investment properties		**191,138**	—
Increase in fair value of financial assets		**12,742**	14,878
Other gains, net		**326,473**	363,026
Selling expenses		**(888,367)**	(831,921)
Administrative expenses		**(362,965)**	(496,711)
Other operating expenses		**(131,579)**	(149,674)
Finance costs		**(428,698)**	(648,072)
Share of results of associates		**(10,805)**	(45,962)
Share of results of joint ventures		**(58,195)**	(49,093)
(Loss)/profit before income tax expense	*3*	**(443,718)**	1,375,975
Income tax expense	*4*	**(300,197)**	(1,143,493)
(Loss)/profit for the period		**(743,915)**	232,482
Attributable to:			
Owners of the Company		**(740,303)**	207,865
Non-controlling interests		**(3,612)**	24,617
		(743,915)	232,482
(Loss)/earnings per share (expressed in RMB cents)	*6*		
— Basic and diluted		**(19.37)**	5.44

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
(Loss)/profit for the period	**(743,915)**	232,482
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Surplus arising on revaluation of properties, net of tax	**33,535**	11,952
Exchange differences arising on translation of functional currency to presentation currency	**(247,660)**	(169,377)
Other comprehensive income for the period, net of tax	**(214,125)**	(157,425)
Total comprehensive income for the period	**(958,040)**	75,057
Attributable to:		
Owners of the Company	**(959,552)**	51,973
Non-controlling interests	**1,512**	23,084
	(958,040)	75,057

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Non-current assets			
Investment properties		**10,285,670**	9,706,000
Property, plant and equipment		**3,242,895**	3,273,493
Right-of-use assets		**493,404**	494,252
Interests in associates		**2,607,799**	2,595,657
Interests in joint ventures		**2,331,828**	2,382,972
Financial assets at fair value through profit or loss		**832,962**	820,245
Loan receivables		**129,212**	145,823
Deposits paid for acquisition of land use rights		**374,237**	1,051,957
Deferred tax assets		**126,375**	154,722
Total non-current assets		**20,424,382**	20,625,121
Current assets			
Properties under development		**77,443,650**	76,913,371
Properties held for sale		**36,109,117**	35,614,027
Other inventories		**88,471**	71,235
Contract costs		**328,305**	547,066
Trade and other receivables	*7*	**4,698,007**	4,245,346
Amounts due from associates		**2,182,250**	2,835,387
Amounts due from joint ventures		**1,386,377**	1,567,151
Amounts due from non-controlling shareholders of subsidiaries		**5,615,094**	4,857,900
Taxation recoverable		**3,717,305**	3,361,301
Pledged bank deposits		**46,414**	86,163
Bank balances, deposits and cash		**27,833,315**	31,075,791
Total current assets		**159,448,305**	161,174,738

	Notes	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Current liabilities			
Trade and other payables	*8*	**19,378,041**	19,584,531
Contract liabilities		**32,863,399**	29,967,178
Property rental deposits		**89,181**	84,488
Amounts due to associates		**1,503,897**	1,315,037
Amounts due to joint ventures		**801,729**	791,071
Amount due to the ultimate holding company		**6,831**	6,831
Amount due to an intermediate holding company		**2,792**	2,792
Amount due to a fellow subsidiary		**485**	485
Amounts due to non-controlling shareholders of subsidiaries		**2,437,484**	2,786,397
Taxation payable		**6,583,911**	7,704,031
Notes payable — due within one year		**4,126,000**	5,126,000
Bank and other borrowings — due within one year		**11,755,486**	11,690,607
Total current liabilities		**79,549,236**	79,059,448
Net current assets		**79,899,069**	82,115,290
Total assets less current liabilities		**100,323,451**	102,740,411
Capital and reserves attributable to owners of the Company			
Share capital	*9*	**15,712,159**	15,712,159
Reserves		**3,513,962**	3,733,211
Accumulated profits		**13,445,204**	14,273,929
Equity attributable to owners of the Company		**32,671,325**	33,719,299
Non-controlling interests		**13,996,517**	14,015,725
Total equity		**46,667,842**	47,735,024

	Notes	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Non-current liabilities			
Bank and other borrowings — due after one year		**35,433,964**	37,869,844
Notes payable — due after one year		**16,500,000**	15,500,000
Lease liabilities		**19,622**	4,544
Deferred tax liabilities		**1,702,023**	1,630,999
Total non-current liabilities		**53,655,609**	55,005,387
		100,323,451	102,740,411

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the most recent consolidated financial statements for the year ended 31 December 2025, except for the changes in accounting policy made when the Group initially applies financial reporting standards newly applicable to the annual accounting period beginning on 1 January 2026.

The preparation of condensed consolidated financial statements in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This announcement contains condensed consolidated financial statements and selected explanatory notes. The explanatory notes include an explanation of events and transactions that are significant to the understanding of the changes in financial position and performance of the Group since the most recent consolidated financial statements for the year ended 31 December 2025. The condensed consolidated financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The financial information relating to the financial year ended 31 December 2025 that is included in this announcement of the interim results for the six months ended 30 June 2026 as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements is as follows:

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

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

The HKICPA has issued the following amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group. Of these, the following amendments are relevant to the Group:

Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments
Annual Improvements to HKFRS Accounting Standards — Volume 11
Amendments to HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37, Amendments to Disclosures about Uncertainties in the Financial Statements

The Group has assessed the impact of the adoption of these amended standards that are effective for the first time for this interim financial period. The adoption of these amended standards did not have any material impact on the Group's accounting policies and did not require retrospective adjustments.

The following new/revised HKFRS Accounting Standards, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

HKFRS 18, Presentation and Disclosure in Financial Statements[1]
HKFRS 19, Subsidiaries without Public Accountability: Disclosures[1]
Amendments to HKFRS 19, Subsidiaries without Public Accountability: Disclosures[1]
Amendments to HKAS 21, Translation to Hyperinflationary Presentation Currency[1]
Amendments to HK Int 5, Hong Kong Interpretation 5 Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[1]
Amendments to HKFRS 10 and HKAS 28, Sale or Contribution of Assets between an investor and its Associate or Joint Venture[2]

1 Effective for annual periods beginning on or after 1 January 2027.
2 To be determined by the HKICPA.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the Directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18, Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the HKICPA in July 2024 supersedes HKAS 1 and will result in major consequential amendments to HKFRS Accounting Standards including HKAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though HKFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The application of the new standard is expected to affect the presentation and disclosure of the statement of profit or loss in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

2. REVENUE AND SEGMENT INFORMATION

For management purposes, the Group is organised into four operating divisions. These divisions are the basis on which the Group reports its segment information.

Principal activities are as follows:

Property development business — property development

Property investment and management — property investment and management

Hotel operations — hotel and restaurant business and its related services

Other operations — manufacturing and sales of digital discs and others

Information about these segments is presented below:

For the six months ended 30 June 2026

	Property development business *RMB'000*	Property investment and management *RMB'000*	Hotel operations *RMB'000*	Other operations *RMB'000*	Eliminations *RMB'000*	Total *RMB'000*
REVENUE						
Revenue from contracts with customers within the scope of HKFRS 15:						
— Recognised at a point in time	**14,011,435**	**—**	**—**	**9,745**	**—**	**14,021,180**
— Recognised over time	**—**	**655,565**	**142,895**	**—**	**—**	**798,460**
Revenue from other sources outside the scope of HKFRS 15:						
— Rental income	**—**	**269,585**	**—**	**—**	**—**	**269,585**
External revenue	**14,011,435**	**925,150**	**142,895**	**9,745**	**—**	**15,089,225**
Inter-segment revenue*	**—**	**58,434**	**—**	**—**	**(58,434)**	**—**
Total revenue	**14,011,435**	**983,584**	**142,895**	**9,745**	**(58,434)**	**15,089,225**
SEGMENT RESULTS	**(581,957)**	**421,754**	**(14,676)**	**12,999**	**—**	**(161,880)**
Unallocated income						**224,454**
Unallocated expenses						**(8,594)**
Finance costs						**(428,698)**
Share of results of associates						**(10,805)**
Share of results of joint ventures						**(58,195)**
Loss before income tax expense						**(443,718)**
Income tax expense						**(300,197)**
Loss for the period						**(743,915)**

* *Inter-segment revenue were charged with reference to prices charged to external parties for similar services or products.*

As at 30 June 2026
Assets and liabilities

	Property development business *RMB'000*	Property investment and management *RMB'000*	Hotel operations *RMB'000*	Other operations *RMB'000*	Total *RMB'000*
Assets					
Segment assets	**128,288,345**	**11,189,173**	**2,788,219**	**926,198**	**143,191,935**
Interests in associates					**2,607,799**
Interests in joint ventures					**2,331,828**
Unallocated corporate assets					**31,741,125**
Total assets					**179,872,687**
Liabilities					
Segment liabilities	**55,049,241**	**927,338**	**1,006,787**	**8,191**	**56,991,557**
Unallocated corporate liabilities					**76,213,288**
Total liabilities					**133,204,845**

For the six months ended 30 June 2025

	Property development business *RMB'000*	Property investment and management *RMB'000*	Hotel operations *RMB'000*	Other operations *RMB'000*	Eliminations *RMB'000*	Total *RMB'000*
REVENUE						
Revenue from contracts with customers within the scope of HKFRS 15:						
— Recognised at a point in time	17,458,481	—	—	10,783	—	17,469,264
— Recognised over time	—	625,294	114,312	—	—	739,606
Revenue from other sources outside the scope of HKFRS 15:						
— Rental income	—	235,339	—	—	—	235,339
External revenue	17,458,481	860,633	114,312	10,783	—	18,444,209
Inter-segment revenue*	—	53,054	—	—	(53,054)	—
Total revenue	17,458,481	913,687	114,312	10,783	(53,054)	18,444,209
SEGMENT RESULTS	1,690,693	143,069	(30,548)	13,332	—	1,816,546
Unallocated income						314,417
Unallocated expenses						(11,861)
Finance costs						(648,072)
Share of results of associates						(45,962)
Share of results of joint ventures						(49,093)
Profit before income tax expense						1,375,975
Income tax expense						(1,143,493)
Profit for the period						232,482

* *Inter-segment revenue were charged with reference to prices charged to external parties for similar services or products.*

As at 31 December 2025
Assets and liabilities

	Property development business *RMB'000*	Property investment and management *RMB'000*	Hotel operations *RMB'000*	Other operations *RMB'000*	Total *RMB'000*
Assets					
Segment assets	127,882,477	10,338,371	2,949,034	931,299	142,101,181
Interests in associates					2,595,657
Interests in joint ventures					2,382,972
Unallocated corporate assets					34,720,049
Total assets					181,799,859
Liabilities					
Segment liabilities	53,409,318	1,027,546	66,141	4,728	54,507,733
Unallocated corporate liabilities					79,557,102
Total liabilities					134,064,835

3. (LOSS)/PROFIT BEFORE INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
(Loss)/profit before income tax expense is arrived at after charging/(crediting):		
Depreciation of property, plant and equipment	**72,055**	72,062
Depreciation of right-of-use assets	**14,816**	16,595
Share of tax of associates (included in share of results of associates)	**7,778**	13,626
Share of tax of joint ventures (included in share of results of joint ventures)	**(1,565)**	1,382

4. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
The charge comprises:		
Hong Kong Profits Tax	**2,758**	262
People's Republic of China Enterprise Income Tax ("PRC EIT")	**230,443**	559,396
People's Republic of China Land Appreciation Tax ("LAT")	**(21,201)**	594,395
	212,000	1,154,053
Deferred taxation	**88,197**	(10,560)
	300,197	1,143,493

Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 June 2025: 16.5%) based on the estimated assessable profit for the period ended 30 June 2026, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rates regime.

For that subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in prior period.

The PRC EIT is calculated at 25% (six months ended 30 June 2025: 25%) based on the estimated assessable profit for the period.

Certain People's Republic of China (the "PRC") subsidiaries are also subject to the LAT which is levied at progressive rates ranging from 30% to 60% on the appreciation of properties, being the proceeds from sales of properties less deductible expenditure including costs of land use rights and development and construction.

5. DIVIDENDS

The Directors have resolved not to declare any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$Nil).

6. (LOSS)/EARNINGS PER SHARE

The calculation of basic and diluted (loss)/earnings per share for the six months ended 30 June 2026 is based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
(Loss)/earnings:		
(Loss)/profit for the period attributable to owners of the Company	**(740,303)**	207,865

	Six months ended 30 June	
	2026	2025
Number of shares:		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**3,821,183,118**	3,821,183,118

The diluted earnings per share for the six-month period ended 30 June 2026 and 2025 are the same as basic earnings per share as there were no potentially dilutive ordinary shares in 2026 and 2025.

7. TRADE AND OTHER RECEIVABLES

The credit terms in connection with sales of properties granted to the customers are set out in the sale and purchase agreements and vary from agreements. There is no concentration of credit risk with respect to trade receivables arising from sales of properties as the Group has numerous customers. In respect of sales of goods granted to trade customers, the Group allows an average credit period of 30 days to 90 days. The following is an ageing analysis of trade receivables net of allowance for credit losses at the end of the reporting period presented based on invoice dates:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
0 to 30 days	**20,929**	332,107
31 to 90 days	**69,009**	9,939
More than 90 days	**550,679**	434,144
Total trade receivables	**640,617**	776,190
Other receivables	**4,057,390**	3,469,156
	4,698,007	4,245,346

8. TRADE AND OTHER PAYABLES

The following is an ageing analysis of trade payables based on the invoice date at the end of the reporting period:

	30 June 2026 *RMB'000*	31 December 2025 *RMB'000*
0 to 30 days	**1,947,448**	1,157,198
31 to 90 days	**615,610**	560,348
More than 90 days	**11,333,075**	12,644,665
Total trade payables	**13,896,133**	14,362,211
Other payables	**5,481,908**	5,222,320
	19,378,041	19,584,531

9. SHARE CAPITAL

	Number of ordinary shares	**Amount** *RMB'000*
Ordinary shares, issued and fully paid:		
At 31 December 2025 and 30 June 2026	3,821,183,118	15,712,159

10. CONTINGENT LIABILITIES

The Group arranged mortgage loan facilities with certain banks for purchasers of property units and provided guarantees to banks to secure obligations of such purchasers of repayment. The maximum guarantees given to banks amounted to approximately RMB10,721,376,000 as at 30 June 2026 (31 December 2025: RMB13,867,366,000). Such guarantees will terminate upon the earlier of (i) issue of the real estate ownership certificate; and (ii) the satisfaction of the mortgage loans by the purchasers of the properties. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the Directors. The Directors also consider that the fair value of the underlying properties is able to cover the outstanding mortgage loan guaranteed by the Group in the event the purchasers default payments to the banks.

At 30 June 2026, the Group had given guarantees to certain banks in respect of credit facilities granted to certain associates and joint ventures of the Group amounting to approximately RMB2,437,500,000 (31 December 2025: RMB3,074,500,000), of which approximately RMB1,764,435,000 (31 December 2025: RMB1,833,135,000) had been utilised by these associates and joint ventures.

11. CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of property development expenditures and acquisition of land use right amounted to RMB8,555,530,000 (31 December 2025: RMB8,674,960,000) and RMB67,976,000 (31 December 2025: RMB1,143,403,000), respectively, as at 30 June 2026.

The Group did not have any capital expenditure authorised but not contracted for as at 30 June 2026 (31 December 2025: RMBNil).

MANAGEMENT DISCUSSION AND ANALYSIS

For the first half of 2026, the Group recorded a revenue of RMB15,089 million (corresponding period of 2025: RMB18,444 million), representing a decrease of RMB3,355 million or 18.2% when comparing with the corresponding period of last year. Loss attributable to shareholders amounted to RMB740 million, while the profit attributable to shareholders amounted to RMB208 million for the corresponding period of 2025. Basic and diluted losses per share stood at RMB19.37 cents, while basic and diluted earnings per share stood at RMB5.44 cents for the corresponding period of 2025. As at 30 June 2026, shareholders' equity of the Group amounted to RMB32,671 million (31 December 2025: RMB33,719 million), indicating a 3.1% decrease from last year end. Net asset value per share amounted to RMB8.55 (31 December 2025: RMB8.82).

BUSINESS REVIEW

In the first half of the year, China's economy maintained an overall stability while pivoting toward higher-quality and more innovation-driven growth, with Gross Domestic Product growing by 4.7% year-on-year. Key indicators stayed within a rational range, underscoring the economy's resilience. The role of the real estate sector within the national economy, once the growth driver over the past two decades, is gradually shifting to serve as a pillar for people's livelihood and an economic stabiliser. Local governments have adopted city-specific policies to control new supply, reduce existing inventory, and optimise housing supply structure. As market supply and demand fundamentals continued to improve, the availability of "good houses" effectively unlocked demand, while the secondary market performed better than expected. Although the industry as a whole remains in a bottom-consolidation phase, positive signals are gradually gaining momentum.

During the period, Poly Property Group (the Group, together with its joint ventures and associates) achieved contracted sales of RMB23.2 billion, ranking 13th on the CRIC List in terms of total sales amount, moving up 2 spots from the end of last year. The average selling price of contracted sales was RMB29,051 per square metre, an increase of 5% year-on-year. The Yangtze River Delta and the Greater Bay Area accounted for 76%, and the sales contribution from first-tier cities and Hong Kong accounted for 47% and 7% respectively.

Despite an overall contraction in the land market, competition for certain land parcels in core regions has intensified, reflecting property developers' generally prudent approach to investment and a preference for premium projects to secure higher safety margins. Poly Property Group acquired a total of four property development projects, located in Shanghai, Suzhou, Shenzhen, and Wuhan, respectively, with a total land cost of approximately RMB10.8 billion. By the end of June, Poly Property Group's total land bank was 11.16 million square metres. In terms of the land cost, the cost of land bank in the Yangtze River Delta and Pearl River Delta accounted for 77%, and that in the first and second-tier cities accounted for 97%.

Since the onset of the property market adjustment, the Group has been firmly committed to destocking of long-aged inventory, with a view to accelerating cash collection, enhancing asset efficiency, and continuously optimising its inventory structure. Certain legacy projects faced significant pressure on profitability; coupled with the impact of the timing of project deliveries, both recognised revenue and gross profit margin declined during the period, resulting in a loss. Given the inherent lag in the property settlement cycle, the results for the period largely reflect sales results from prior periods.

The Group's overall operations remained stable, with the three red lines indicators maintaining a green-tier status. Total debt decreased by RMB2.4 billion or 3.4% to RMB67.8 billion; total cash as a percentage of total assets stood at 15.5%, and liquidity remained ample. In late July, the Group issued RMB1.0 billion medium-term notes with a term of 5 years and a coupon rate of 2.46%, and both the financing cost and maturity further optimised compared with that in the first half of the year. By the end of June, the Group's average financing cost was 2.75%, a decrease of 11 basis points from the end of last year.

Looking ahead to the second half of the year, first-tier and core second-tier cities are expected to maintain relatively high activity, driven by the launch of "good houses" and replacement demand from secondary-home transactions. Third- and fourth-tier cities, however, will still need time to absorb existing inventory and are likely to remain in a bottom-consolidation phase. As the market navigates the inevitable phase of supply-demand rebalancing and a gradual recovery of market confidence from the trough, the Group will firmly steady its operations by offering leading products and services, and weather market fluctuations through unwavering quality delivery. By doing so, we aim to advance steadily and sustainably along the new trajectory of high-quality industry development.

PROPERTY SALES

In the first half of 2026, Poly Property Group recorded contracted area sold of approximately 799,000 square metres, and contracted sales of approximately RMB23.2 billion in value. Poly Property Group had 136 major projects for sale, with three of them being debut projects, namely Shanghai Poly River Mansion, Hangzhou Vista Villa and Guangzhou Infinite Residence.

During the period, the contracted sales of Poly Property Group by regions were as follows:

Region and City	**Contracted Sales for the First Half of 2026** *(RMB million)*	**Percentage** *(%)*
Yangtze River Delta Region	**9,838**	**42%**
Shanghai	5,103	
Kunshan	1,038	
Changzhou	400	
Taicang	2	
Suzhou	969	
Changshu	1	
Ningbo	542	
Hangzhou	1,782	
Pearl River Delta Region	**6,092**	**26%**
Guangzhou	4,408	
Foshan	126	
Shenzhen	1,336	
Huizhou	222	
Southwestern Region	**824**	**4%**
Guiyang	151	
Zunyi	4	
Nanning	444	
Liuzhou	2	
Kunming	222	
Other Regions	**4,785**	**21%**
Wuhan	753	
Harbin	89	
Mudanjiang	4	
Jinan	3,332	
Yantai	20	
Weihai	422	
Zibo	4	
Weifang	4	
Tai'an	1	
Wanning	156	
Hong Kong	**1,668**	**7%**
Hong Kong	1,668	
Total	**23,207**	**100%**

Notes:

1. Contracted sales include car park sales;

2. Since figures were rounded up, their grand total or sub-total may not equal to the actual sum.

In the second half of 2026, subject to construction progress and market conditions, Poly Property Group plans to launch five new projects which include Suzhou Hu Qiu Project, Hangzhou Xiyuan Wulu Project, Yuyao Cheng Dong Project, Nanning Xixiang Tang District Project and Wuhan Wuchang District Project.

NEWLY COMMENCED CONSTRUCTION

In the first half of 2026, Poly Property Group commenced construction on a total of 9 new projects with a gross floor area of approximately 751,000 square metres. Among which, 5 projects commenced construction for the first time, namely, Shanghai Poly River Mansion, Yuyao Cheng Dong Project, Guangzhou Infinite Residence, Nanning Xixiang Tang District Project and Wuhan Wuchang District Project.

Project	**Gross Floor Area of Newly Commenced Construction** *('000 square metres)*	**Interests Attributable to the Group** *(%)*
Shanghai Poly River Mansion	63	100%
Yuyao Cheng Dong Project	207	100%
Guangzhou Infinite Residence	36	49%
Nanning Xixiang Tang District Project	69	100%
Wuhan Poly City	69	68%
Wuhan Poly Embossed Elegance	137	55%
Wuhan Wuchang District Project	81	100%
Jinan Poly Minghu Residence	14	40%
Jinan Poly Greentown Phoenix Mansion	75	34%
Total	751	

RECOGNISED PROPERTY SALES

In the first half of 2026, the Group recognised a total sales value of approximately RMB13,971 million and a total gross floor area of approximately 724,000 square metres. Details of recognised project sales as follows:

Region and City	Sales Recognised in the First Half of 2026 *(RMB million)*	Percentage *(%)*
Yangtze River Delta Region	**6,320**	**45%**
1. Shanghai Poly Moonrise Mansion	118	
2. Shanghai Poly Center Manor	1,529	
3. Kunshan Poly Brilliant Palace	1,806	
4. Kunshan Poly Shangyun Fu	1,779	
5. Changzhou Poly Jingyue Palace	414	
6. Ningbo Poly Lustrous Elegance	374	
7. Ningbo Poly Villa Re Place	169	
8. Others	132	
Pearl River Delta Region	**1,712**	**12%**
9. Guangzhou Poly Gratified West Bay	266	
10. Guangzhou Poly Polaris	407	
11. Foshan Poly Mansion	249	
12. Shenzhen Poly Vibe Centro	165	
13. Shenzhen Poly Urban Cultural Bay	406	
14. Others	220	
Southwestern Region	**1,063**	**8%**
15. Guiyang Poly Bright Moon on Top	142	
16. Nanning Poly Jin House	474	
17. Kunming Poly City	197	
18. Others	249	
Other Regions	**3,650**	**26%**
19. Jinan Poly Grand Joy II	1,004	
20. Jinan Poly Crown	1,655	
21. Jinan Poly Quehua Peak Scenery	231	
22. Weihai Poly Moon Fenghua	119	
23. Wanning Poly Peninsula No. 1	110	
24. Others	532	
Hong Kong Region	**1,225**	**9%**
25. Hong Kong Chill Residence	1,189	
26. Others	36	
Total	**13,971**	**100%**

Note:

Since figures were rounded up, their grand total or sub-total may not equal to the actual sum.

NEW LAND RESERVES

In the first half of 2026, Poly Property Group acquired 4 new projects, which are located in Shanghai, Suzhou, Shenzhen and Wuhan. The planned total gross floor area of the new projects amounted to approximately 285,000 square metres with land cost at a reasonable level.

New Projects	**Planned Property Type**	**Total Site Area** *('000 square metres)*	**Planned Total Gross Floor Area** *('000 square metres)*	**Interests Attributable to the Group** *(%)*
Suzhou Hu Qiu Project	Residential	33	64	60%
Shanghai Pu Dong Project	Commercial and Residential	17	75	100%
Wuhan Zhongnan Second Road Project	Commercial and Residential	17	56	100%
Shenzhen Nan Shan Project	Commercial and Residential	14	90	100%
Total		**81**	**285**	

Suzhou Hu Qiu Project

The project is located in the core sector of Suzhou Xiangcheng High-tech Industrial Development Zone, within the administrative, commercial and business office cluster of Xiangcheng District. It is adjacent to Huqiu Wetland Ecological Park, offering premium ecological and landscape resources. Approximately 1.5 kilometres to the east of the site, it shares access to the well-developed commercial, educational and living facilities of the Huolidao area. The project, with a planned total gross floor area of approximately 64,000 square metres, is intended to be developed as a low density residential community comprising townhouses and garden houses.

Shanghai Pu Dong Project

The project is located in the Expo area of Pudong New District, Shanghai. The district is planned as the "Expo Waterfront Ring" project of Pudong, which is set to create an integrated urban waterfront living circle encompassing ecology, culture and community life, offering superior ecological resources. The project is surrounded by three metro lines, providing excellent transport connectivity. It is supported by well established living amenities including education, commercial and medical facilities, and surrounded by well-developed residential communities. The project, with a planned total gross floor area of approximately 75,000 square metres, is intended to be developed into high-rise residential buildings.

Wuhan Zhongnan Second Road Project

The project is located in the Huazhong Financial City area of Wuchang District, Wuhan, adjacent to two major urban thoroughfares, Wuluo Road and Zhongnan Road, and approximately 300 metres from the Inner Ring Road. The project neighbours the Zhongnan Road Station of Metro Lines 2 and 4, enjoying convenient transportation links. It is proximate to comprehensive commercial and medical facilities with abundant high-quality educational resources. The project, with a planned total gross floor area of approximately 56,000 square metres, is intended to be developed into high-rise residential buildings.

Shenzhen Nan Shan Project

The project is located in the core area of Yuehai Sub-district, Nanshan District, Shenzhen. It is home to premium industrial clusters such as Shenzhen Bay Science and Technology Ecological Park and Nanshan Science and Technology Park, gathering numerous leading technology companies and high-tech enterprises. The site is close to multiple metro lines and is supported by well-established commercial, educational, cultural and sports facilities. It also boasts Shenzhen Bay landscape resources, featuring prominent location advantages, convenient transportation and great development potential. The project, with a planned total gross floor area of approximately 90,000 square metres, is intended to be developed into high-rise residential buildings.

INVESTMENT PROPERTIES

The Group has various investment properties and hotels located in first-tier cities and second-tier provincial capitals. Its investment properties have a total gross floor area of approximately 826,000 square metres and asset value of approximately RMB10,286 million.

Location	Major Investment Properties and Hotels	Gross Floor Area Held *('000 square metres)*	Interests Attributable to the Group *(%)*	Property Type
Investment properties				
Beijing	Beijing Poly Plaza	15	75%	Office
Shanghai	Shanghai Poly Plaza (partial)	30	100%	Office and commercial
Shanghai	Shanghai Stock Exchange Buildings (partial)	48	100%	Office
Shenzhen	Shenzhen Poly Cultural Plaza (partial)	135	100%	Commercial
Wuhan	Wuhan Poly Plaza (partial)	56	100%	Office
Hotels				
Beijing	Beijing Poly Plaza Hotel	63	75%	Hotel
Shanghai	Hyatt Regency Shanghai Jiading	69	100%	Hotel
Wuhan	Wuhan Poly Hotel	28	100%	Hotel

PROPERTY MANAGEMENT

The Group has various property management companies engaging in the operation management service of residential, commercial, offices, hotels, theatres and other property types. They have been the leading players in the property management industry in China and have received many titles and awards.

In the first half of 2026, the Group's property management companies recorded revenue of RMB656 million in aggregate, representing an increase of 5.0% when comparing with the corresponding period of last year. The companies managed a total of 335 property projects with a gross floor area under management of approximately 55.93 million square metres, representing an increase of 3.4% when comparing with the corresponding period of last year.

FINANCIAL REVIEW

Liquidity and Capital Structure

As at 30 June 2026, total equity attributable to shareholders of the Company amounted to RMB32,671,325,000 (31 December 2025: RMB33,719,299,000), while the net asset value per share was RMB8.55 (31 December 2025: RMB8.82). As at 30 June 2026, the Group's gearing ratio (on the basis of the amount of total liabilities divided by the amount of total assets) was 74.1% (31 December 2025: 73.7%).

As at 30 June 2026, the Group had an outstanding bank and other borrowings (including the notes payable) of RMB67,815,450,000. In terms of maturity, the outstanding bank and other borrowings (including notes payable) can be divided into RMB15,881,486,000 (23.4%) to be repaid within one year, RMB21,159,840,000 (31.2%) to be repaid after one year but within two years, RMB17,513,124,000 (25.8%) to be repaid after two years but within five years, RMB13,261,000,000 (19.6%) to be repaid after five years. In terms of currency denomination, the outstanding bank and other borrowings (including the notes payable) can be divided into RMB64,422,450,000 (95%) in Renminbi and RMB3,393,000,000 (5%) in Hong Kong dollars.

40% of the bank and other borrowings (including the notes payable) of the Group are subject to fixed interest rates and the remaining 60% are subject to floating interest rates. Therefore, under circumstances of interest rates uncertainty or fluctuations or otherwise as appropriate, the Group will consider the use of hedging instruments (including interest rates swaps), in order to manage interest rate risks.

As at 30 June 2026, the Group had a net current assets of RMB79,899,069,000 and total bank balances of RMB27,879,729,000 (31 December 2025: RMB82,115,290,000 and RMB31,161,954,000, respectively). With the available banking facilities and cash revenue from business operations, it is believed that the Group has sufficient resources to meet the foreseeable working capital demands and capital expenditure.

The monetary assets and liabilities and business transactions of the Group are mainly carried and conducted in Hong Kong dollars, Renminbi and United States dollars. The Group maintains a prudent strategy in its foreign exchange risk management, where foreign exchange risks are minimised via balancing the monetary assets versus monetary liabilities, and foreign exchange revenue versus foreign exchange expenditures. The management believes that the foreign exchange rate between Hong Kong dollars and United States dollars is relatively stable. Due to recent fluctuation of Renminbi exchange rate against Hong Kong dollars, the Group closely monitors the fluctuation and adopts policy to minimise exchange rate risks, if necessary.

Pledged Assets

At the end of the reporting period, the carrying value of the Group's assets which were pledged to secure credit facilities granted to the Group are as follows:

	30 June 2026 *RMB'000*	31 December 2025 *RMB'000*
Investment properties	**8,203,140**	7,286,200
Hotel properties	**1,779,000**	1,518,000
Buildings	**116,421**	126,345
Right-of-use assets	**194,782**	197,356
Properties under development	**24,246,141**	27,575,707
Properties held for sale	**8,104,389**	2,562,008
Bank deposits	**46,414**	86,163
	42,690,287	39,351,779

In addition to above pledge of assets, at 30 June 2026 and 31 December 2025, the Group's interests in certain subsidiaries were pledged to secure credit facilities granted to the Group. The details of net assets value of subsidiaries are as follows:

	30 June 2026 *RMB'000*	31 December 2025 *RMB'000*
Total assets	**6,233,991**	5,662,882
Total liabilities	**(4,744,190)**	(5,282,121)
Net assets value	**1,489,801**	380,761

Contingent Liabilities

The Group arranged mortgage loan facilities with certain banks for purchasers of property units and provided guarantees to banks to secure obligations of such purchasers of repayment. The maximum guarantees given to banks amounted to RMB10,721,376,000 as at 30 June 2026 (31 December 2025: RMB13,867,366,000). Such guarantees will terminate upon the earlier of (i) issue of the real estate ownership certificate; and (ii) the satisfaction of the mortgage loans by the purchasers of the properties. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the Directors. The Directors also consider that the fair value of the underlying properties is able to cover the outstanding mortgage loan guaranteed by the Group in the event the purchasers default payments to the banks.

At 30 June 2026, the Group had given guarantees to certain banks in respect of credit facilities granted to certain associates and joint ventures of the Group amounting to RMB2,437,500,000 (31 December 2025: RMB3,074,500,000), of which RMB1,764,435,000 (31 December 2025: RMB1,833,135,000) had been utilised by these associates and joint ventures.

EMPLOYEES

As at 30 June 2026, the Group employed 6,142 employees (corresponding period of 2025: 6,437) with remuneration for the period amounted to approximately RMB340 million (corresponding period of 2025: RMB379 million). The Group's remuneration framework, combining basic salary, performance bonus and employee benefits, takes into account employee performance, job experience and market compensation levels. The aim is to provide fair and competitive rewards to attract, retain and motivate talent. Various benefits include provident funds, pension schemes and medical insurance at appropriate levels. Discretionary bonuses are awarded based on the Group's overall performance and individual employee performance. Employees continuously receive various training and development opportunities to enhance their professional capabilities and to keep pace with the business development of the Group.

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

REVIEW OF INTERIM RESULTS

The audit committee of the Company has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026.

CORPORATE GOVERNANCE

The Company and the Board are committed to maintaining high standards of corporate governance practices and procedures. By establishing a robust governance structure, the Group aims to effectively implement its strategies and manage risks, creating long-term sustainable returns for shareholders.

Throughout the period under review, the Company has adopted and complied with all the code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules. It also continues to enhance its corporate governance practices, taking reference from certain recommended best practices therein.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors (the "Dealing Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules. Having made specific enquiries with all directors of the Company, all directors have confirmed that they have complied with the Dealing Code during the six months ended 30 June 2026.

EVENTS AFTER THE REPORTING PERIOD

From 30 June 2026 to the date of this announcement, the Group had no significant subsequent events.

PUBLICATION OF THE RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the website of the Company and the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The 2026 interim report will be published on the websites of the Company and the Stock Exchange in September 2026.

On behalf of the Board
Poly Property Group Co., Limited
Wan Yuqing
Chairman

Hong Kong, 28 August 2026

As at the date of this announcement, the Executive Directors of the Company are Mr. Wan Yuqing and Mr. Hu Zaixin, the Non-executive Directors of the Company are Mr. Liu Wensheng, Mr. Geng Yuehua and Mr. Deng Huan, and the Independent Non-executive Directors of the Company are Mr. Fung Chi Kin, Mr. Ng Kim Lam, Ms. Lam Sau Fung and Ms. Zang Yunzhi.