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港龍中國地產
GANGLONG CHINA PROPERTY

Ganglong China Property Group Limited
港龍中國地產集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6968)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- Revenue for the six months ended 30 June 2026 amounted to approximately RMB888 million, representing a period-on-period decrease of approximately 46% as compared to the six months ended 30 June 2025.
- Net loss for the six months ended 30 June 2026 amounted to approximately RMB727 million, as compared to the net loss of RMB666 million for the six months ended 30 June 2025.
- Selling and marketing expenses and general and administrative expenses for the six months ended 30 June 2026 amounted to approximately RMB97 million in total, representing a period-on-period decrease of approximately 26% as compared to the six months ended 30 June 2025.
- Bank and other borrowings of the Group as at 30 June 2026 amounted to approximately RMB3,859 million, representing a decrease of approximately 5% as compared to 31 December 2025.

The board (the "**Board**") of directors (the "**Directors**") of Ganglong China Property Group Limited (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 with the comparative figures for the corresponding period in the previous year as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited) (Restated)
Revenue	*4*	**887,231**	1,639,940
Cost of sales		**(1,391,026)**	(2,081,321)
Gross loss		**(503,795)**	(441,381)
Other expenses and other losses, net		**(10,302)**	(1,423)
Selling and marketing expenses		**(40,299)**	(64,101)
General and administrative expenses		**(56,912)**	(66,772)
Operating loss		**(611,308)**	(573,677)
Finance income	*5*	**279**	816
Finance costs	*5*	**(85,501)**	(30,174)
Finance costs – net	*5*	**(85,222)**	(29,358)
Share of results of joint ventures and associates		**(1,713)**	(6,368)
Loss before income tax		**(698,243)**	(609,403)
Income tax expenses	*6*	**(28,456)**	(56,670)
Loss and total comprehensive loss for the period		**(726,699)**	(666,073)
Loss attributable to:			
Owners of the Company		**(444,177)**	(329,717)
Non-controlling interests		**(282,522)**	(336,356)
		(726,699)	(666,073)
Loss per share for loss attributable to owners of the Company			
(expressed in RMB per share)			
– Basic and diluted	*7*	**(0.27)**	(0.20)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**33,048**	39,020
Investment properties		**79,800**	79,800
Investments accounted for using the equity method		**1,206,410**	1,208,123
Deferred income tax assets		**99,325**	99,999
Total non-current assets		**1,418,583**	1,426,942
Current assets			
Properties under development		**6,050,920**	8,555,109
Completed properties held for sale		**3,128,342**	1,744,018
Trade and other receivables and prepayments	*8*	**1,872,665**	2,190,867
Amounts due from associates		**134,529**	126,779
Amounts due from joint ventures		**240,818**	240,816
Amounts due from non-controlling interests		**3,323,040**	3,872,533
Tax recoverable		**72,487**	124,510
Restricted cash		**255,267**	366,210
Cash and cash equivalents		**128,878**	146,195
Total current assets		**15,206,946**	17,367,037
Total assets		**16,625,529**	18,793,979

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
EQUITY			
Capital and reserves attributable to the owners of the Company			
Share capital		**14,838**	14,838
Reserves		**1,683,243**	2,127,420
		1,698,081	2,142,258
Non-controlling interests		**2,931,251**	3,213,773
Total equity		**4,629,332**	5,356,031
LIABILITIES			
Non-current liabilities			
Borrowings		**473,750**	746,000
Deferred income tax liabilities		**207,738**	208,859
Lease liabilities		**26,289**	30,700
Total non-current liabilities		**707,777**	985,559
Current liabilities			
Trade payables, bills payables and other payables	*9*	**3,164,408**	3,685,322
Lease liabilities		**8,937**	8,888
Contract liabilities		**1,119,262**	1,434,148
Amounts due to associates		**663,104**	665,628
Amounts due to joint ventures		**466,886**	478,269
Amounts due to non-controlling interests		**2,459,972**	2,536,648
Tax payable		**20,341**	322,146
Borrowings		**3,385,510**	3,321,340
Total current liabilities		**11,288,420**	12,452,389
Total liabilities		**11,996,197**	13,437,948
Total equity and liabilities		**16,625,529**	18,793,979

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 8 October 2018 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, the "**Group**") are principally engaged in the development of real estate projects in the People's Republic of China (the "**PRC**"). The Company's shares were listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 15 July 2020.

The interim condensed consolidated financial information is presented in Renminbi ("**RMB**"), unless otherwise stated. This interim condensed consolidated financial information has been approved for issue by the Board on 28 August 2026.

This interim condensed consolidated financial information for the six months ended 30 June 2026 has not been audited.

2. BASIS OF PREPARATION

This interim condensed consolidated 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" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

The interim condensed consolidated financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim condensed consolidated financial information is to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcements made by the Company during the interim reporting period.

3. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the previous financial year and corresponding interim reporting period, except for the estimation of income tax and the adoption of amended standards as set out below.

(a) Amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

(b) New and amended standards and interpretation not yet adopted by the Group

Certain new accounting standards and amendments to accounting standards and interpretation have been published that are not mandatory for this reporting period and have not been early adopted by the Group.

HKFRS 18 will replace HKAS 1 "Presentation of Financial Statements", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. These include:

(i) all income and expenses in the consolidated income statement are required to be classified into one of the five categories, namely operating, investing, financing, income taxes and discontinued operations;

(ii) two newly-defined subtotals "operating profit" and "profit before financing and income taxes" are required to be presented in the consolidated income statement to increase comparability;

(iii) management-defined performance measures, which are often non-HKFRS measures, are required to be disclosed in a single note in the consolidated financial statements;

(iv) enhanced guidance on the principles of aggregation and disaggregation of information is provided; and

(v) operating profit subtotal is required to be used as the starting point for the consolidated cash flow statement when presenting operating cash flows under the indirect method, and each of interest income, interest expense and dividend income should be classified under a single category.

The Group is currently in the process of assessing the impact of HKFRS 18 on the Group's consolidated financial statements, particularly with respect to the categorisation of income and expenses in the Group's consolidated income statement, and the structure of the Group's consolidated income statement and consolidated cash flow statement, and the additional disclosure required for management-defined performance measures. The adoption of HKFRS 18 would not have any impact on the Group's profit attributable to the owners of the Company, but is expected to trigger certain changes in the presentation of the consolidated income statement.

The Group expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

In addition to the abovementioned changes in presentation and disclosures, the Group is in the process of assessing the impact of adopting other new accounting standards and amendments to accounting standards and interpretation on its current or future reporting periods and on foreseeable future transactions.

(c) Going concern basis

The Group recorded a net loss of RMB726,699,000 for the six months ended 30 June 2026. As at 30 June 2026, (i) the Group's total interest-bearing bank and other borrowings and senior notes amounted to RMB3,859,260,000, out of which RMB3,385,510,000 will be due for repayment within the next twelve months, while its total bank balance and cash (including restricted cash) amounted to RMB384,145,000; (ii) an aggregate principal amount of RMB1,640,567,000 of interest-bearing bank and other borrowings and senior notes had not been repaid according to their scheduled repayment dates, triggering certain interest-bearing bank and other borrowings amounting to RMB747,500,000 to become repayable on demand.

These events and conditions indicated the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern. In assessing the appropriateness of the use of the going concern basis, the directors have carefully considered the plans and measures set out below, which have been or are being implemented by the Group to improve its liquidity and financial position:

(a) the Group has been continuously communicating with the major noteholder and the other four noteholders of the senior notes (collectively holding 100% of the aggregate principal amount thereof) and exploring an overall feasible solution for its relevant indebtedness to safeguard the interest of all stakeholders;

(b) the Group has been actively negotiating with the Group's existing onshore debt holders to seek renewal or extension for repayment of the Group's bank and other borrowings;

(c) the Group will continue to seek other alternative source of financing and borrowings to finance the settlement of its existing financial obligations and future operating and capital expenditures;

(d) the Group has prepared a business strategy plan focusing on the acceleration of the sales of properties and cash collection, including enhanced sales initiatives, a refined focus on key markets and projects and flexible payment arrangements;

(e) the Group has implemented measures to streamline its human resources structure, control administrative and operating expenditure, accelerate the collection of outstanding sales proceeds and manage its operating and capital expenditure;

(f) the Group will continue to negotiate with construction contractors and other parties in respect of repayment schedules and settlement arrangements, with a view to resolving any claims and disputes and managing the timing of cash outflows; and

(g) the Group will continue to seek suitable opportunities to dispose of its equity interests in certain project development companies in order to generate additional cash inflows.

The directors of the Company are of the opinion that, taking into account the above plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due within the following twelve months from 30 June 2026. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the condensed consolidated financial statements of the Group for the six months ended 30 June 2026 on a going concern basis.

Notwithstanding the above, material uncertainties exist as to whether the management of the Group will be able to implement the aforementioned plans and measures. Whether the Group will be able to continue as a going concern will depend upon the Group's ability to generate adequate financing and operating cash flows through the following:

(i) successfully negotiate with the major noteholder of the Group's senior notes, who is interested in 89.7% of the Group's outstanding senior notes;

(ii) successfully negotiate with the Group's existing onshore debt holders for the renewal or extension for repayment of the Group's bank and other borrowings;

(iii) successfully obtain additional new sources of financing as and when needed;

(iv) successfully carry out the Group's business strategy plan including the acceleration of the sales of properties;

(v) successfully implement measures to speed up the collection of outstanding sales proceeds and effectively control costs and expenses;

(vi) successfully resolve the claims and disputes with construction contractors and other parties; and

(vii) successfully dispose of the Group's equity interests in project development companies when suitable.

Should the Group be unable to operate as a going concern, adjustments may have to be made to write down the carrying values of 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 effects of these adjustments have not been reflected in the condensed consolidated financial statements.

(d) Comparative figures and reclassification

As the property investment is an integral part of the Group's ordinary operations, the directors determined that presenting rental income as "Revenue" provides a more appropriate and relevant reflection of the Group's principal activities and aligns with prevailing industry practices.

Consequently, rental income previously recognised under "Other expenses and other losses, net" has been reclassified to "Revenue". The comparative figures for the six months ended 30 June 2025 have been restated to conform with the current year's presentation.

The effects of the reclassification on the interim condensed consolidated statement of comprehensive income for the six months ended 30 June 2025 are as follows:

	As previously reported *RMB'000*	**Reclassification** *RMB'000*	**As restated** *RMB'000*
Revenue	1,631,319	8,621	1,639,940
Cost of sales	(2,081,321)	–	(2,081,321)
Gross loss	(450,002)	8,621	(441,381)
Other expenses and other losses, net	7,198	(8,621)	(1,423)

This reclassification relates solely to the presentation of the interim condensed consolidated statement of comprehensive income. It has no impact on the Group's previously reported loss and total comprehensive expenses for the period, loss per share attributable to owners of the Company, or the interim condensed consolidated statement of financial position as at 31 December 2025.

4. REVENUE AND SEGMENT INFORMATION

The executive directors of the Company (the "**Executive Directors**") have been identified as the chief operating decision-maker (the "**CODM**"). Management determines the operating segments based on the Group's internal reports, which are then submitted to the CODM for performance assessment and resources allocation.

Following the reclassification of rental income from "Other expenses and other losses, net" to "Revenue" during the six months ended 30 June 2026, the CODM has revised the internal reports to assess performance and allocate resources. Consequently, the Group's reportable and operating segments are now identified as follows:

1. Property development: Development and sale of residential and commercial properties.

2. Property investment: Leasing of commercial properties to generate rental income.

The comparative segment information for the six months ended 30 June 2025 has been restated to conform with the revised segment presentation.

No geographical segment analysis is presented as the majority of the assets and operation of the Group are located in Mainland China, which is considered as one geographical location in an economic environment with similar risk and returns.

For the six months ended 30 June 2026 and 2025, there was no transaction with a single external customer that amounted to 10% or more of the Group's revenue.

The revenue from contracts with customers recognised during the six months ended 30 June 2026 and 2025 is sales of properties in the PRC, all of which were recognised at a point in time.

The revenue from external parties is derived from numerous external customers and the revenue reported to the Executive Directors is measured in a manner consistent with that in the interim condensed consolidated financial statements.

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
		(Restated)
Revenue from contracts with customers within the scope of HKFRS 15		
– Sales of properties	**885,653**	1,631,319
Revenue from other source		
– Rental income	**1,578**	8,621
	887,231	1,639,940

Segment information

	Six months ended 30 June 2026		
	Property development	**Property investment**	**Total Group**
	RMB'000	**RMB'000**	**RMB'000**
Segment revenue	**885,653**	**1,578**	**887,231**
Segment loss before income tax expense	**(698,999)**	**756**	**(698,243)**
Segment loss include:			
Finance costs, net	**(84,400)**	**(822)**	**(85,222)**
Share of results of joint ventures and associates	**(1,713)**	**-**	**(1,713)**
Depreciation on property, plant and equipment and right-of-use assets	**(5,972)**	**-**	**(5,972)**
A reconciliation to loss for the period is as follows:			
Total segment losses before income tax expenses			**(698,243)**
Income tax expenses			**(28,456)**
Loss for the period			**(726,699)**

	As at 30 June 2026		
	Property development	**Property investment**	**Total Group**
	RMB'000	**RMB'000**	**RMB'000**
Segment assets	**16,545,729**	**79,800**	**16,625,529**
Segment assets include:			
Investments accounted for using the equity method	**1,206,410**	**-**	**1,206,410**
Additions to non-current assets (other than financial instruments and deferred income tax assets)	**-**	**-**	**-**
Segment liabilities	**11,959,241**	**36,956**	**11,996,197**

Six months ended 30 June 2025

	Property development	Property investment	Total Group
	RMB'000	**RMB'000**	**RMB'000**
Segment revenue	1,631,319	8,621	1,639,940
Segment loss before income tax expense	(617,315)	7,912	(609,403)
Segment loss include:			
Finance costs, net	(28,649)	(709)	(29,358)
Share of results of joint ventures and associates	(6,368)	-	(6,368)
Depreciation on property, plant and equipment and right-of-use assets	(9,856)	-	(9,856)
A reconciliation to loss for the period is as follows:			
Total segment losses before income tax expenses			(609,403)
Income tax expenses			(56,670)
Loss for the period			(666,073)

	As at 31 December 2025		
	Property development	**Property investment**	**Total Group**
	RMB'000	**RMB'000**	**RMB'000**
Segment assets	18,714,179	79,800	18,793,979
Segment assets include:			
Investments accounted for using the equity method	1,208,123	-	1,208,123
Additions to non-current assets (other than financial instruments and deferred income tax assets)	8	-	8
Segment liabilities	13,401,017	36,931	13,437,948

5. FINANCE COSTS – NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Finance income		
– Interest income from bank deposits	**279**	816
Finance costs		
– Bank and other borrowings	**(180,786)**	(190,800)
– Lease liabilities	**(1,409)**	(1,554)
– Less: capitalised interest	**96,694**	162,180
	(85,501)	(30,174)
Finance costs, net	**(85,222)**	(29,358)

6. INCOME TAX EXPENSES

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax:		
– PRC corporate income tax	**27,595**	46,504
– PRC land appreciation tax	**1,308**	7,362
	28,903	53,866
Deferred income tax	**(477)**	2,804
	28,456	56,670

PRC corporate income tax

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

The corporate income tax rate applicable to the Group entities located in mainland China is 25% according to the Corporate Income Tax Law of the People's Republic of China.

PRC land appreciation tax ("LAT")

Pursuant to the requirements in relation to LAT in the PRC, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

The Group has made provision of LAT for sales of properties according to the aforementioned progressive rate.

PRC withholding tax

Pursuant to the Detailed Implementation Regulations for implementation of the Corporate Income Tax Law issued on 6 December 2007, dividends distributed from the profits generated by the PRC companies after 1 January 2008 to their foreign investors shall be subject to this withholding income tax of 10%. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated in Hong Kong and fulfill the requirements to the tax treaty arrangements between the PRC and Hong Kong.

On 21 December 2020 and 2 June 2023, the immediate holding companies of the PRC subsidiaries obtained the Certificate of Resident Status from the Inland Revenue Department and fulfill the requirements to the tax treaty arrangements between the PRC and Hong Kong. Therefore, a lower 5% withholding tax rate shall be applied to dividend distribution thereafter.

Hong Kong profits tax

The applicable Hong Kong profits tax rate is 16.5% for the six months ended 30 June 2026 (six months ended 30 June 2025: 16.5%). Hong Kong profits tax has not been provided as the Group did not have any assessable profits for the six months ended 30 June 2026 (six months ended 30 June 2025: same).

Overseas income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and is exempted from Cayman Islands income tax. The Company's direct subsidiary in the British Virgin Islands (the "**BVI**") was incorporated under the Business Companies Act of the BVI and is exempted from BVI income tax.

7. LOSS PER SHARE

(a) Basic

Basic loss 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 respective periods.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company during the periods *(RMB'000)*	**(444,177)**	(329,717)
Weighted average number of ordinary shares in issue (in thousand)	**1,621,799**	1,621,799
Basic loss per share *(RMB)*	**(0.27)**	(0.20)

(b) Diluted

The Company did not have any potential dilutive shares outstanding during the six months ended 30 June 2026 and 2025. Accordingly, diluted (loss)/earnings per share is the same as the basic (loss)/ earnings per share.

8. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables from third parties *(Note (a))*	**107,110**	86,327
Other receivables	**416,395**	516,073
Prepayments	**1,349,160**	1,588,467
Total trade and other receivables and prepayments	**1,872,665**	2,190,867

Notes:

(a) Trade receivables from third parties

Trade receivables mainly arise from sales of properties. Proceeds in respect of sales of properties are generally received in accordance with the terms stipulated in the sale and purchase agreements. There is generally no credit period granted to the property purchasers.

The ageing analysis of trade receivables at the interim condensed consolidated statement of financial position dates based on invoice date is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
0-30 days	**107,110**	86,327

For these past due trade receivables, the Group has assessed the expected credit losses by considering historical loss experiences, existing market conditions and forward-looking information. Based on the assessment, expected credit loss rate of trade receivables is close to zero. Therefore, the loss allowance provision for these trade receivables balances was not material.

9. TRADE PAYABLES, BILLS PAYABLES AND OTHER PAYABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade payables *(Note (a))*	**2,838,692**	3,323,605
Bills payables	**2,645**	2,645
Other payables	**323,071**	359,072
Total trade and other payables	**3,164,408**	3,685,322

(a) The ageing analysis of the trade payables based on invoice dates or contractual terms is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
0–30 days	**143,497**	168,009
31–60 days	**384,374**	508,596
61–90 days	**768,827**	900,160
Over 90 days	**1,541,994**	1,746,840
	2,838,692	3,323,605

10. SHARE CAPITAL

	Number of shares	Share capital
		HK$
Authorised:		
At 1 January 2026 and 30 June 2026	**10,000,000,000**	100,000,000
	Number of shares	Share capital
		RMB'000
Issued:		
At 1 January 2026 and 30 June 2026	**1,621,799,000**	14,838

11. SHARE OPTION SCHEME

The Company operates a new share option scheme (the "**New Share Option Scheme**") which became effective on 30 June 2026. The original share option scheme, which became effective on 15 July 2020, being the date of the initial public offering of the Company (the "**Listing Date**"), was terminated upon the adoption of the New Share Option Scheme.

No options were granted, exercised, cancelled or lapsed by the Company under the original share option scheme during the year ended 31 December 2025 and there have been no share options granted under the New Share Option Scheme and the original share option scheme since the Listing Date up to the date of this announcement. Subject to the terms of the New Share Option Scheme, in case of the grant of any share options under the New Share Option Scheme, the acceptance of offer of such grant must be received by the Company within 30 days from the date on which the letter containing the offer is delivered to the grantee, together with the payment of a nominal consideration of HK$1.00 for the acceptance by the grantee.

12. DIVIDEND

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

REVIEW OF THE FIRST HALF OF 2026 AND OUTLOOK FOR THE SECOND HALF OF 2026

The real estate industry as a whole continued to face severe downward pressure during the period. For the six months ended 30 June 2026, the Group in total delivered properties amounting to approximately RMB886 million, with an area of approximately 100,114 sq.m.

Faced with the severe challenges in the industry, the Group has always adhered to the corporate vision of "becoming a city builder for a better life" and carried forward the corporate culture of "integrity, pragmatism, simplicity and efficiency". The Group has set goals for 2026, uniting in its efforts and making proactive responses. Firstly, the Group strengthened its marketing efforts and balanced quantity with price. We formulated targeted and diverse marketing strategies tailored to different markets to proactively respond to market changes, and enhanced inventory clearing and cash collection management, striving to achieve our sales targets. The Group enhanced its marketing system, innovated online marketing methods, and at the same time carried out external channel cooperation to expand online and offline customer leads. Through internal training on marketing, we strengthened market prediction and enhanced marketing capability. Secondly, we reduced costs and ensured financial stability by means of cost-saving and cost control measures. The scope of control was expanded from construction work to marketing and administration, etc., leveraging the advantages of centralized purchasing to reduce procurement costs. We proactively optimized our debt structure and financing costs to ensure the safety of cash flow. Thirdly, the Group focused on its core business and accelerated cash collection to support cash flow. Fourthly, the Group maintained construction quality and sought to ensure quality delivery. We made continuous improvements in construction control and established a comprehensive quality control system covering from material quality, site management and construction inspection to delivery evaluation.

With stagnant income expectations and a persistently negative outlook on housing prices, it is expected that China's real estate market will continue to face adjustment pressures in the second half of 2026. For real estate enterprises, ensuring financial stability is the paramount concern. Given that the real estate market has shifted to a buyer's market, the key for survival and development of real estate enterprises lies in reinforcing internal strength, improving operational efficiency, enhancing product quality, and continuing to create value for customers.

The Group will continue to focus on product building and customer services based on customers' needs and ensure timely delivery and high quality services. We will strictly control our expenses, keep expenditure within the limits of revenues and focus on cash collection to ensure healthy cash flow. We will adjust the financing structure to further reduce financing costs and continue to conduct talent reviews to keep the organization streamlined and flexible. We will also identify excellent talents with potential, strengthen incentives and adhere to performance metrics to ensure strong operating results. At the same time, we will actively fulfill our social responsibility and enhance our comprehensive brand strength.

BUSINESS REVIEW

The Group derives its revenue primarily from sales of properties and rental income. For the six months ended 30 June 2026, the Group recorded a total revenue of approximately RMB888 million.

Contracted sales

For the six months ended 30 June 2026, including those of joint ventures and associates, the Group recorded unaudited contracted sales of approximately RMB734 million, and contracted gross floor area ("**GFA**") sold was approximately 75,827 sq.m. The average selling price ("**ASP**") of our contracted sales for the six months ended 30 June 2026 was approximately RMB9,680 per sq.m.

As of 30 June 2026, the Group had contract liabilities of approximately RMB1,119 million as compared to approximately RMB1,434 million as of 31 December 2025.

Sales of properties

For the six months ended 30 June 2026, the Group recognised revenue from sales of properties of approximately RMB886 million. The Group recognised a total GFA of approximately 100,114 sq.m. The ASP of the properties recognised as property sales was approximately RMB8,846 per sq.m.

The following table sets out the recognised sales and GFA sold by property type and city for the six months ended 30 June 2026:

	Recognised GFA *sq.m.*	**Recognised ASP** *RMB/sq.m.*	**Recognised revenue** *RMB'000* (unaudited)
Residential, retail and commercial			
Taizhou	46,650	9,689	451,986
Foshan	14,574	9,858	143,674
Wuhu	8,701	6,457	56,182
Fuyang	4,584	8,461	38,786
Yancheng	6,558	5,231	34,303
Guizhou	5,467	5,467	29,889
Liyang	2,316	11,206	25,953
Huaian	2,703	8,197	22,156
Guangzhou	2,404	6,958	16,726
Luoyang	3,601	4,502	16,212
Yangzhou	1,194	7,719	9,216
Nanjing	978	8,229	8,048
Suzhou	384	10,542	4,048
Others			3,523
Car parks and garage/storage and other remaining units			24,950
Total	100,114	8,846	885,653

Land reserves

As of 30 June 2026, the Group (together with its joint ventures and associates) had 53 projects with land reserves amounting to approximately 3,445,913 sq.m., of which 47 projects were located in cities in the Yangtze River Delta region.

The following table sets out the GFA breakdown of the total land reserve of the Group by provinces or cities as of 30 June 2026:

Provinces/Cities	**Total land reserve[1]** *(sq.m.)*	**Percentage of total land bank** *(%)*
Guangdong	1,506,445	45%
Jiangsu	896,485	26%
Anhui	521,880	15%
Guizhou	234,152	7%
Zhejiang	154,545	4%
Henan	117,621	3%
Shanghai	14,785	0%
Total	3,445,913	100%

Notes:

(1) Total land reserve is equal to the sum of (i) the total GFA available for sale and total leasable GFA for completed properties; (ii) total GFA for properties under development; and (iii) total GFA for properties held for future development.

(2) For projects developed by our subsidiaries, joint ventures or associated companies, 100% of the total GFA are accounted for the respective projects.

FINANCIAL REVIEW

Overall performance

During the six months ended 30 June 2026, total revenue of the Group was approximately RMB888 million. Gross loss was approximately RMB504 million. Net loss of the Group was approximately RMB727 million. The loss attributable to owners of the Company was approximately RMB444 million.

Revenue

For the six months ended 30 June 2026, the Group recorded a total revenue of approximately RMB888 million, representing a period-on-period decrease of approximately 46%. The decrease was primarily attributable to lower contracted sales and recognition of properties sold.

Cost of sales

The cost of sales of the Group represents the costs incurred directly for sale of properties, which comprised construction costs, land costs, capitalised interest and impairment recognised for properties under development and completed properties held for sale.

For the six months ended 30 June 2026, the cost of sales of the Group was approximately RMB1,391 million, as compared to approximately RMB2,081 million in the corresponding period of last year, including a net provision for impairment recognised for properties under development and completed properties held for sale of approximately RMB301 million (six months ended 30 June 2025: RMB392 million).

Gross loss

For the six months ended 30 June 2026, the gross loss of the Group was approximately RMB504 million, as compared to gross loss of approximately RMB441 million in the corresponding period of last year. Gross profit margin was primarily affected by selling prices, construction costs and land costs of our properties delivered. For the six months ended 30 June 2026, the Group recorded a gross loss margin of approximately 57% as compared to gross loss margin of approximately 27% in the corresponding period in 2025. The decrease in the gross margin was mainly due to the adverse market condition and the relative increase in impairment recognized for properties under development as compared with the corresponding period of last year.

Other expenses and other losses, net

The Group had other losses of approximately RMB10 million for the six months ended 30 June 2026, as compared to approximately RMB1 million for the six months ended 30 June 2025.

Other losses for the six months ended 30 June 2026 primarily consisted of charges for tax payment extension of approximately RMB8 million (six months ended 30 June 2025: charges for tax payment extension of approximately RMB4 million partly offset by rental, management and consulting service income of approximately RMB7 million). The management and consulting services mainly comprise the assignment of staff and personnel to support the operation of the relevant project companies including but not limited to services with respect to managerial, operational, financial and marketing aspects and are provided exclusively to the Group's joint ventures and associates in relation to the property development projects.

Selling and marketing expenses

The Group's selling and marketing expenses decreased by approximately 38% period-on-period from approximately RMB64 million for the six months ended 30 June 2025 to approximately RMB40 million for the six months ended 30 June 2026. The decrease was attributable to the decrease in recognition of properties sold and sales commission, the better control measures in marketing and advertising costs and the reduction in staff costs.

General and administrative expenses

The Group's general and administrative expenses decreased by approximately 15% period-on-period from approximately RMB67 million for the six months ended 30 June 2025 to approximately RMB57 million for the six months ended 30 June 2026. The decrease in general and administrative expenses was primarily due to further organizational streamlining to improve efficiency at a lower cost.

Finance costs – net

For the six months ended 30 June 2026, the net finance costs of the Group was approximately RMB85 million, as compared to approximately RMB29 million in the corresponding period of last year. The increase was due to a lower amount of interest capitalized during the period, resulting from a decrease in projects under construction.

Share of results of joint ventures and associates

The Group accounts for the results of joint ventures and associates using the equity method, which mainly represent the share of profits related to the projects delivered during the relevant period that have been offset by losses incurred by other joint ventures and associates.

The Group's share of results of joint ventures and associates was a loss of approximately RMB2 million and approximately RMB6 million for the six months ended 30 June 2026 and 2025, respectively. The losses were in line with the decrease in revenue from sales of properties of joint ventures and associates.

Income tax expenses

Income tax expense was approximately RMB28 million and RMB57 million for the six months ended 30 June 2026 and 2025 respectively.

Loss and total comprehensive loss for the period

The Group's loss and total comprehensive loss was approximately RMB727 million for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB666 million). The loss attributable to owners of the Company was approximately RMB444 million for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB330 million).

The basic and diluted loss per share of the Company was RMB0.27 per share for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB0.20 per share).

Liquidity and financial resources

The Group has always pursued a prudent treasury management policy and actively managed its liquidity position to cope with daily operation and demands for capital for future development.

During the six months ended 30 June 2026, the Group had mainly financed its working capital, capital expenditure and other capital requirements primarily through cash generated from operations, including proceeds from the pre-sale and sales of our properties.

As of 30 June 2026, the Group had total cash (including restricted cash and cash and cash equivalents) of approximately RMB384 million (as at 31 December 2025: approximately RMB512 million).

During the six months ended 30 June 2026, the aggregate repayment of borrowings was approximately RMB208 million. As of 30 June 2026, the Group's total bank and other borrowings amounted to approximately RMB3,859 million, representing a decrease of approximately 5% as compared to approximately RMB4,067 million as of 31 December 2025. Amongst bank and other borrowings, approximately RMB3,386 million (as at 31 December 2025: approximately RMB3,321 million) will be repayable within one year and approximately RMB474 million (as at 31 December 2025: approximately RMB746 million) will be repayable after one year.

Details of the going concern basis and plans and measures to improve the Group's liquidity and financial position are disclosed in Note 3(c) to the interim condensed consolidated financial information of this announcement.

Senior notes

On 18 November 2024, all of the outstanding 2024 Senior Notes were redeemed in full, and the redemption price was paid in kind with new notes issued in an aggregate principal amount of US$180,551,641 which bear interest at a fixed rate of 9.5% per annum, payable semiannually in arrears (the "**November 2025 Notes**").

On 20 November 2025, the Company received a letter from China Construction Bank (Asia) Corporation Limited (acting as trustee of the November 2025 Notes) stating the failure to pay the principal of and interest accrued on the November 2025 Notes upon their maturity on 17 November 2025 constituted an event of default thereunder.

As of the date of this announcement, the Company is continuing discussions with the relevant noteholders to explore an overall solution for its relevant indebtedness to safeguard the interests of all stakeholders.

Key financial ratios

As of 30 June 2026, the Group's net gearing ratio (calculated as the total borrowings net of restricted cash and cash and cash equivalents divided by total equity) was 75% (as at 31 December 2025: 66%). As of 30 June 2026, the Group's liabilities to assets ratio after excluding contract liabilities was approximately 70% (as at 31 December 2025: 69%). As of 30 June 2026, the Group's total cash to short term debt ratio (calculated as cash and bank balances divided by short term bank and other borrowings) was 0.1 times (as at 31 December 2025: 0.2 times). The Group will continue to manage its working capital efficiently through working capital management policies and continue to utilise the Group's available financial resources including proceeds from sales and pre-sales of property projects, draw down of banking facilities and other borrowings and optimise the payment schedule to contractors through negotiation based on the latest construction progress.

The Group's current ratio is calculated based on its total current assets divided by its total current liabilities as of the respective dates. The Group's current ratio had decreased from approximately 1.39 times as of 31 December 2025 to approximately 1.35 times as of 30 June 2026. The current ratio was maintained at a stable level throughout the periods.

Foreign exchange risk

The Group mainly operates its business in China. As of 30 June 2026, other than the offshore senior notes which are denominated in USD, the Group did not have any other material direct exposure to foreign exchange fluctuations for the six months ended 30 June 2026. The Directors expect that the fluctuation of RMB's exchange rate will not have any material adverse effect on the operation of the Group.

As of 30 June 2026, the Group had not entered into any hedging transactions. The Group manages its foreign exchange risk by closely monitoring the movement of the foreign exchange rates and will consider hedging significant foreign currency exposure should the need arise.

Interest rate risk

The Group's interest rate risk arises from its borrowings. Except for the offshore senior notes of which the interest rate is fixed, most of the Group's borrowings are denominated in RMB, and their interest rates on the Group's borrowings are primarily affected by the benchmark interest rates set by the People's Bank of China. The Group manages its interest rate risk by closely monitoring the trend of interest rate fluctuation and its impact on the Group's interest rate risk exposure, as well as actively managing the debt portfolio of the Group.

Pledge of assets

As of 30 June 2026, certain of the Group's bank and other borrowings were secured by its pledged time deposit, equity interests of group companies, properties under development, completed properties held for sale and investment properties with total carrying values of approximately RMB10,861 million (31 December 2025: RMB13,027 million).

Financial guarantees and contingent liabilities

As of 30 June 2026, the Group's total financial guarantees are as follows:

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Guarantee in respect of mortgage facilities for certain purchasers	**2,933,809**	3,547,612
Guarantee provided for the borrowings of joint ventures	**234,158**	234,170
Total	**3,167,967**	3,781,782

During the six months ended 30 June 2026, the Group had arranged for bank financing for certain purchasers of our properties and provided guarantees to secure obligations of such purchasers for repayments. Such guarantee periods start from the date of grant of mortgage, and terminate upon the earlier of (i) the issuance of the property ownership certificate to the purchaser; or (ii) the satisfaction of mortgage loans by the purchasers of our properties. Pursuant to the terms of these guarantees, upon default of mortgage payments by these purchasers, the bank may demand us to repay the outstanding mortgage principal of the loan together with accrued interest owed by the defaulting purchasers to the banks. Under such circumstances, the Group is entitled to forfeit the relevant purchaser's deposit and resell the property to recover any amounts paid by the Group to the bank. The Directors consider that the likelihood of default of payments by the purchasers is minimal and the Group's credit risk is significantly mitigated.

The Group also provided guarantees for borrowings of the Group's joint ventures and associates from time to time in proportion to its equity interests. The relevant borrowings were primarily from banks to finance property development projects of these joint ventures and associates, whereby the land use rights of the joint ventures and associates were pledged to the banks and the Group provided guarantees in addition to the pledges. The Directors consider that the likelihood of default in payments by the joint ventures and associates is minimal and therefore the financial guarantee measured at fair value is immaterial and no liabilities were recognised.

As of 30 June 2026, the Group had no other material contingent liabilities.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

During the six months ended 30 June 2026, the Group did not have any material acquisition or disposal of subsidiaries, associates or joint ventures.

Future plans for material investments

The Group will continue to invest in its property development projects and acquire suitable land parcels, as and when appropriate. These investments would be funded by internal resources and external borrowings. Save as disclosed above, the Group did not have any future plans for material investments as of the date of this announcement.

Human resources

As of 30 June 2026, the Group had a total of 213 employees (31 December 2025: 255 employees). Total expenditure on salary and welfare of the Group's employees for the six months ended 30 June 2026 amounted to approximately RMB30 million (six months ended 30 June 2025: RMB40 million). The Group has adopted a system of determining the remuneration of employees based on the performance of employees. In general, the Group provides competitive remuneration packages to employees, which include basic salaries, performance-based rewards and year-end bonus. The Group also pays social security insurance for the Group's employees, including medical insurance, work-related injury insurance, endowment insurance, maternity insurance, unemployment insurance and housing funds. In terms of employee training, the Group provides consistent and systematic training to employees based on their positions and expertise, in order to enhance their expertise in real estate and other related fields.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's Shares or other listed securities during the period.

INTERIM DIVIDEND

The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

CORPORATE GOVERNANCE

The Company recognises the importance of good corporate governance for enhancing the management of the Company and preserving the interests of the shareholders as a whole. The Company has adopted the code provisions in the Corporate Governance Code set out in Appendix C1 to the Listing Rules (the "**CG Code**"), as its own code to govern its corporate governance practices. Save for the deviation in relation to the chairman of the Board and chief executive officer being the same individual, the Board considers that the Company has complied with, to the extent applicable and permissible, the CG Code during the six months ended 30 June 2026.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lui Ming is currently the Chairman of the Board and the chief executive officer of the Group, responsible for strategic planning and the management of the Group's overall business and operations. Mr. Lui Ming has been responsible for the overall management of the Group since the establishment of the Group. The Board believes that the current structure enables the Group to make and implement business decisions swiftly and effectively which promotes the Group's development in line with other strategies and business direction. The Board considers that the balance of power and authority, accountability and independent decision making under the present arrangement will not be impaired because of the diverse backgrounds and experience of the non-executive Directors and independent non-executive Directors. Further, the audit committee of the Company, which consists of independent non-executive Directors, has free and direct access to the Company's external auditors and independent professional advisers when it considers it necessary. Therefore, the Directors consider that the deviation from code provision C.2.1 of the CG Code is appropriate in the circumstances.

The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Group's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities.

The Directors are reminded of their obligations under the Model Code on a regular basis. Following specific enquiry, all Directors have confirmed that they have complied with the required standard as set out in the Model Code during the six months ended 30 June 2026.

SIGNIFICANT SUBSEQUENT EVENT

Save as disclosed elsewhere in this announcement, there were no other material subsequent events that took place after 30 June 2026 and up to the date of this announcement.

REVIEW OF UNAUDITED INTERIM FINANCIAL INFORMATION

Audit Committee

The audit committee of the Company, comprising Mr. Chang, Eric Jackson, Ms. Wu Hua and Mr. Xiong Lusheng, has discussed with the management and the Board, reviewed the unaudited interim financial information of the Group for the six months ended 30 June 2026 and this interim results announcement, and confirmed that all applicable accounting principles, standards and requirements have been complied with. The Audit Committee had no disagreement on the accounting treatment adopted in the unaudited consolidated interim results of the Group for the six months ended 30 June 2026.

PUBLICATION OF UNAUDITED INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.glchina.group). The interim report of the Company for the six months ended 30 June 2026 will be despatched to the shareholders (if requested) and published on the aforesaid websites in due course.

By Order of the Board
Ganglong China Property Group Limited
Lui Ming
Chairman and executive director

Hong Kong, 28 August 2026

As of the date of this announcement, the executive directors of the Company are Mr. Lui Ming (Chairman), Mr. Lui Jin Ling, and Mr. Lui Chi Chung Jimmy. The independent non-executive directors of the Company are Mr. Chang, Eric Jackson, Ms. Wu Hua and Mr. Xiong Lusheng.