碧桂園

# COUNTRY GARDEN HOLDINGS COMPANY LIMITED

# 碧桂園控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2007)**

# INTERIM RESULTS
# FOR THE SIX MONTHS ENDED 30 JUNE 2026

## FINANCIAL HIGHLIGHTS

- For the six months ended 30 June 2026, the Group together with its joint ventures and associates achieved contracted sales attributable to the shareholders of the Company of approximately RMB14.25 billion, contracted sales GFA attributable to the shareholders of the Company of approximately 1.825 million sq.m..

- During the period, the Group recorded total revenue of approximately RMB44.08 billion, representing a year-on-year decrease of 39.3%.

- During the period, the Group recorded a net loss of approximately RMB16.44 billion, and a net loss attributable to the owners of the Company of approximately RMB15.62 billion.

- During the period, the Group's selling and marketing costs and administrative expenses amounted to approximately RMB3.20 billion, representing a year-on-year decrease of 19.7%.

The board (the "**Board**") of directors (the "**Director(s)**") of Country Garden Holdings Company Limited (the "**Company**") hereby announces the unaudited interim results of the Company and its subsidiaries (collectively, the "**Group**" or "**Country Garden**") for the six months ended 30 June 2026.

## BUSINESS REVIEW AND OUTLOOK

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

The Central Government consistently emphasized and implemented policies aiming at "stabilizing the real estate market". The Government Work Report in March 2026 set the tone of "striving to stabilize the real estate market"; the meeting of the Political Bureau of the CPC Central Committee in April called for "efforts to stabilize the real estate market and advance urban renewal"; the State Council issued the 15th Five-Year Plan for Urban Renewal in May; and the meeting of the Political Bureau of the CPC Central Committee on 30 July further integrated real estate into the broader strategy of "building a strong security barrier", explicitly demanding the "stabilization of the real estate market". With the deepening effect of there policies, demand driven by essential and improved housing needs was gradually released, and market expectations improved marginally. However, the land market maintained a trend of quality improvement coupled with rational supply. Momentum for new construction starts needed to be further boosted, and time was still needed for existing-inventory destocking. The industry still lacked solid support for comprehensive stabilization, and the foundation for recovery required consolidation.

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

Project completion and delivery is the top priority of the Company. The Company consistently puts property owners' expectations for safe and stable housing first, fulfilling our promises to property owners through timely and high-quality deliveries. The Group has designated 2026 as the "key year for ensuring property delivery" of the Company, actively employing supportive risk-prevention policies such as the "whitelist" mechanism, raising funds through various channels, and coordinating resources from all parties to fully guarantee project construction and delivery. The Group requires all regional projects to define clear goals, enforce accountability, and ensure early detection, intervention, and resolution of special individual cases, striving to resolve them completely before year-end for a successful conclusion. In the final delivery phase, the Group follows the principles of "firm thoroughness and customer satisfaction", treating each delivery as a vital opportunity to build customer trust, resume normal operations, and achieve sustainable growth.

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

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

The "One Core and Two Wings" strategy (with property development as the core, and technology-enabled construction and management and construction services as the two wings) is closely aligned with the industry's shift toward high-quality transformation and the spirit of the national "15th Five-Year Plan". Phoenix Zhituo Construction and Management Company Limited has undertaken over 200 management and construction projects, with a total entrusted management area of nearly 20 million square meters. Leveraging its mature operational management capabilities, it has earned recognition from multiple industry research institutions, providing customers with customized management and construction solutions. Bright Dream Robotics has achieved a series of breakthroughs in fields such as core construction robot technologies, systematic application of multi-robot construction, and intelligent digital construction systems. More than 20 product models have been deployed in key operational scenarios including concrete construction, interior decoration, exterior wall spraying, and flooring. It has delivered over 5,200 units, with an application area exceeding 40 million square meters. Its business spans 34 provincial-level administrative regions in China (including Hong Kong, Macao, and Taiwan) and extends to several overseas markets, serving more than 1,600 projects in total.

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

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

## SIGNIFICANT EVENTS DURING AND AFTER THE FINANCIAL PERIOD

### Onshore Debt Restructuring Proposal

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

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

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

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

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

**Winding-up petition**

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

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

**Payment of the CoCom Work Fees**

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

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

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | *Note* | **Unaudited 30 June 2026** *RMB million* | Audited 31 December 2025 *RMB million* |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | | **17,524** | 18,983 |
| Investment properties | | **14,583** | 15,386 |
| Intangible assets | | **625** | 665 |
| Right-of-use assets | | **4,968** | 6,258 |
| Investments in joint ventures | | **22,183** | 22,631 |
| Investments in associates | | **13,156** | 13,950 |
| Financial assets at fair value through other comprehensive income | | **3,458** | 4,104 |
| Deferred income tax assets | | **9,089** | 10,162 |
| | | **85,586** | 92,139 |
| **Current assets** | | | |
| Properties under development | | **370,940** | 392,067 |
| Completed properties held for sale | | **59,485** | 90,083 |
| Inventories | | **4,080** | 3,238 |
| Trade and other receivables | *4* | **188,326** | 197,153 |
| Contract assets and contract acquisition costs | | **6,667** | 5,029 |
| Prepaid income tax | | **5,951** | 7,383 |
| Financial assets at fair value through profit or loss | | **7,833** | 6,375 |
| Restricted cash | | **10,938** | 12,842 |
| Cash and cash equivalents | | **5,737** | 5,811 |
| | | **659,957** | 719,981 |
| **Total assets** | | **745,543** | 812,120 |

| | Note | Unaudited 30 June 2026 *RMB million* | Audited 31 December 2025 *RMB million* |
|---|---|---|---|
| **EQUITY** | | | |
| **Equity attributable to owners of the Company** | | | |
| Share capital and premium | *7* | **57,704** | 52,749 |
| Other reserves | | **25,927** | 26,769 |
| Accumulated losses | | **(95,815)** | (80,377) |
| | | **(12,184)** | (859) |
| **Non-controlling interests** | | **43,147** | 45,118 |
| **Total equity** | | **30,963** | 44,259 |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Borrowings | *6* | **41,115** | 40,348 |
| Lease liabilities | | **2,198** | 2,502 |
| Deferred government grants | | **113** | 124 |
| Deferred income tax liabilities | | **8,630** | 8,601 |
| | | **52,056** | 51,575 |
| **Current liabilities** | | | |
| Contract liabilities | | **124,490** | 157,751 |
| Trade and other payables | *5* | **392,607** | 399,475 |
| Current income tax liabilities | | **40,889** | 40,329 |
| Borrowings | *6* | **101,546** | 107,611 |
| Financial liabilities at fair value through profit or loss | | **2,815** | 10,942 |
| Lease liabilities | | **177** | 178 |
| | | **662,524** | 716,286 |
| **Total liabilities** | | **714,580** | 767,861 |
| **Total equity and liabilities** | | **745,543** | 812,120 |

## INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

| | *Note* | **Unaudited Six months ended 30 June 2026** *RMB million* | 2025 *RMB million* |
|---|---|---|---|
| **Revenue** | *3* | **44,081** | 72,570 |
| Cost of sales | *9* | **(50,071)** | (79,027) |
| **Gross loss** | | **(5,990)** | (6,457) |
| Other income, gains and losses — net | *8* | **4,105** | (2,278) |
| Losses arising from changes in fair value of and transfers to investment properties | | **(266)** | (62) |
| Selling and marketing costs | *9* | **(1,602)** | (2,052) |
| Administrative expenses | *9* | **(1,595)** | (1,927) |
| Net impairment losses on financial assets and guarantees | | **(3,791)** | (447) |
| **Operating loss** | | **(9,139)** | (13,223) |
| Finance income | *10* | **162** | 166 |
| Finance costs | *10* | **(2,551)** | (1,811) |
| Finance costs — net | *10* | **(2,389)** | (1,645) |
| Share of results of joint ventures and associates | | **(696)** | (485) |
| **Loss before income tax** | | **(12,224)** | (15,353) |
| Income tax expenses | *11* | **(4,218)** | (4,300) |
| **Loss for the period** | | **(16,442)** | (19,653) |
| **Loss attributable to:** | | | |
| — Owners of the Company | | **(15,616)** | (19,078) |
| — Non-controlling interests | | **(826)** | (575) |
| | | **(16,442)** | (19,653) |
| **Losses per share attributable to owners of the Company (expressed in RMB yuan per share)** | | | |
| Basic | *13* | **(0.37)** | (0.69) |
| Diluted | *13* | **(0.37)** | (0.69) |

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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

# NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

## 1 BASIS OF PREPARATION

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

### 1.1 Going concern basis

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

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

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

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

(a) The Group has actively adopted and will continue to implement various debt management measures to mitigate its phased liquidity pressure, including:

- — the restructuring proposals for nine onshore corporate bonds of the Group were approved at the relevant bondholders' meetings in 2025. The principal and interest repayment arrangements for the nine bonds were adjusted, offering the aforesaid bondholders a restructuring proposal including a repurchase option, a stock option and a general creditor claim option. In February 2026, the Group initiated the repurchase option in accordance with relevant terms of the resolutions of the bondholders' meetings, and in April 2026, the repurchase option was completed, whereby the Group repurchased onshore corporate bonds with a total principal amount of approximately RMB3.75 billion at a consideration of approximately RMB0.45 billion. The Group will ensure continued implementation and completion of the aforesaid restructuring;

— by an order made by the Court on 4 December 2025, the offshore debt restructuring scheme has been sanctioned by the Court. Subsequently, the Company designated 30 December 2025 as the Restructuring Effective Date (the "**RED**"). The proposed restructuring broadly involves the cancellation of the existing debt and the release of all existing debt obligors in exchange for the issuance of scheme consideration entitlements to scheme creditors under the scheme on the RED. All of the rights, title and interest of scheme creditors in respect of the existing debt shall be subject to each of the arrangements and compromises set out in the scheme on the terms and conditions set out in the scheme. Subsequent to the restructuring taking effect, the Group has strictly followed the established restructuring plan. The Company completed a cash tender offer buyback of USD200 million in 2025. During the six months ended 30 June 2026, the Company received voluntary conversion requests from mandatory convertible bondholders and completed the conversion of such bonds with a principal amount of approximately USD3.9 billion. Meanwhile, in connection with the equitisation of the shareholder's loan, the Company issued approximately 5.45 billion shares. The Group will ensure continued implementation and completion of the aforesaid restructuring;

— save for the debt restructuring arrangements above, the Group has also been actively negotiating with other PRC onshore lenders and creditors on the extension or restructuring of borrowings. Due to the diverse lender base and changing market conditions, time is still required to determine the extension plans or restructuring plans on a case-by-case basis. The Group will continue to press ahead with negotiations with domestic banks and seek to effectively mitigate its existing debt risks through debt extension, restructuring and other feasible measures. Having considered the Group's credit history and longstanding relationships with the relevant lenders and creditors, the Directors believe that the Group will be able to materialise the extension or restructuring arrangements step by step;

(b) The Group will continue to actively adjust its sales activities to respond to market changes and capture demands. The Group believes after undergoing adjustments, the PRC real estate market is expected to usher in new development opportunities. Therefore, the Group will adhere to the refined control of "one strategy for one real estate project", and formulate reasonable sales prices and supply plans by taking into account the actual situation of the local market and each project, in order to achieve its budgeted sales volume and cash collection;

(c) The Group will actively respond to various supportive policies of the national and local governments, revitalise resources through all kinds of acquisition and reserve policies, and consider disposing of assets when necessary to generate more cash inflows;

(d) The Group will adapt to current market changes and operational focus, continue to optimise its organisational structure and strictly control various non-core and non-essential operating expenses, to improve operational efficiency continuously; and

(e) The Group will fully utilise its existing resources and actively engage in negotiations with suppliers and other creditors to reach amicable resolutions as soon as possible, in order to deal with the ongoing litigation cases.

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

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

(a) Successful completion of the above-mentioned debt management measures, which will be subject to various external conditions that are beyond the Group's control, including but not limited to the restructuring of the remaining onshore indebtedness of the Group, possible material adverse changes in the market conditions during the process and fulfilment of legal or regulatory requirements;

(b) Successful implementation of the plans and measures to achieve its budgeted sales volume and timely collection of the relevant sales proceeds;

(c) Successful activation of resources and disposal of assets;

(d) Successful implementation of various measures to further streamline organisational structures and to strictly control various non-core and non-essential operating expenses, to improve operational efficiency; and

(e) Successful amicable resolutions reached with suppliers and other creditors, as well as favourable resolution of ongoing litigation cases.

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

## 2 ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

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

## 3 REVENUE AND SEGMENT INFORMATION

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

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

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

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

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

Revenue consists of the following:

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

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

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

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

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

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

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

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

(b) During the period ended 30 June 2026, all of the revenue from technology-enabled construction was recognised over time.

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

## 4 TRADE AND OTHER RECEIVABLES

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

(a) Details of trade receivables are as follows:

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

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

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

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

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

(b) Details of other receivables are as follows:

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

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

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

## 5 TRADE AND OTHER PAYABLES

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

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

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

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

## 6 BORROWINGS

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

**(a) Corporate bonds**

***(i) Onshore debt restructuring***

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

***(ii) Other corporate bonds***

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

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

## 7 SHARE CAPITAL AND PREMIUM

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

## 8 OTHER INCOME, GAINS AND LOSSES-NET

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

## 9 EXPENSES BY NATURE

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

## 10 FINANCE COSTS-NET

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

## 11 INCOME TAX EXPENSES

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

## 12 DIVIDEND

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

## 13 LOSSES PER SHARE

### (a) Basic

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

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

### (b) Diluted

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

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

## 14 CONTINGENCIES

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

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

## MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### Revenue

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

#### *Property Development*

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

#### *Technology-enabled Construction*

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

#### *Others*

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

### Gross Loss

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

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

**Selling and Marketing Costs and Administrative Expenses**

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

**Finance Costs — Net**

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

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

**Loss before Income Tax**

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

(1) Affected by the overall performance of the real estate market, the net write-down of approximately RMB6,173 million was provided for properties under development and completed properties held for sale;

(2) Affected by multiple adverse factors such as macroeconomic environment, industry environment, and negative financial conditions of counter parties, the net impairment losses on financial assets and guarantees of approximately RMB3,791 million were provided;

(3) The Group recorded selling and marketing costs and administrative expenses of approximately RMB3,197 million, net finance costs of approximately RMB2,389 million and share of losses of joint ventures and associates of approximately RMB696 million; and

(4) The Group recorded net other income and gains of approximately RMB4,105 million, mainly derived from changes in fair value of financial liabilities at FVTPL and gains on debt restructuring arrangements.

**Loss Attributable to Owners of the Company**

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

**Liquidity, Financial and Capital Resources**

***Cash position***

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

As at 30 June 2026, 83.3% (31 December 2025: 87.0%) of the Group's total cash was denominated in Renminbi and 16.7% (31 December 2025: 13.0%) was denominated in other currencies (mainly US dollars, HK dollars and Malaysian Ringgit).

***Borrowings Composition***

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

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

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

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

### *Capital Gearing Ratio*

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

## Key Risk Factors and Uncertainties

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

### *Risks Pertaining to the Property Market and Operations*

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

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

***Interest Rate Risk***

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

***Foreign Exchange Risk***

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

***Liquidity Risk***

The Group is facing phased liquidity pressure. In light of the current liquidity position, the Group has undertaken a number of plans and measures to mitigate the liquidity pressure and to improve the financial position of the Group, details of which are set out in note 1.1 to the "NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION" in this announcement.

**Guarantees**

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

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

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

**Employees and Remuneration Policy**

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

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

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

The Group has approved and/or adopted certain share option schemes, share award scheme and management incentive plan. For further details, please refer to the sections headed "EMPLOYEE INCENTIVE MECHANISMS" and "MANAGEMENT INCENTIVE PLAN" in this announcement.

**Forward Looking**

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

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

Our Group is fully aware that the current industry adjustment is not yet over, and that a full stabilization of the market will still take time. Meanwhile, our own operational transition also faces multiple challenges. Nevertheless, we firmly believe that with the continued improvement of the real estate policy environment and the profound self-adjustment of the industry, market vitality will gradually revive. Our Group will, through more scientific management and greater resilience in fulfilling our responsibilities, carry out all tasks with solid diligence, and strive to be among the first to step onto a more sound and sustainable development trajectory as the industry recovers.

## EXTRACTS OF THE REPORT ON REVIEW OF UNAUDITED INTERIM FINANCIAL INFORMATION

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

## BASIS FOR DISCLAIMER OF CONCLUSION

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

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

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

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

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

## DISCLAIMER OF CONCLUSION

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

The aforesaid "note 2.1 to the interim financial information" in the extract from the independent auditor's report on review of the Group's unaudited interim financial information is disclosed as note 1.1 to the "NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION" in this announcement.

## AUDIT COMMITTEE

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

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

## COMPLIANCE WITH THE CG CODE

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

During the six months ended 30 June 2026, the Company has applied the principles and complied with the code provisions set out in Part 2 of the Corporate Governance Code (the "**CG Code**") under Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

## COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") under Appendix C3 of the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standard regarding securities transactions set out therein throughout the six months ended 30 June 2026.

No incident of non-compliance was noted by the Company for the six months ended 30 June 2026. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

## EMPLOYEE INCENTIVE MECHANISMS

For the purpose of rewarding the contribution of the senior management (including executive Directors of the Company who are also senior management) and employees of the Group engaging in profitable property development projects of the Group, two incentive mechanisms (as amended from time to time) (the "**Incentive Mechanisms**") were adopted by the Group (with the latest versions being adopted on 27 December 2019 and 18 September 2020 respectively), which respectively concern property development projects located in the Mainland China and property development projects located in Hong Kong and other overseas jurisdictions (the "**Property Development Projects**"). Under the Incentive Mechanisms, in general, senior management and employees would primarily be provided with cash rewards, calculated with reference to net profits generated from the Property Development Projects and the Group's internal rate of return. A portion of these cash rewards would be used as either (i) the consideration for the exercise of the share options granted to them by the Company under the terms of the Share Option Scheme (hereinafter defined) (in respect of certain executive Directors of the Company who are also senior management) (the Share Option Schemes have now expired or terminated, and executive Directors of the Company who are also senior management will be awarded under and according to the terms of the new MIP instead (for details of the new MIP adopted by the Company, please refer to the section headed "Management

Incentive Plan")) or (ii) the consideration for the purchase of shares of the Company (the "**Share(s)**"), i.e. the share awards (in respect of senior management who are not Directors and employees of the Company).

**(i) Share Award Scheme**

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

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

**(ii) Share Option Schemes**

A share option scheme (the "**2007 Share Option Scheme**") was approved and adopted by the shareholders of the Company (the "**Shareholders**") on 20 March 2007 for a period of 10 years commencing on the adoption date. The 2007 Share Option Scheme had expired on 19 March 2017. Another share option scheme (the "**2017 Share Option Scheme**", together with the 2007 Share Option Scheme, the "**Share Option Schemes**") was approved and adopted by the Shareholders at the annual general meeting of the Company held on 18 May 2017 for a period of 10 years commencing on the adoption date and ending on 17 May 2027. The termination of the 2017 Share Option Scheme was approved by the Board and effective upon the approval and adoption of the MIP (as defined below) by the Shareholders at the extraordinary general meeting of the Company held on 3 December 2025 (the "**EGM**").

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

## MANAGEMENT INCENTIVE PLAN

To incentivise senior management and other employees of the Group who are critical to the Group's operations to execute business plans effectively and to improve the Group's financial performance and position, satisfy the scheduled payments under the new debt instruments issued under the terms of the Proposed Restructuring, and improve share price performance after 30 December 2025, the Restructuring Effective Date (the "**RED**"), a management incentive plan (the "**MIP**") was approved and adopted by the Shareholders at the EGM for a period of 10 years commencing on the RED. Under the MIP, the Company may grant awards by way of restricted share units, which may vest in the form of Shares or in cash, according to the rules of the MIP and as determined by the Board or the specialised committee of the Board or person(s) to which the Board has delegated its authority to administer the MIP. As at 30 June 2026, no awards were granted, lapsed or cancelled under the MIP and the total number of Shares available for issue and grant under the MIP remains to be 2,798,850,794 Shares. A trustee is appointed by the Company through entering into a trust deed to manage the MIP.

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

## EQUITY FUND RAISING ACTIVITIES DURING THE INTERIM PERIOD

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

(i) Warrants in the principal amount of USD62,821,268 issued under the SCA Warrants Instrument to the original lenders of the SCA Loan (the "**SCA Warrants**"): As at the RED, the SCA Warrants may be issued for a maximum number of 816,676,484 Shares. The subscription price is HKD0.6 per Share. During the six months ended 30 June 2026, 60,696,662 Shares were issued under the SCA Warrants. The Company has not received cash proceeds from such issuance of new Shares. Based on the total outstanding principal amount of the SCA Warrants of USD58,152,294 as at 30 June 2026, the SCA Warrants may be issued for a maximum number of 755,979,822 Shares during the exercise period under the terms of the SCA Warrants;

(ii) The zero-coupon mandatory convertible bonds with a maturity date of 78 months from 30 June 2025 in the principal amount of USD7,500,697,253 (the "**MCB (A)**"): As at the RED, the MCB (A) may be converted into a maximum number of 22,502,091,759 Shares. The conversion price is HKD2.6 per Share. During the six months ended 30 June 2026, 11,341,552,116 Shares were converted under the MCB (A), and an aggregate principal amount of USD749,148 of the MCB (A) were cancelled. The Company has not received cash proceeds from such issuance of new Shares. As at 30 June 2026, based on the total outstanding principal amount of the MCB (A) of USD3,719,430,733, the MCB (A) may be converted into a maximum number of 11,158,292,199 Shares during the conversion period under the terms of the MCB (A);

(iii) The zero coupon mandatory convertible bonds with a maturity date of 114 months from 30 June 2025 in the principal amount of USD603,751,513 (the "**MCB (B)**"): As at the RED, the MCB (B) may be converted into a maximum number of 470,926,180 Shares. The conversion price is HKD10 per Share. During the six months ended 30 June 2026, 55,832,767 Shares were converted under the MCB (B), and an aggregate principal amount of USD107,402,616 of the MCB (B) were cancelled. The Company has not received cash proceeds from such issuance of new Shares. As at 30 June 2026, based on the total outstanding principal amount of the MCB (B) of USD424,768,371, the MCB (B) may be converted into a maximum number of 331,319,373 Shares during the conversion period under the terms of the MCB (B);

(iv) The zero coupon mandatory convertible bonds with a maturity date of 78 months from 30 June 2025 in the principal amount of USD39,461,396 (the "**MCB (C)**"): As at the RED, the MCB (C) may be converted into a maximum number of 279,817,174 Shares. The conversion price is HKD1.1 per Share. During the six months ended 30 June 2026, 279,817,168 Shares were converted under the MCB (C). The Company has not received cash proceeds from such issuance of new Shares. As all principal amount of MCB (C) has been converted into Shares as at 30 June 2026, there was no outstanding principal amount of the MCB (C) as at 30 June 2026;

(v) On 13 November 2025 (after trading hours), the Company and Concrete Win entered into the Shareholder Loans Equitisation Agreement. Subject to the occurrence of the RED, approximately USD1.098 billion in principal amount of the Shareholder Loans (together with all accrued and unpaid interest in respect of all Shareholder Loans up to (and including) 30 September 2024) shall be set-off and settled with immediate effect upon the RED, and the Company will issue the corresponding Capitalisation Shares at the issue price of HKD0.60 per Capitalisation Share to Concrete Win from time to time upon written request by Concrete Win. The final number of Capitalisation Shares is subject to the completion of the Proposed Disposal. Up to 15,519,049,697 new Shares shall be issued if the Proposed Disposal fails to complete within six (6) calendar months from the RED, or up to 14,869,049,697 new Shares shall be issued if the Proposed Disposal completes within six (6) calendar months from the RED. As the Proposed Disposal has completed within six (6) months from the RED, up to 14,869,049,697 Capitalisation Shares shall be issued since the RED. During the six months ended 30 June 2026, an aggregate of 5,451,628,374 Capitalisation Shares was issued to Concrete Win. The Company has not received cash proceeds from such issuance of Capitalisation Shares. As at 30 June 2026, up to 9,417,421,323 Capitalisation Shares may be further issued; and

(vi) On 14 April 2026, the Company issued 219,375,000 AHG Work Fee Shares under General Mandate at the issue price of HKD0.32 per Share to settle part of the Work Fees payable to AHG. The Company has not received cash proceeds from such issuance of new Shares.

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

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

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

For details of redemption by the Company or any of its subsidiaries of its corporate bonds during the six months ended 30 June 2026, please also refer to note 6(a)(ii) to the "NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION" in this announcement.

## INTERIM DIVIDEND

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

## PUBLICATION OF INTERIM RESULTS

The interim results announcement is published on the Company's website (http://www.countrygarden.com.cn) and the Stock Exchange's designated website (http://www.hkexnews.hk).

By order of the Board
**Country Garden Holdings Company Limited**
**CHENG Guangyu**
*President and Executive Director*

Foshan, Guangdong Province, the PRC, 28 August 2026

*As of the date of this announcement, the executive Directors are Ms. YANG Huiyan (Chairman), Mr. MO Bin (Co-Chairman), Dr. CHENG Guangyu (President), Ms. YANG Ziying and Ms. WU Bijun. The non-executive Director is Mr. CHEN Chong. The independent non-executive Directors are Dr. HAN Qinchun, Mr. WANG Zhijian and Mr. TUO Tuo.*