中國海外發展有限公司
CHINA OVERSEAS LAND & INVESTMENT LTD.

(Incorporated in Hong Kong with limited liability)
（於香港註冊成立之有限公司）

Stock Code 股份代號：00688

深耕領潮 聚勢致遠

Cultivating Leadership
Building Momentum for the Future

中期報告
INTERIM REPORT
2026

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China Overseas Land & Investment Limited

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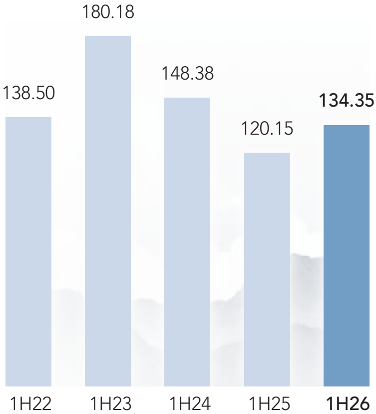
* *China Overseas Land & Investment Limited and its subsidiaries together with its associates and joint ventures (collectively referred to as the "Group Series of Companies") operate property development business across 84 cities in Chinese mainland as well as in Hong Kong and Macau*

Financial Highlights

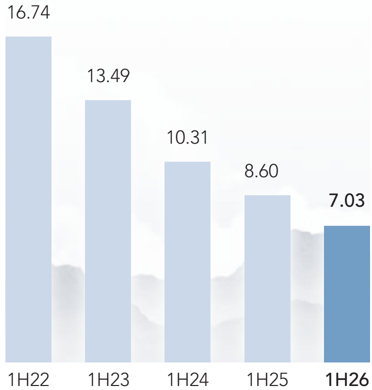
Contracted Property Sales Amount*

RMB billion



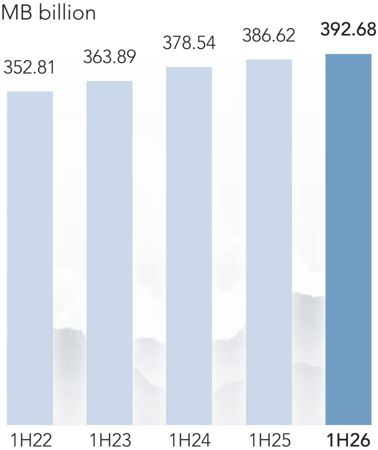
Profit Attributable to Shareholders of the Company

RMB billion



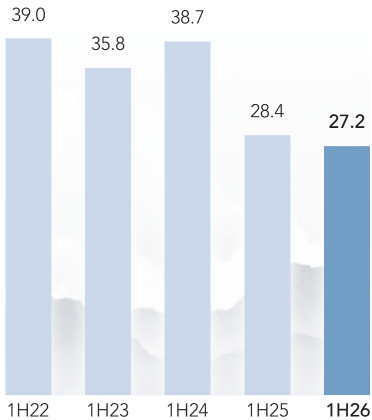
Equity Attributable to Shareholders of the Company

RMB billion



Net Gearing#

%



* *Representing the Group Series of Companies*

\# *Net gearing is calculated based on the total debt less bank balances and cash divided by total equity (including non-controlling interests)*

Board of Directors and Committees

Executive Directors

Yan Jianguo	*Chairman*
Zhang Zhichao	*Chief Executive Officer*
Guo Guanghui	*Vice President*

Non-Executive Directors

Zhuang Yong	*Vice Chairman*
Ma Yao	

Independent Non-Executive Directors

Li Man Bun, Brian David(1)
Chan Ka Keung, Ceajer
Chan Ching Har, Eliza
Li Man Kiu, Adrian David(2)

Authorised Representatives

Yan Jianguo
Guo Guanghui

Audit and Risk Management Committee

Li Man Bun, Brian David *(Chairman)* (1)
Chan Ka Keung, Ceajer
Chan Ching Har, Eliza
Li Man Kiu, Adrian David *(Chairman)* (2)

Corporate Governance Committee

Chan Ka Keung, Ceajer *(Chairman)*
Li Man Bun, Brian David(1)
Chan Ching Har, Eliza
Li Man Kiu, Adrian David(2)

Nomination Committee

Chan Ching Har, Eliza *(Chairman)*
Li Man Bun, Brian David(1)
Chan Ka Keung, Ceajer
Li Man Kiu, Adrian David(2)

Remuneration Committee

Chan Ka Keung, Ceajer *(Chairman)*
Li Man Bun, Brian David(1)
Chan Ching Har, Eliza
Li Man Kiu, Adrian David(2)

(1) *resigned with effect from 25 June 2026*
(2) *appointed with effect from 25 June 2026*

Corporate Information

Registered Office

10/F., Three Pacific Place
1 Queen's Road East, Hong Kong
Telephone : (852) 2988 0666
Facsimile : (852) 2865 7517
Website : www.coli.com.hk

Company Secretary

Lam Timothy Andrew

Share Registrar and Transfer Office

Tricor Investor Services Limited
17/F, Far East Finance Centre,
16 Harcourt Road, Hong Kong
Telephone : (852) 2980 1333
Facsimile : (852) 2810 8185
E-mail : is-enquiries@vistra.com

Investor Relations

Corporate Communications Department
Telephone : (852) 2988 0666
Facsimile : (852) 2865 7517
E-mail : coli.ir@cohl.com

Public Relations

Corporate Communications Department
Telephone : (852) 2988 0666
Facsimile : (852) 2865 7517
E-mail : coli.pr@cohl.com

Independent Auditor

Ernst & Young
Certified Public Accountants and Registered Public Interest Entity Auditor

Principal Bankers (In Alphabetical Order)

Agricultural Bank of China Limited
Bank of Beijing Co., Ltd.
Bank of China Limited
Bank of Communications Co., Ltd.
China Citic Bank Corporation Limited
China Construction Bank Corporation
China Everbright Bank Co., Ltd.
China Minsheng Banking Corp., Ltd.
CMB Wing Lung Bank Limited
DBS Bank Limited
Industrial and Commercial Bank of China Limited
Industrial Bank Co., Ltd.
Nanyang Commercial Bank, Limited
OCBC Bank (Hong Kong) Limited
Shanghai Pudong Development Bank Co., Ltd.
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited

Listing

The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") and certain notes and corporate bonds issued by the Company's subsidiaries are listed on the Hong Kong Stock Exchange and/or other exchanges.

Stock Code

Shares

Hong Kong Stock Exchange	:	00688
Bloomberg	:	688:HK
Reuters	:	0688.HK

Financial Calendar

Interim results announcement	:	26 August 2026
Ex-dividend date	:	16 September 2026
Closure of Register of Members	:	18 September 2026
Record date for interim dividend	:	18 September 2026
Despatch of dividend warrants	:	5 October 2026

Chairman's Statement

In the first half of 2026, the property market continued its downward trend. The Group coordinated development and security, and proactively responded to various difficulties and challenges so as to continue to create value for the shareholders. The unaudited revenue of the Group for the six months ended 30 June 2026 was RMB97.6 billion. Profit attributable to shareholders of the Company was RMB7.03 billion. Core profit attributable to shareholders of the Company[1] was RMB7.93 billion. The Board declared an interim dividend of HK23 cents per share for the six months ended 30 June 2026, amounting to HK$2.52 billion.

During the period, the Group Series of Companies achieved contracted sales of RMB134.35 billion, with a year-on-year increase of 11.8%. According to data from the China Index Academy, the attributable sales of the Group Series of Companies ranked No.1 in the industry. The Group's industry-leading sales performance was driven by the Group's strongly focus on first-tier cities, which offer greater security and certainty, while capturing structural opportunities in other key cities. The Group Series of Companies (excluding COGO) achieved contracted sales of RMB78.99 billion in the five cities, Hong Kong, Beijing, Shanghai, Guangzhou and Shenzhen, accounting for 68.6% of the contracted sales of the Group Series of Companies (excluding COGO). Of this, contracted sales achieved in Beijing, Shenzhen, Shanghai and Hong Kong amounted to RMB24.75 billion, 22.5 billion, 14.92 billion, and 13.31 billion, respectively. The Group Series of Companies ranked No.1 in market share in various cities, including Beijing, Shenzhen, Tianjin, Shenyang, Jinan and Haikou. Meanwhile, the Group Series of Companies delivered 21,000 units of high-quality housing, maintaining customer satisfaction at industry benchmark levels.

The Group's revenue from commercial operations was RMB3.58 billion. During the period, the Beijing Jinchen project under China Overseas Senior Living and Wellness opened, serving as a benchmark project for the Group to explore innovative elderly care models and drive operational business growth in the booming silver economy.

In the first half of the 2026, the Group acquired nine new land parcels[2], with an attributable land premium of RMB7.66 billion. From July to date, the Group has acquired nine new land parcels in Beijing, Shenzhen, Hong Kong, Taiyuan and Ningbo, with an attributable land premium of RMB25.68 billion. Year-to-date in 2026, the Group has acquired a total of 18 new land parcels, with an attributable land premium of RMB33.34 billion.

1 *Core profit attributable to shareholders of the Company represents profit attributable to shareholders of the Company, adjusted by excluding the effects of net foreign exchange gains and losses and investment properties revaluation gains and losses (net of tax and non-controlling interests), and adding back realised after-tax revaluation gains and losses on investment properties disposed of during the period*

2 *Excluding the land parcel acquired by the Group for the Kam Sheung Road Station Phase Two Property Development Project in Yuen Long District, Hong Kong, with total GFA of 0.11 million sq m during the period. The land parcel will be developed in form of cooperation project*

The Group sustained its financial soundness. As at 30 June 2026, the Group's liability-to-asset ratio was 51.6% and net gearing was 27.2%. Total interest-bearing debt decreased by RMB10.15 billion from the beginning of the year. Net operating cash inflow was RMB28.52 billion. The Group once again maintained its leading credit ratings in the industry and remains the only listed Chinese property developer to receive an A- rating from two of the three major international rating agencies – S&P Global, Moody's and Fitch, reflecting international rating agencies' strong recognition of the Group's steady and sustainable development prospects.

Since the beginning of 2026, the Central Government has consistently emphasised city-specific policies, focusing on controlling new supply, reducing housing inventory and improving supply, while advancing high-quality urban renewal to stabilise the property market. Looking ahead, although the property market is still adjusting, the Group maintains its projected outlook regarding the "three driving forces" as set out at the beginning of the year. The Group believes that stable macroeconomic growth, policy support, and the optimisation of supply and demand continue to lay a solid foundation for the market to stem the downturn and restore stability. Furthermore, the Group's organic growth, combining expansion and resilience, has strengthened its confidence in achieving sustained, steady and high-quality development.

As the trend towards market stabilisation aligns with the Group's strategic positioning, the Group's organic growth driver is now generating three "new sources of momentum".

Firstly, the momentum from appreciation of premium assets in first-tier cities. The market has a growing expectation that first-tier cities will lead out of the downturn and into the recovery. During the period, the Group achieved both sales volume and price growth across multiple projects in cities such as Shanghai and Shenzhen. The Kai Tak Runway Area project in Hong Kong has maintained the strong sales momentum seen since 2025, with transaction prices rising steadily. As the markets in first-tier cities further stabilise and improve, the Group, harnessing its high-quality land reserves in prime locations across these cities, is well positioned to benefit from the recovery in asset values and enhance the returns on its projects.

Secondly, the momentum generated from capturing structural opportunities in key second-tier cities. The Group effectively capitalised on the unleashed demand for better housing in key second-tier cities, adhering to a "prime locations+benchmark projects" strategy. It made targeted investments in cities including Shenyang, Changchun, Shijiazhuang, Xiamen and Haikou, creating multiple regional benchmark projects. During the period, these projects achieved strong sales against the market headwinds, with sell-through rates and profitability substantially outperforming local averages. The dividends of this structural positioning are being realised at an accelerating pace, underpinning the Group's sales volume and profitability.

Thirdly, the momentum from unlocking the value of the Group's commercial asset base. The Group operates a diverse portfolio of commercial assets, encompassing office buildings, shopping malls, star-rated hotels and long-term leased apartments. Leveraging its multi-sector operational synergies and substantial asset base, the Group has achieved steady revenue growth from its commercial operations. With office buildings, hotels and leased apartments now included within the scope of commercial property REITs, a clear policy and market window has opened for the Group to realise the value of its commercial asset base. The Group will utilise securitisation tools such as REITs to effectively unlock the value of its diversified portfolio of commercial assets and enhance operational efficiency.

The year 2026 marks the start of the 15th Five-Year Plan and also the 48th year of the Group's operations and development. Having weathered many economic cycles and fluctuations in the property market, the Group stood firm as an industry leader. Looking ahead to the 15th Five-Year Plan period, the Group will continue to adhere to its core value of "Customer-oriented, Quality Assurance, and Value Creation" and uphold its business philosophy of "Good Products, Good Services, Good Effectiveness and Good Citizen". By implementing the strategic business structure with "Focusing on Dual-Engine Drive and Enhancing the Ecosystem Business", focusing on property development and operations, strengthening its dual-engine approach of residential development and commercial operations, and enhancing the upstream and downstream ecosystem business, the Group will reinforce its leadership role in China's property industry, striving to become a world-class enterprise.

Finally, I would like to take this opportunity to express my sincere gratitude to our domestic and overseas customers, the shareholders and the whole community for their support and trust. I would also like to express my heartfelt gratitude to my fellow directors and all employees for their dedication and determination to pursue excellence.

China Overseas Land & Investment Limited
Yan Jianguo
Chairman and Executive Director

Overall Performance

During the period, the revenue of the Group was RMB97.6 billion, the operating profit was RMB12.55 billion, the gross profit margin was 16.1%, the ratio of selling, distribution and administrative expenses to revenue was 2.8%. Profit attributable to shareholders of the Company was RMB7.03 billion. Core profit attributable to shareholders of the Company was RMB7.93 billion. Basic earnings per share was RMB0.64.

Property Development

In the first half of 2026, the Group's revenue and segment results from property development were RMB91.86 billion and RMB11.33 billion respectively.

During the period, the net profit contribution to the Group from associates and joint ventures amounted to RMB0.17 billion.

The major associate, COGO, recorded contracted property sales of RMB19.14 billion, revenue of RMB14.14 billion, and profit attributable to the shareholders of RMB0.33 billion.

In the first half of 2026, the contracted property sales of the Group Series of Companies was RMB134.35 billion, with a year-on-year increase of 11.8% and the corresponding sales area was 4.5 million sq m, with a year-on-year decrease of 12.1%.

In the first half of 2026, the Group Series of Companies' contracted property sales and the corresponding sales area were as follows:

	Contracted property sales RMB billion	Proportion %	Sales area '000 sq m	Proportion %
The Company and its subsidiaries ("The Group")	94.10	70.0	2,613	58.0
Joint ventures and associates of the Group (excluding COGO)	21.11	15.7	243	5.4
China Overseas Grand Oceans Group Limited ("COGO")	19.14	14.3	1,647	36.6
Total	**134.35**	**100**	**4,503**	**100**

Property Development (continued)

During the period, the Group Series of Companies (excluding COGO) completed projects with a total GFA of 4.08 million sq m in 21 Chinese mainland cities and Hong Kong.

The area of projects completed by city in the first half of 2026 were as below:

City	Total GFA '000 sq m	City	Total GFA '000 sq m
Beijing	454	Xiamen	157
Shenyang	382	Nanjing	128
Shanghai	322	Zhengzhou	120
Jinan	315	Haikou	104
Wuhan	298	Shenzhen	86
Guangzhou	287	Suzhou	75
Xi'an	276	Changchun	73
Taiyuan	240	Hong Kong	71
Tianjin	232	Dalian	39
Chengdu	229	Chongqing	30
Shijiazhuang	157	Fuzhou	3
		Total	**4,078**

During the period, the Group acquired nine new land parcels in eight Chinese mainland cities and Hong Kong, adding a total GFA of 0.76 million sq m to the land reserve and attributable GFA of 0.74 million sq m. The total land premium was RMB7.86 billion and attributable land premium was RMB7.66 billion.

Property Development (continued)

The land parcels newly acquired in the first half of 2026 were as below :

City	Name of Development Project	Attributable Interest %	Land Area '000 sq m	Total GFA '000 sq m
Hong Kong	Ngau Tau Kok Project	100	3	26
Baoding	Xiong'an New Area Project	100	16	47
Xiamen	Tong'an District Project	100	18	59
Xi'an	Gaoxin District Project	100	54	184
Haikou	Longhua District Project	100	28	96
Changsha	Xiangjiang New District Project	100	51	138
Jinan	Licheng District Project	100	24	84
Zhuhai	Xiangzhou District Project	80	28	77
Suzhou	Industrial Park Project	100	20	49
Total			**242**	**760**

At 30 June 2026, the Group Series of Companies (excluding COGO) had a total land reserve of 22.07 million sq m in GFA and attributable GFA of 19.6 million sq m.

During the period, total GFA of land newly acquired by COGO was 0.48 million sq m. At 30 June 2026, total GFA of COGO's land reserve was 11.43 million sq m and attributable GFA of 9.8 million sq m.

The total GFA of the Group Series of Companies' land reserve was 33.5 million sq m.

Commercial Operations

Amid market uncertainties, the Group's commercial operations delivered steady growth in operational performance by leveraging its evolving asset management capabilities and flexible operational strategies, while steadily developing regional benchmark projects, optimising the asset portfolio, and unlocking asset potential.

During the period, the Group's revenue from commercial operations was RMB3.58 billion. Of this, revenue from office buildings was RMB1.72 billion, revenue from shopping malls was RMB1.16 billion, revenue from long-term leased apartments was RMB0.18 billion, and revenue from hotels and other commercial operations was RMB0.52 billion.

Commercial Operations (continued)

In the first half of 2026, facing ongoing adjustments in market supply and demand, the Group's office business leveraged its deep commercial property management expertise, solid customer base revenue and multi-channel leasing network to achieve a total leasable area of 0.48 million sq m during the period. The business continuously refined its service standards and tenant structure, achieving a 63.1% lease renewal rate. At the end of the period, the overall occupancy rate had stabilised at 78%, underpinned by steady operations.

The shopping mall business drove continuous improvement in key performance metrics by precisely aligning with shifting consumer preferences and pioneering innovative, experiential spaces. The occupancy rate stood at 95.3%, with sales and customer flow increasing by 11.4% and 7.9% year-on-year, respectively. Driven by refined operations and unlocked organic growth potential, same-store sales and customer flow also rose by 4.5% and 9.2% year-on-year, respectively, providing sustained revenue growth momentum.

During the period, the Group continued to deepen its commercial asset management strategy. Following its successful listing in 2025, the ChinaAMC China Overseas Consumer REIT (180607.SZ) operated smoothly, providing sustained impetus for the Group's transformation of its commercial operations towards an asset management business.

Other Businesses

During the period, other businesses' revenue from external and internal customers of the Group amounted to RMB4.28 billion. Other businesses' revenue from external customers amounted to RMB2.16 billion. Of this, the external revenue from material procurement and supply chain management services amounted to RMB2.05 billion, with a year-on-year increase of 35%.

Liquidity, Financial Resources and Debt Structure

The Group adheres to the principal of prudent financial fund management, firmly upholding the bottom line of safety while actively pursuing development. The Group continues to lead the industry by all indicators and maintained its status as "green category" enterprises. At 30 June 2026, the Group's bank deposits and cash were RMB121.1 billion, accounting for 13.7% of total assets, with industry-leading liquidity. The Group's net current assets were RMB361.67 billion, current ratio was 2.4 times, net gearing was 27.2%. During the period, the average borrowing cost was 2.76%, among the lowest in the industry.

At 30 June 2026, the Group had bank loans amounting to RMB162.15 billion while guaranteed notes and corporate bonds amounted to RMB75.07 billion. Total debt amounted to RMB237.22 billion, of which RMB64.86 billion will mature within one year, accounting for 27.3% of the total debt. Of the total debt, 87.7% was denominated in RMB, 9.9% was denominated in US dollars and 2.4% was denominated in Hong Kong dollars. The fixed-rate debt accounted for 44% of total debt while the remainder was floating-rate debt. The bank loans, guaranteed notes and corporate bonds due to mature in the second half of 2026 was RMB29.85 billion.

Liquidity, Financial Resources and Debt Structure (continued)

The Group leverage the advantages of onshore and offshore dual financing platforms, flexibly using multiple tools to rationalise its financing arrangements. In the first half of 2026, the Group raised onshore and offshore funds amounting to RMB8.44 billion, including the successful issuance of one tranche of low-interest onshore bonds of RMB2.5 billion. During the period, the Group repaid RMB17.51 billion of debt early or on schedule, with a total net debt repayment of RMB9.07 billion. The overall interest-bearing debt decreased by RMB10.15 billion from the beginning of the year.

The Group adheres to cash flow management as its core focus, enhancing sales proceeds collection. During the period, the Group's sales proceeds collection was RMB78.01 billion and other operating cash collection was RMB7.19 billion. Total operating cash collection amounted to RMB85.2 billion. Total capital expenditure payments for the Group were RMB38.2 billion. Of which, RMB17.9 billion was for land costs and RMB20.3 billion was for construction expenditure. The Group's net operating cash inflow was RMB28.52 billion. At 30 June 2026, the Group had unpaid land premiums of RMB3.96 billion.

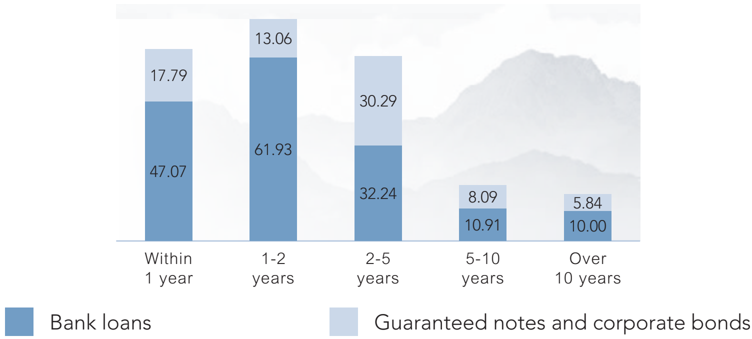
At 30 June 2026, the Group's available funds amounted to RMB170.61 billion, comprising bank deposits and cash of RMB121.1 billion and unutilised banking facilities of RMB49.51 billion. Of the bank deposits and cash, 94.7% was denominated in RMB, 4.2% was denominated in Hong Kong dollars, 0.5% was denominated in US dollars, 0.3% was denominated in Singapore dollar, 0.2% was denominated in pounds sterling and a small amount was denominated in other currencies, while the bank deposits and cash also included regulated pre-sales proceeds of properties of RMB16.79 billion.

In the first half of 2026, global geopolitical conflicts intensified, and the world economic situation was complex and volatile. China's economy overall maintained stability. Amid rising inflation uncertainty, the US Federal Reserve paused interest rate cuts in the first half of the year, leading to volatility in the US dollar index. Meanwhile, supported by China's resilient economic fundamentals, the RMB continued to appreciate against the US dollar. The Group's exchange rate management is mainly through natural hedging and it has not engaged in any speculative transactions in derivative financial instruments for the time being. Meanwhile, the Group will maintain a prudent and flexible attitude, and consider currency and interest rate swap arrangements at an appropriate time to hedge against potential risks arising from exchange rate and interest rate fluctuations. Overall, the Group's exposure to exchange rate and interest rate risks remains well contained, and the Group will continue to dynamically refine its risk management strategies in response to evolving market conditions.

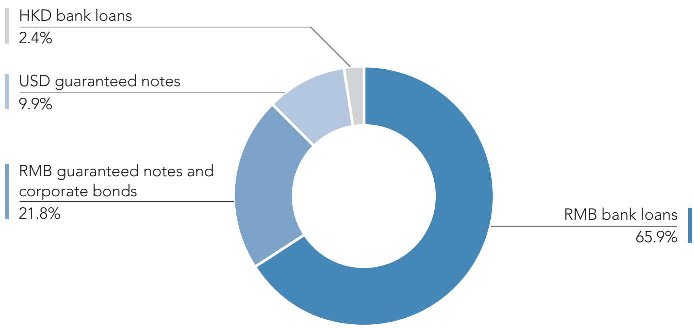
Liquidity, Financial Resources and Debt Structure (continued)

Interest-Bearing Debt Maturity Profile
At 30 June 2026

RMB billion



Interest-Bearing Debt by Currency
At 30 June 2026



Contingent Liabilities

At 30 June 2026, the Group provided guarantees to banks amounting to RMB10.58 billion in respect of mortgage loans granted to purchasers of the Group's properties. The Group had counter indemnities amounting to RMB1.87 billion for guarantees issued in respect of certain construction contracts undertaken by the Group.

In addition, at 30 June 2026, the Group had provided guarantees to banks amounting to RMB3.77 million, RMB1.16 billion and RMB0.29 billion in respect of certain credit facilities granted to and utilised by its associates, joint ventures and other entity respectively.

The Group has never incurred any loss in the past as a result of granting such guarantees.

Charge of Assets

At 30 June 2026, certain of the Group's assets with carrying values of RMB162.45 billion have been pledged to secure its bank loans.

Sustainable Development

In the first half of 2026, the Group published its 2025 Annual Report and 2025 Environmental, Social and Governance Report (the "ESG Report"); the ESG Report obtained independent third-party AA1000 standard certification, further enhancing the credibility and transparency of its reporting and responding to capital market information disclosure requirements.

With the Hong Kong Stock Exchange's Environmental, Social and Governance Reporting Code (the "ESG Code") coming into effect, the Group also released its first Special Report on Response to Climate Change. In addition to compliance with the ESG Code, this report also adheres to the IFRS S2 Climate-related Disclosures issued by International Sustainability Standards Board (ISSB) and the Sustainability Disclosure Standards for Business Enterprises No. 1 – Climate (Trial) issued by the Ministry of Finance of the People's Republic of China, demonstrating the Group's commitment as a centrally administered state-owned enterprise in addressing climate change across the four dimensions of governance, strategy, risk management, and metrics and targets.

Sustainable Development (continued)

During the first half of the year, the Group's sustainability efforts continued to receive broad recognition. MSCI maintained the Group's ESG rating at A. The Group was once again included in both the S&P Global Sustainability Yearbook and the Sustainability Yearbook (China Edition). Sustainalytics assigned the Group an ESG Risk Score among the best in the mainland China property sector, ranking within the top 3% of global assessed companies. The Group was rated A+ by China Chengxin Green Finance International and A by SynTao Green Finance, both of which are leading ESG rating agencies in China, and was selected for the first time as a "China ESG Leading Enterprise" by SynTao Green Finance. In the Extel (formerly Institutional Investor) 2026 Asia (ex-Japan/ANZ) Executive Team rankings, the Group was, for the fourth consecutive year, ranked among the top three in the industry in the categories of "Most Honored Company", "Best CEO", "Best CFO", "Best Investor Relations Company", and "Best Investor Relations Team".

In the first half of the year, the Group continued to promote "China Overseas Good Houses", providing customers with safe, comfortable, green, and smart living spaces. As of 30 June 2026, the Group had accumulated 704 projects with green building certifications, with a corresponding total certified gross floor area exceeding 113 million sq m. The Jinan Huashan Green Eco-District was recognised as China's first three-star green ecological district project under urban renewal category. The Group updated its Sustainable Finance Framework, fully aligning with the ICMA Green Bond Principles (GBP) 2025, Sustainability Bond Principles (SBP) 2025, and Green Loan/SLP standards. The Group also continued to carry out its plan to advance energy – and water-efficiency retrofits in its self-owned properties, promote the development of a sustainable supply chain, support rural revitalisation, and enhance corporate governance, contributing to building a better environment and society.

Sustainable Targets and Progress in 1H 2026

Good Citizen: Sustainable Design and Construction

1 NO POVERTY | 3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES | 11 SUSTAINABLE CITIES AND COMMUNITIES | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 15 LIFE ON LAND

Vision	Prioritise environmental and social benefits when designing products, services and our business management model, and assist the country and society to meet sustainability and climate change challenges	
Targets & progress	**Energy efficiency and greenhouse gas emissions**	Commercial projects • Achieved 100% coverage of energy consumption information platform in self-owned office building and shopping centre projects • In line with this year's targets, energy-saving retrofits for air conditioning, lighting, flexible electricity use, and pilot applications of AI-powered energy-saving technologies were carried out across six self-owned projects; heat source retrofit was carried out for one project • China Overseas Commercial Development ("COCD") procured 46,677.28 MWh of green electricity • Continued efforts were made to advance the day-to-day energy management of shopping malls, office buildings, and other properties, and the relevant operating strategies of all projects were revised and completed. During the period, after excluding the impact of increased occupancy rates, energy savings reached approximately 9.706 million kWh compared with the end of 2025. • During the period, COCD received the "2025 ESG Model Enterprise Award"; Shenzhen China Overseas Building won the "2025 Outstanding ESG Case Award"; Beijing China Overseas Financial Centre was recognised as the "2025 China Building Economy ESG Benchmark Project" and selected as a "2025 Annual Demonstration Case of Zero-Carbon Buildings in China's Commercial Real Estate Sector"

Sustainable Targets and Progress in 1H 2026 (continued)

Good Citizen: Sustainable Design and Construction (continued)

Targets & progress	**Land risk and biodiversity**	• Carried out land risk assessment before land acquisition for each project to analyse the risk factors related to the ecological environment such as geology and topography, soil risk, environmental pollution and special protection and then identified the environmental risks of the project plot and its surrounding areas
	Regional economy and rural revitalisation	• In partnership with Zhuoni County, Gansu Province, innovative branded specialty agricultural products were developed, including organic white fungus dessert soup, organic sea buckthorn juice, astragalus and chrysanthemum tea, and black fungus rice crackers. These products were promoted and marketed nationwide through dedicated sales support initiatives
	Green lease	• 100% of new office building tenants signed the COOC Green Leasing Cooperation Plan
	Green investment	• The Sustainable Finance Framework was revised and published on the Company's official website to ensure alignment with the latest widely recognised market standards and voluntary guidelines, while facilitating access to green and social financing opportunities for eligible assets

Sustainable Targets and Progress in 1H 2026 (continued)

Good Service: Full-cycle Customer Service

Vision	Continuously improve customer satisfaction and strive to be an industry leader in customer relationship management
Targets & progress	• Achieved customer satisfaction score of 90, maintaining industry leadership • Completed the high-quality delivery of 13,000 residential units with a perfect delivery rate of 58% • Received the "Outstanding Real Estate Customer Satisfaction Enterprise (1H2026)" award from the China Index Academy, and "No. 1 Annual Delivery Capability in the Industry" award by CRIC • Organised Customer Value Day, bringing together various functional departments to present dedicated reports on customer satisfaction improvement initiatives. Discussions focused on corrective actions to address areas of weaker customer satisfaction performance, as well as forward-looking measures to further enhance customer experience

Sustainable Targets and Progress in 1H 2026 (continued)

Good Products: Creating Enjoyable Space

Vision	Uphold the principle of "Each and Every Detail of Each and Every Project" in conjunction with contemporary living and working patterns to create new communities that integrate functionality, health and people-centred design	
Targets & progress	**Green and sustainable buildings**	• In the first half of 2026, revenues from projects with green building certifications were approximately RMB85.7 billion (first half of 2025: approximately RMB74.9 billion) • 7 projects newly obtained green building certification, with a corresponding total GFA of 0.57 million sq m, for cumulative totals of 704 projects with a total GFA of over 113 million sq m • Obtained 2 new green building-related patents, for a total of 115 green building-related patents held • Gained 188 certifications year-on-year for green building materials, green products and carbon footprint evaluation certifications • The proportion of green procurement suppliers rose to 72.7%
	Infrastructure and supporting services	• Affordable housing with a total GFA of 227,000 sq m was under construction, a total GFA of 116,000 sq m was newly completed, and a total GFA of 14.43 million sq m was completed
	Community integration and coordinated development	• 95% of the Group's operated shopping centres are equipped with nursery rooms • In conjunction with Earth Day, a series of community events with the theme of "Green · Healthy · Sustainable Living" were organised across 14 long-term leased apartment projects nationwide • Developed high-standard senior living projects. By the first half of 2026, nearly 2,000 elderly care beds were under construction and in operation in Beijing, Wuxi, Qingdao, Tianjin and Jinan

Sustainable Targets and Progress in 1H 2026 (continued)

Good Effectiveness: Creating Share Value

Vision To enhance COLI's value creation capabilities and expedite the progress of sustainability by matching current social needs with COLI's competitive strengths and actively expanding internal and external cooperation

Targets & progress

Improve corporate governance

- The Company has established the Employee Code of Professional Conduct and implemented a malus and clawback mechanism for performance-based compensation in cases of misconduct by senior management, achieving a mutual constraint between compensation incentives and compliance accountability. Subject to approval by the Remuneration Committee and the Board of Directors, the Company may adjust, reduce, cancel, forfeit or recover vested or unvested performance-based compensation in the event of specified misconduct and regulatory non-compliance by directors or senior management. This ensures that executive accountability is commensurate with performance-based remuneration. During the reporting period, no instances of misconduct or non-compliance by the Company's directors or senior management, and no events triggered the malus and clawback mechanism for performance-based compensation
- 100% of the Company's management and employees (including employees of regional companies, project companies, joint ventures and associates) signed the Work Integrity Responsibility Statement annually; integrity pledge coverage has been achieved for the management of all subsidiaries, and all newly appointed management personnel receive anti-corruption training prior to assuming their positions

Sustainable Targets and Progress in 1H 2026 (continued)

Good Effectiveness: Creating Share Value (continued)

	• Suppliers and contractors are required to sign an Integrity Agreement, and their corporate credit and integrity records are reviewed during the procurement process. In the first half of the year, the signing rate among newly added suppliers reached 100%. A shared blacklist mechanism for business partners has also been established, and integrity and compliance review visits were conducted for 15 key business partners
Build effective teams	• Hired 3,075 employees. The ratio of male to female was 2.37:1, with a target ratio of 2:1 and effort to improve the gender ratio of new hires • Built an in-house sales team of 1,651 employees from scratch, and hired 1,902 additional staff for non-core production and service functions • Each employee received an average 46 hours of training • Maintained 100% physical examination and supplementary medical insurance coverage for employees • 100% of the Group's subsidiaries established labour unions, and over 300 employee activities were carried out during the period

Sustainable Targets and Progress in 1H 2026 (continued)

Good Effectiveness: Creating Share Value (continued)

Targets & progress	**Promote cross-industry cooperation**	• Beijing China Overseas International Center (Aonan) partnered with its key tenant Xiaohongshu (or "rednote") to launch a bird-friendly community Initiative. Through a series of actions, including the installation of bird collision prevention films on the building facade and the implementation of diverse public education and awareness programs, the initiative created a safer urban environment for birds and help protect them from building-related hazards
	International management system certifications	• Completed a total of 18 management system certifications (including ISO 45001:2018 Occupational Health and Safety Management Systems Certification; ISO 9001:2015 Quality Management Systems Certification; ISO 14001:2015 Environmental Management Systems Certification, etc.)

Condensed Consolidated Income Statement

Six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Notes	**RMB'000**	RMB'000
		(Unaudited)	(Unaudited)
Revenue	*4*	**97,599,111**	83,219,084
Cost of sales		**(81,889,336)**	(68,759,238)
		15,709,775	14,459,846
Other income, gains and losses, net	*5*	**337,048**	793,813
Changes in fair value of investment properties, net		**(741,610)**	66,120
Selling and distribution expenses		**(1,671,465)**	(2,110,240)
Administrative expenses		**(1,086,570)**	(1,085,635)
Operating profit		**12,547,178**	12,123,904
Share of profits and losses of associates and joint ventures		**166,450**	1,256,876
Finance costs	*6*	**(356,451)**	(382,375)
Profit before tax		**12,357,177**	12,998,405
Income tax expenses	*7*	**(4,349,979)**	(3,468,793)
Profit for the period	*8*	**8,007,198**	9,529,612
Attributable to:			
Shareholders of the Company		**7,030,375**	8,599,034
Non-controlling interests		**976,823**	930,578
		8,007,198	9,529,612
		RMB	RMB
Earnings per share attributable to shareholders of the Company	*9*		
Basic and diluted		**0.64**	0.79

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the period	**8,007,198**	9,529,612
Other comprehensive income/(loss) for the period		
Items that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the financial statements of subsidiaries	**22,926**	271,570
Exchange differences on translation of the financial statements of associates and joint ventures	**(1,645)**	128,997
	21,281	400,567
Total comprehensive income for the period	**8,028,479**	9,930,179
Attributable to:		
Shareholders of the Company	**7,046,578**	8,996,178
Non-controlling interests	**981,901**	934,001
	8,028,479	9,930,179

Condensed Consolidated Statement of Financial Position

30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Non-current Assets			
Property, plant and equipment		**8,635,554**	7,138,182
Investment properties	*11*	**202,523,132**	205,836,298
Goodwill		**56,395**	56,395
Interests in associates		**20,984,342**	21,452,391
Interests in joint ventures		**25,576,010**	27,936,775
Financial assets at fair value through profit or loss		**157,017**	236,327
Other receivables		**120,930**	147,024
Deferred tax assets		**7,395,899**	7,269,960
Total non-current assets		**265,449,279**	270,073,352
Current Assets			
Stock of properties and other inventories		**441,668,434**	490,999,739
Land development expenditure		**4,473,125**	4,472,593
Contract assets		**159,491**	109,074
Trade and other receivables	*12*	**3,680,340**	4,064,547
Deposits and prepayments		**11,894,750**	11,758,078
Amounts due from associates		**1,195,784**	1,068,844
Amounts due from joint ventures		**4,751,746**	5,167,858
Amounts due from non-controlling shareholders		**6,056,360**	4,660,276
Income tax prepaid		**19,564,959**	19,695,467
Bank balances and cash		**121,099,952**	103,627,513
Non-current assets held for sale	*11*	**2,332,950**	–
Total current assets		**616,877,891**	645,623,989
Total Assets		**882,327,170**	915,697,341
Non-current Liabilities			
Bank loans		**115,084,762**	142,193,678
Guaranteed notes and corporate bonds	*13*	**57,279,481**	62,865,628
Lease liabilities		**194,024**	237,781
Deferred tax liabilities		**27,932,640**	27,911,826
Total non-current liabilities		**200,490,907**	233,208,913

	Notes	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
Current Liabilities			
Trade and other payables	*14*	**47,362,386**	52,191,364
Pre-sales proceeds		**101,908,794**	125,033,296
Dividend payable		**2,375,484**	–
Amounts due to fellow subsidiaries		**1,250,169**	1,316,327
Amounts due to associates		**3,151,979**	3,481,226
Amounts due to joint ventures		**3,891,277**	3,849,615
Amounts due to non-controlling shareholders		**11,138,855**	13,149,337
Bank loans		**47,070,392**	30,726,935
Guaranteed notes and corporate bonds	*13*	**17,789,837**	11,589,193
Lease liabilities		**87,230**	93,170
Income tax liabilities		**19,180,876**	21,158,803
Total current liabilities		**255,207,279**	262,589,266
Total Liabilities		**455,698,186**	495,798,179
Net Assets		**426,628,984**	419,899,162
Equity			
Equity attributable to shareholders of the Company:			
Share capital	*15*	**74,035,443**	74,035,443
Reserves		**318,645,319**	313,912,343
		392,680,762	387,947,786
Non-controlling interests		**33,948,222**	31,951,376
Total Equity		**426,628,984**	419,899,162

Condensed Consolidated Statement of Changes in Equity

Six months ended 30 June 2026

	Unaudited							
	Attributable to shareholders of the Company							
	Share capital RMB'000	Exchange fluctuation reserve RMB'000	Merger and other reserves RMB'000 *(Note (a))*	PRC statutory reserve RMB'000 *(Note (b))*	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2025	74,035,443	(2,130,389)	(11,960,119)	12,057,029	308,609,013	380,610,977	21,219,021	401,829,998
Profit for the period	–	–	–	–	8,599,034	8,599,034	930,578	9,529,612
Exchange differences on translation of the financial statements of subsidiaries	–	268,147	–	–	–	268,147	3,423	271,570
Exchange differences on translation of the financial statements of associates	–	128,997	–	–	–	128,997	–	128,997
Total comprehensive income for the period	–	397,144	–	–	8,599,034	8,996,178	934,001	9,930,179
2024 final dividend	–	–	–	–	(2,987,953)	(2,987,953)	–	(2,987,953)
Contributions from non-controlling shareholders	–	–	–	–	–	–	9,650,000	9,650,000
Return of capital to non-controlling shareholders	–	–	–	–	–	–	(539,800)	(539,800)
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	(137,598)	(137,598)
Transfer to PRC statutory reserve	–	–	–	155,636	(155,636)	–	–	–
At 30 June 2025	74,035,443	(1,733,245)	(11,960,119)	12,212,665	314,064,458	386,619,202	31,125,624	417,744,826

	Unaudited							
	Attributable to shareholders of the Company							
	Share capital RMB'000	Exchange fluctuation reserve RMB'000	Merger and other reserves RMB'000 *(Note (a))*	PRC statutory reserve RMB'000 *(Note (b))*	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2026	74,035,443	(1,999,967)*	(11,960,119)*	15,470,593*	312,401,836*	387,947,786	31,951,376	419,899,162
Profit for the period	–	–	–	–	7,030,375	7,030,375	976,823	8,007,198
Exchange differences on translation of the financial statements of subsidiaries	–	17,848	–	–	–	17,848	5,078	22,926
Exchange differences on translation of the financial statements of associates and joint ventures	–	(1,645)	–	–	–	(1,645)	–	(1,645)
Total comprehensive income for the period	–	16,203	–	–	7,030,375	7,046,578	981,901	8,028,479
2025 final dividend	–	–	–	–	(2,383,248)	(2,383,248)	–	(2,383,248)
Contributions from non-controlling shareholders *(Note (c))*	–	–	–	–	–	–	1,534,189	1,534,189
Return of capital to non-controlling shareholders *(Note (d))*	–	–	–	–	–	–	(171,400)	(171,400)
Dividends paid to non-controlling shareholders *(Note (e))*	–	–	–	–	–	–	(347,844)	(347,844)
Transfer to PRC statutory reserve	–	–	–	446,752	(446,752)	–	–	–
Others	–	–	–	–	69,646	69,646	–	69,646
At 30 June 2026	74,035,443	(1,983,764)*	(11,960,119)*	15,917,345*	316,671,857*	392,680,762	33,948,222	426,628,984

* *These reserve accounts comprise the consolidated reserves of RMB318,645,319,000 (31 December 2025: RMB313,912,343,000) in the condensed consolidated statement of financial position as at 30 June 2026.*

Notes:

(a) Merger reserve mainly arose from the acquisition of subsidiaries in 2015 by the Group from China State Construction Engineering Corporation Limited and in 2016 from CITIC Limited, which are all state-owned enterprises under common control of the State Council of the People's Republic of China (the "PRC").

(b) The PRC statutory reserve of the Group represents the general and development fund reserve applicable to subsidiaries established in accordance with the relevant PRC regulations.

(c) During the period, in lieu of cash settlement, capital contributions from non-controlling shareholders of RMB1,391,138,000 were made through the conversion of shareholder loans into equity.

(d) During the period, in lieu of cash settlement, return of capital to non-controlling shareholders of RMB136,400,000 were settled through current accounts.

(e) During the period, in lieu of cash settlement, dividend of RMB145,211,000 payable to non-controlling shareholders were settled through current accounts.

Condensed Consolidated Statement of Cash Flows

Six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Operating cash flows before movements in working capital	**13,233,767**	11,568,888
Interest received	**684,650**	589,434
Decrease/(increase) in stock of properties and other inventories, and deposits for acquisition of land use rights for property development	**50,788,615**	(7,535,110)
(Increase)/decrease in land development expenditure	**(531)**	1,676,720
Decrease/(increase) in trade and other receivables, and deposits and prepayments	**316,398**	(91,193)
(Decrease)/increase in trade and other payables and pre-sales proceeds	**(30,000,336)**	1,482,415
Other movements in working capital	**(226,692)**	28,833
Cash generated from operations	**34,795,871**	7,719,987
Income taxes paid	**(6,279,282)**	(6,655,097)
NET CASH FLOWS FROM OPERATING ACTIVITIES	**28,516,589**	1,064,890
INVESTING ACTIVITIES		
Dividends received from associates	**67,685**	86,200
Dividends received from joint ventures	**6,260**	244,694
Additions of investment properties	**(988,050)**	(4,199,622)
Advances to associates	**(6,304)**	(757,699)
Repayment from associates	**72,037**	53,784
Advances to joint ventures	**(1,054,847)**	(452,294)
Repayment from joint ventures	**3,055,313**	1,357,685
Advances to non-controlling shareholders	**(2,612,162)**	(1,341,036)
Repayment from non-controlling shareholders	**166,594**	133,929
Return of capital from associates	**31,515**	1,118,000
Disposal of a subsidiary	**–**	1,577,401
Net proceeds from disposal of investment properties	**2,881,642**	487,378
Other investing cash flows	**(79,211)**	(87,880)
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	**1,540,472**	(1,779,460)

	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
FINANCING ACTIVITIES		
Interest paid	**(3,243,090)**	(3,496,739)
Dividends paid to non-controlling shareholders	**(302,633)**	(137,598)
New bank loans raised	**5,940,871**	23,042,027
Repayment of bank loans	**(16,507,366)**	(30,478,997)
Issue of guaranteed notes and corporate bonds	**2,500,000**	3,500,000
Redemption of guaranteed notes and corporate bonds	**(1,000,000)**	(9,463,583)
Advances from non-controlling shareholders	**405,567**	495,052
Repayment to non-controlling shareholders	**(315,093)**	(1,599,287)
Contributions from non-controlling shareholders	**9,657**	5,022,000
Return of capital to non-controlling shareholders	**(35,000)**	(539,800)
Other financing cash flows	**(43,435)**	(637,477)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	**(12,590,522)**	(14,294,402)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**17,466,539**	(15,008,972)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**103,400,623**	123,892,213
EFFECT OF FOREIGN EXCHANGE RATE CHANGES, NET	**(170,375)**	(108,780)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**120,696,787**	108,774,461
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash as stated in the condensed consolidated statement of financial position	**121,099,952**	108,956,521
Less: Restricted bank deposits	**(403,165)**	(182,060)
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	**120,696,787**	108,774,461

1. Corporate and Group Information

China Overseas Land & Investment Limited (the "Company") is a public company limited incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). The registered office and principal place of business of the Company are situated at 10/F, Three Pacific Place, 1 Queen's Road East, Hong Kong.

The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in property development, commercial operations and other businesses. These business activities are principally carried out in Hong Kong, Macau, the United Kingdom, Beijing, Shanghai, Guangzhou, Shenzhen, Tianjin, Jinan, Shenyang, Chengdu, Dalian, Xi'an, Nanjing, Hangzhou, Changchun, Qingdao, Suzhou and other regions in Chinese mainland.

The Company's immediate holding company is China Overseas Holdings Limited, which is incorporated in Hong Kong, and the ultimate holding company of the Company is China State Construction Engineering Corporation ("CSCEC"), which is a state-owned enterprise established in the PRC and under the control of the State-owned Assets Supervision and Administration Commission of the State Council of the PRC.

2.1. Basis of Preparation

These condensed consolidated financial statements have been prepared in accordance with the applicable disclosures requirement of Appendix D2 to The Rules Governing the Listing of Securities (the "Listing Rules") on the Hong Kong Stock Exchange and Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). They should be read in conjunction with the Group's 2025 annual financial statements, which have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA. They have been prepared under the historical cost convention, except for investment properties (including those classified under non-current assets held for sale) and financial assets at fair value through profit or loss which have been measured at fair value. These condensed consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated.

The financial information relating to the year ended 31 December 2025 included in the condensed consolidated financial statements for the six months ended 30 June 2026 as comparative does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. The Company has delivered the financial statements for the year ended 31 December 2025 to the Hong Kong Registrar of Companies. The Company's auditor has reported on the financial statements for that year. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under Sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance (Cap.622).

2.2. Changes in Accounting Policies and Disclosures

The accounting policies applied in the condensed consolidated financial statements are consistent with those of the Group's annual financial statements for the year ended 31 December 2025 as described in those annual financial statements, except for the adoption of the following amended HKFRS Accounting Standards for the first time in the current period, which are effective for the year ending 31 December 2026 and relevant to the Group:

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards – Volume 11	*Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7*

The application of the above amendments has had no material impact on the Group's results and financial position.

2.3. Issued but Not Yet Effective HKFRS Accounting Standards

The Group has not applied the following new and amended HKFRS Accounting Standards, that are applicable to the Group and have been issued but are not yet effective, in these financial statements:

HKFRS 18	*Presentation and Disclosure in Financial Statements*[1]
HKFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
HKFRS 20	*Regulatory Assets and Regulatory Liabilities*[3]
Amendments to HKAS 21	*Translation to a Hyperinflationary Presentation Currency*[1]

1 *Effective for annual periods beginning on or after 1 January 2027*
2 *Effective for annual/reporting periods beginning on or after 1 January 2027*
3 *Effective for annual periods beginning on or after 1 January 2029*

2.3. Issued but Not Yet Effective HKFRS Accounting Standards (continued)

The Group intends to apply the above new and amended HKFRS Accounting Standards when they become effective. The Group has already commenced an assessment of their impact. So far, it has assessed that, except for HKFRS 18 as further described below, the adoption of them is unlikely to have a significant impact on the Group's financial statements.

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the consolidated income statement, including specified totals and subtotals. Entities are required to classify all income and expenses within the consolidated income statement into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

3. Estimates

The preparation of condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2025.

4. Segment Information

The Group managed its business units based on their products and services, and in accordance with which information is prepared and reported to the Group's management for the purposes of resources allocation and performance assessment. The Group has three reportable segments as follows:

Property development	–	property development for sale
Commercial operations	–	leasing of properties for rentals, hotel and other commercial operations
Other businesses	–	provision of material procurement and supply chain management services, construction and building design consultancy services and others

For the purposes of monitoring segment performances and allocating resources between segments:

- Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that interest income on bank deposits, corporate expenses, finance costs and net foreign exchange gains/losses recognised in the condensed consolidated income statement are excluded from such measurement.

4. Segment Information (continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results (including share of profits and losses of associates and joint ventures) by reportable segment:

Six months ended 30 June 2026 – Unaudited

	Property development RMB'000	Commercial operations RMB'000	Other businesses RMB'000	Total RMB'000
Revenue from contracts with customers *(Note (a))*	91,859,914	518,701	2,163,794	94,542,409
Revenue from another source *(Note (b))*	–	3,056,702	–	3,056,702
Segment revenue from external customers	91,859,914	3,575,403	2,163,794	97,599,111
Inter-segment revenue	–	–	2,121,083	2,121,083
Total segment revenue	91,859,914	3,575,403	4,284,877	99,720,194
Reconciliation:				
Elimination of inter-segment revenue				(2,121,083)
Consolidated revenue				97,599,111
Segment results (including share of profits and losses of associates and joint ventures)	11,327,052	878,233	53,565	12,258,850
Reconciliation:				
Interest income on bank deposits				664,095
Corporate expenses				(54,958)
Finance costs				(356,451)
Net foreign exchange losses recognised in the condensed consolidated income statement				(154,359)
Consolidated profit before tax				12,357,177

4. Segment Information (continued)

Segment revenue and results (continued)

Six months ended 30 June 2025 – Unaudited

	Property development RMB'000	Commercial operations RMB'000	Other businesses RMB'000	Total RMB'000
Revenue from contracts with customers *(Note (a))*	77,962,227	507,755	1,714,781	80,184,763
Revenue from another source *(Note (b))*	–	3,034,321	–	3,034,321
Segment revenue from external customers	77,962,227	3,542,076	1,714,781	83,219,084
Inter-segment revenue	–	–	1,834,043	1,834,043
Total segment revenue	77,962,227	3,542,076	3,548,824	85,053,127
Reconciliation:				
Elimination of inter-segment revenue				(1,834,043)
Consolidated revenue				83,219,084
Segment results (including share of profits and losses of associates and joint ventures)	10,667,202	1,982,643	54,987	12,704,832
Reconciliation:				
Interest income on bank deposits				573,489
Corporate expenses				(33,305)
Finance costs				(382,375)
Net foreign exchange gains recognised in the condensed consolidated income statement				135,764
Consolidated profit before tax				12,998,405

4. Segment Information (continued)

Segment revenue and results (continued)

Notes:

(a) Revenue from contracts with customers

Disaggregated revenue information

Six months ended 30 June 2026 – Unaudited

	Property development RMB'000	Commercial operations RMB'000	Other businesses RMB'000	Total RMB'000
By timing of revenue recognition				
– Recognised at a point in time	**91,859,914**	**–**	**2,057,682**	**93,917,596**
– Recognised over time	**–**	**518,701**	**106,112**	**624,813**
	91,859,914	**518,701**	**2,163,794**	**94,542,409**
By geographical market				
Chinese mainland	**91,285,235**	**485,303**	**2,141,006**	**93,911,544**
Hong Kong and Macau	**574,679**	**33,398**	**22,788**	**630,865**
	91,859,914	**518,701**	**2,163,794**	**94,542,409**

Six months ended 30 June 2025 – Unaudited

	Property development RMB'000	Commercial operations RMB'000	Other businesses RMB'000	Total RMB'000
By timing of revenue recognition				
– Recognised at a point in time	77,962,227	–	1,558,478	79,520,705
– Recognised over time	–	507,755	156,303	664,058
	77,962,227	507,755	1,714,781	80,184,763
By geographical market				
Chinese mainland	77,360,448	475,193	1,689,027	79,524,668
Hong Kong and Macau	601,779	32,562	25,754	660,095
	77,962,227	507,755	1,714,781	80,184,763

4. Segment Information (continued)

Segment revenue and results (continued)

Notes: (continued)

(a) Revenue from contracts with customers (continued)

Performance obligations

The performance obligations in respect of sale of properties are satisfied at a point in time when customers obtain control of the properties and the Group has the right to payment and collection of the consideration is probable. Payment is in according to the terms of the relevant sale and purchase agreements.

Commercial operations mainly include hotel operations. The performance obligations of the hotel operations are satisfied over time as services are rendered and payment is generally received in advance.

Other businesses mainly include provision of material procurement and supply chain management services, construction and building design consultancy services. The performance obligations in respect of provision of material procurement and supply chain management services are satisfied at point in time and certain credit period is allowed to the customers. The performance obligations of construction and building design consultancy services are satisfied over time as services are rendered and certain credit period is allowed to the customers.

(b) Revenue from another source represents rental income from leasing of properties to third parties.

5. Other Income, Gains and Losses, Net

	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interest income on bank deposits	**664,095**	573,489
Interest income on amounts due from associates, joint ventures and non-controlling shareholders	**61,218**	48,306
Other interest income	**3,938**	4,982
Total interest income	**729,251**	626,777
Net foreign exchange (losses)/gains recognised in the condensed consolidated income statement	**(154,359)**	135,764
Gain on disposal of a subsidiary	**–**	261,641
Provision for stock of properties	**(279,770)**	(305,733)
Impairment losses of amounts due from joint ventures	**(13,115)**	–
Others	**55,041**	75,364
Total other income, gains and losses, net	**337,048**	793,813

6. Finance Costs

	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interest on bank loans, guaranteed notes and corporate bonds	**3,434,201**	3,546,080
Interest on amounts due to joint ventures and non-controlling shareholders	**110,146**	17,938
Interest on lease liabilities	**5,718**	17,257
Other finance costs	**63,824**	76,359
Total finance costs	**3,613,889**	3,657,634
Less: Amount capitalised in properties under development and investment properties under construction	**(3,257,438)**	(3,275,259)
	356,451	382,375

7. Income Tax Expenses

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current tax:			
PRC Corporate Income Tax ("CIT")	*(a)*	**3,025,235**	2,793,990
PRC Land Appreciation Tax ("LAT")	*(b)*	**1,338,515**	260,677
PRC withholding income tax	*(c)*	**67,630**	56,465
Hong Kong profits tax	*(a)*	**10,315**	14,597
Macau income tax	*(a)*	**2,493**	2,521
Others		**10,975**	12,176
		4,455,163	3,140,426
Deferred tax		**(105,184)**	328,367
Total		**4,349,979**	3,468,793

Notes:

(a) Applicable income tax rates

A summary of applicable income tax rates of the jurisdictions in which majority of the Group's operations are located is as follows:

	Six months ended 30 June 2026 %	2025 %
Chinese mainland*	**25**	25
Hong Kong	**16.5**	16.5
Macau	**12**	12

* In accordance with the relevant tax laws and regulations of the PRC, certain subsidiaries of the Group established in Chinese mainland enjoy the preferential corporate income tax rate of 15%.

7. Income Tax Expenses (continued)

Notes: (continued)

(b) The provision for LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

(c) The PRC withholding income tax is imposed on dividends distributed or expected to be distributed from PRC subsidiaries to their immediate holding companies incorporated or operated in Hong Kong at the concession tax rate of 5% (2025: 5%).

(d) Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes, and will account for the Pillar Two income taxes as current tax when incurred. Pillar Two legislation was gazetted in Hong Kong on 6 June 2025, the jurisdiction in which the Company is listed, and has come into effect retroactively from 1 January 2025. As of 30 June 2026, Pillar Two legislation has been enacted or substantively enacted and has taken effect in Hong Kong and the United Kingdom in which the Group has operation.

The Group has assessed its potential exposure based on the information available regarding the full-year financial performance of the Group in the year ended 31 December 2025. As such, it may not be entirely representative of future circumstances. Based on the assessment, the Group should benefit from the transitional Country-by-Country Reporting safe harbour for most of the jurisdictions in which the Group operates, and the Group does not expect a material exposure to Pillar Two income taxes. The Group continues to follow Pillar Two legislative developments, as more countries prepare to enact the Pillar Two model rules, to evaluate the potential future impact on its financial statements.

8. Profit for the Period

Profit for the period is arrived at after charging:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment:		
– Owned assets	**210,320**	196,018
– Right-of-use assets	**29,604**	33,262
	239,924	229,280
Cost of stock of properties and other inventories recognised as expenses	**79,551,499**	66,527,440
Staff costs (including directors' remuneration)	**986,561**	1,021,805

9. Earnings Per Share Attributable to Shareholders of the Company

The calculation of the basic earnings per share amount is based on the profit for the period attributable to shareholders of the Company of RMB7,030,375,000 (2025: RMB8,599,034,000), and the weighted average number of ordinary shares of 10,944,884,000 (2025: 10,944,884,000) outstanding during the period.

No adjustment has been made to the basic earnings per share amount presented for each of the six months ended 30 June 2026 and 2025 in respect of a dilution as there were no potential ordinary shares in issue during these periods.

10. Dividends

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Dividends recognised during the period:		
Final dividend for the year ended 31 December 2025 of HK25 cents per share (2025: final dividend for the year ended 31 December 2024 of HK30 cents per share)	**2,383,248**	2,987,953

The Board declared an interim dividend of HK23 cents per share for the six months ended 30 June 2026, amounting to HK$2,517,323,000. The amount of interim dividend declared, which was calculated based on the number of ordinary shares in issue at the date of approval of these condensed consolidated financial statements, has not been recognised as a dividend payable in these condensed consolidated financial statements.

11. Investment Properties and Non-current Assets Held for Sale

During the six months ended 30 June 2026, (i) the Group had additions to investment properties amounting to RMB793,450,000 (2025: RMB885,472,000) and the net losses arising from changes in fair value of investment properties amounted to RMB741,610,000 (2025: net gains of RMB66,120,000); and (ii) investment properties with total carrying amounts of RMB937,086,000 (2025: RMB830,677,000), RMB1,517,614,000 (2025: RMB2,788,772,000) and RMB1,383,056,000 (2025: Nil) were sold to third parties, transferred from stock of properties to investment properties and transferred from investment properties to property, plant and equipment respectively.

In April 2026, the Group entered into a sale and purchase agreement with an independent third party to dispose of certain investment properties in Beijing. The completion date is expected to be on or before 31 December 2026. These investment properties with a total carrying amount of RMB2,332,950,000 had been reclassified to non-current assets held for sale as at 30 June 2026.

11. Investment Properties and Non-current Assets Held for Sale (continued)

The fair values of the investment properties held by the Group as at 30 June 2026 and 31 December 2025 were arrived on the basis of valuations carried out on those dates by independent firms of professional valuers with appropriate qualification and recent experience in the valuation of similar properties in the relevant locations. The current use of the investment properties is their highest and best use.

The investment properties classified as non-current assets held for sale as at 30 June 2026 were stated at fair value with reference to the agreed selling prices as stated in the sale and purchase agreements and the fair value measurement of the properties was classified as level 2 valuation as there was no significant unobservable input. Save as these properties, the fair values of the Group's other investment properties as at 30 June 2026 and 31 December 2025 are categorised as level 3 measurement in the three-level fair value hierarchy and during the period ended 30 June 2026, there was no transfer into and out of Level 3.

There was no change in the valuation techniques used during the period.

12. Trade and Other Receivables

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables *(Note (a) and (b))*	**2,396,885**	2,697,306
Other receivables – current portion	**1,283,455**	1,367,241
	3,680,340	4,064,547

Notes:

(a) Except for trade receivables in respect of sale of properties and lease receivables which are receivable or settled in accordance with the terms of the relevant sale and purchase agreements and lease agreements, the Group generally allows a credit period ranging from 30 to 180 days to its customers. The Group does not hold any collateral or other credit enhancement over its trade receivables.

12. Trade and Other Receivables (continued)

Notes: (continued)

(a) (continued)

The ageing analysis of trade receivables as at the end of the reporting period, presented based on the date the trade receivables were recognised, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
0 – 30 days	**439,661**	869,734
31 – 90 days	**320,953**	373,452
Over 90 days	**1,636,271**	1,454,120
	2,396,885	2,697,306

(b) In determining the recoverability of trade receivables, management has closely monitored the credit qualities and the collectability of these receivables and considers that the expected credit risks of them are minimal in view of the track record of repayment from them, the history of cooperation with them and forward-looking information. The concentration of credit risk is limited due to the customer base being large and unrelated. In the opinion of the directors, the expected credit loss provision for trade and other receivables was insignificant as at the end of the reporting period.

13. Guaranteed Notes and Corporate Bonds

During the six months ended 30 June 2026, the Group mainly issued and redeemed the following guaranteed notes and corporate bonds:

Issued during the period:

Interest commencement date	Principal amount '000	Issue price	Fixed interest rate per annum	Maturity date	Carrying amount at 30 June 2026 RMB'000
14 January 2026	RMB1,500,000	100%	1.80%*	14 January 2029	1,500,000
14 January 2026	RMB1,000,000	100%	2.10%*	14 January 2031	1,000,000

Fully redeemed during the period:

Interest commencement date	Principal amount '000	Issue price	Fixed interest rate per annum	Redemption date	Redemption value RMB'000
15 June 2021	RMB1,000,000	100%	3.55%	15 June 2026	1,000,000

* Payable annually

14. Trade and Other Payables

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade payables *(Note (a))*	**34,970,301**	37,959,313
Other payables *(Note (b))*	**7,992,028**	9,303,171
Retention payables	**4,400,057**	4,928,880
	47,362,386	52,191,364

14. Trade and Other Payables (continued)

Notes:

(a) The ageing analysis of trade payables as at the end of the reporting period, presented based on the invoice date, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
0 – 30 days	**11,954,184**	12,044,659
31 – 90 days	**2,756,504**	3,758,356
Over 90 days	**20,259,613**	22,156,298
	34,970,301	37,959,313

(b) Other payables mainly include rental and other deposits, other taxes payable and accrued charges.

15. Share Capital

Shares	Original currency HK$'000	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Issued and fully paid 10,944,884,000 ordinary shares	**90,422,641**	**74,035,443**	74,035,443

15. Share Capital (continued)

Share-based Payments

Share Option Scheme of the Company

On 29 June 2018, the Company offered to grant share options (the "2018 Share Options") to certain eligible persons (collectively, the "2018 Options Grantees"), to subscribe for a total of 107,320,000 shares of the Company, subject to acceptance of the 2018 Options Grantees, under the share option scheme adopted by the Company on 11 June 2018 (the "Share Option Scheme"). Out of 107,320,000 shares of 2018 Share Options granted, a total of 2,000,000 shares were granted to directors of the Company. The exercise price is HK$25.85 per share.

One-third of the 2018 Share Options granted may be vested on each of 29 June 2020, 29 June 2021 and 29 June 2022 subject to the exercise conditions under the terms of the Share Option Scheme. The closing price of 2018 Share Options on the date of grant was HK$25.85 per share.

On 24 November 2020, the Company offered to grant share options (the "2020 Share Options") to certain eligible persons (collectively, the "2020 Options Grantees"), to subscribe for a total of 285,840,000 shares of the Company, subject to acceptance of the 2020 Options Grantees, under the Share Option Scheme. Out of 285,840,000 shares of 2020 Share Options granted, a total of 6,300,000 shares were granted to directors of the Company. The exercise price is HK$18.724 per share.

One-third of the 2020 Share Options granted may be vested on each of 24 November 2022, 24 November 2023 and 24 November 2024 subject to the exercise conditions under the terms of the Share Option Scheme. The closing price of 2020 Share Options on the date of grant was HK$17.96 per share.

On 11 November 2021, the Company offered to grant share options (the "2021 Share Options") to certain eligible persons (collectively, the "2021 Options Grantees"), to subscribe for a total of 7,130,000 shares of the Company, subject to acceptance of the 2021 Options Grantees, under the Share Option Scheme. Out of 7,130,000 shares of 2021 Share Options granted, a total of 1,600,000 shares were granted to a director of the Company. The exercise price is HK$18.70 per share.

One-third of the 2021 Share Options granted may be vested on each of 11 November 2023, 11 November 2024 and 11 November 2025 subject to the exercise conditions under the terms of the Share Option Scheme. The closing price of 2021 Share Options on the date of grant was HK$18.70 per share.

15. Share Capital (continued)

Share-based Payments (continued)

Share Option Scheme of the Company (continued)

The fair values of the 2018 Share Options on 29 June 2018, the 2020 Share Options on 24 November 2020 and the 2021 Share Options on 11 November 2021 determined using the Binomial Options Pricing Model were HK$6.36, HK$2.64 and HK$2.89 per share, respectively. The significant inputs adopted in the model include:

Risk-free rate	2018 Share Options: 2.12% with reference to the market yield rates of the Hong Kong Government Bond (maturing 21 June 2021 and 6 December 2021) as of 29 June 2018
	2020 Share Options: 0.34% with reference to the market yield rates of the Hong Kong Government Bond (maturing 20 August 2025 and 27 August 2027) as of 24 November 2020
	2021 Share Options: 1.42% with reference to the Hong Kong Dollar Swap Rate (5Y and 7Y) as of 11 November 2021
Historical volatility	31.91%, 31.89% and 31.31% calculated based on the historical price with a period equals to the life of the 2018, 2020 and 2021 Share Options, respectively
Cap of the share-based payments	40% of the respective Grantees' remuneration for the 2018 Share Options
Dividend yield	3.09%, 5.68% and 6.31% based on the average dividend yield in the past six years for the 2018, 2020 and 2021 Share Options, respectively
Expected option life	6 years for 2018, 2020 and 2021 Share Options

15. Share Capital (continued)

Share-based Payments (continued)

Share Option Scheme of the Company (continued)

The Binomial Options Pricing Model for the share options requires inputs of subjective assumptions such as the expected stock price volatility. Change in the subjective input may materially affect the fair value estimates.

No share options were granted/exercised/lapsed/cancelled/forfeited during the six months ended 30 June 2026 and 2025.

16. Disposal of a Subsidiary

According to a sale and purchase agreement dated 21 February 2025 entered into between the Group and a third party independent of the Group, the Group disposed of 100% equity interest in and certain shareholder's loans advanced to Great Fortune Property Limited for a total cash consideration of GBP175,000,000 (equivalent to RMB1,602,274,000). Great Fortune Property Limited is a limited liability company incorporated in Jersey and its principal activity is property investment in the United Kingdom. The disposal was completed on 21 February 2025, and resulted in a gain on disposal of a subsidiary of RMB261,641,000, which was recognised in the condensed consolidated income statement for the six months ended 30 June 2025.

17. Capital Commitments

At the end of the reporting period, the Group had the following capital commitments which were not provided for in the condensed consolidated financial statements:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Capital expenditure in respect of investment properties:		
Contracted but not provided for	**5,313,836**	5,781,835

18. Financial Guarantees

At the end of the reporting period, the Group had the following financial guarantees which were not provided for in the condensed consolidated financial statements:

(a) Guarantees given by the Group to banks in respect of credit facilities granted to:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Associates		
– Maximum	**3,766**	9,710
– Utilised	**3,766**	9,710
Joint ventures		
– Maximum	**1,161,923**	1,539,114
– Utilised	**1,161,923**	1,526,550
An entity classified as a financial asset at fair value through profit or loss		
– Maximum	**440,000**	440,000
– Utilised	**289,593**	285,486

(b) At 30 June 2026, the Group had counter indemnities amounting to RMB1,871,034,000 (31 December 2025: RMB2,797,983,000) for guarantees issued in respect of certain construction contracts undertaken by the Group.

(c) At 30 June 2026, the Group provided guarantees to banks amounting to RMB10,577,146,000 (31 December 2025: RMB12,779,306,000) in respect of mortgage loans granted to purchasers of the Group's properties.

The directors of the Company considered that the fair values of these financial guarantee contracts at their initial recognition and at the end of the reporting period are insignificant on the basis of short maturity periods and low applicable default rates.

19. Pledge of Assets

At the end of the reporting period, certain assets of the Group have been pledged to secure the bank loans of the Group. The carrying amounts of the pledged assets as at 30 June 2026 and 31 December 2025 were as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Property, plant and equipment	**3,404,757**	3,381,064
Investment properties	**122,561,090**	125,975,911
Stock of properties	**36,488,277**	38,638,604
	162,454,124	167,995,579

20. Related Party Disclosures

(a) In addition to those balances and transactions disclosed elsewhere in these condensed financial statements, the following material related party transactions have been entered into by the Group during the period:

Nature of transactions	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Fellow subsidiaries#			
Property development project construction fee	*(i)*	**1,367,924**	1,607,648
Rental and utility income	*(ii)*	**192,824**	156,347
Heating pipes connection service fee	*(i)*	**–**	2,888
Building design consultancy income	*(iii)*	**3,378**	1,848
Property management and value-added service fee	*(iii)*	**445,009**	500,426
Materials procurement and supply chain management service income	*(iii)*	**928,075**	366,287
Construction and installation income	*(iii)*	**17,302**	–
Interest income	*(vi)*	**748**	1,385
Interest expense	*(vii)*	**10,182**	3,869
Associates			
Lease payments	*(ii)*	**7,645**	8,315
Building design consultancy income	*(iii)*	**9,773**	578
Materials procurement service income	*(iii)*	**357,865**	349,546
Royalty income	*(iv)*	**133,439**	145,435
Interest income	*(v)*	**4,384**	15,838
Joint ventures			
Interest income	*(v)*	**44,697**	32,468
Interest expense	*(vii)*	**5,963**	5,759

20. Related Party Disclosures (continued)

(a) (continued)

Notes:

(i) Property development project construction fee and heating pipes connection service fee are charged in accordance with respective contracts. The amounts represent aggregated transaction amounts during the period in relation to contracts signed in current and prior periods.

(ii) Rental and utility income and lease payments are charged in accordance with respective tenancy agreements.

(iii) Building design consultancy income, property management and value-added service fee, materials procurement and supply chain management service income, construction and installation income and materials procurement service income are charged in accordance with respective contracts.

(iv) Royalty income is charged at annual fee as specified in the contracts.

(v) Interest income is charged at interest rates as specified on the amounts due from associates/joint ventures.

(vi) Interest income is charged at interest rates as specified on the deposits placed in China State Construction Finance Limited ("CSCFL"), a fellow subsidiary of the Company.

(vii) Interest expense is charged at interest rates as specified on the amounts due to joint ventures and the loans obtained from CSCFL.

These related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

20. Related Party Disclosures (continued)

(b) The remuneration of the Company's directors and other members of key management of the Group during the period was as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Salaries, allowances, benefits-in-kind and performance related bonuses	**11,859**	11,463
Defined contribution scheme contributions	**2,283**	666
	14,142	12,129

21. Financial Risk Management

In the normal course of business, the Group is exposed to financial risks attributable to interest rates, foreign currency, credit, liquidity and fair values.

The condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's 2025 annual financial statements.

There have been no significant changes in the risk management department, policies and procedures since the last year end.

21. Financial Risk Management (continued)

(a) Financial assets and liabilities measured at fair value

The following table presents the fair value of the Group's financial instruments are measured at the end of the reporting period on a recurring basis, and are categorised as level 3 measurement in the three-level fair value hierarchy.

During the period, there were no transfers between different levels within the fair value hierarchy.

	Level 3	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Financial assets at fair value through profit or loss	**157,017**	236,327

The fair value of unlisted equity investment designated at fair value through profit or loss has been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation technique and the inputs, including significant unobservable inputs, used in the fair value measurement of unlisted equity investment are not disclosed as such disclosures, in the opinion of the directors, would result in particulars of excessive length and provide no additional useful information to the users of the financial statements.

21. Financial Risk Management (continued)

(b) Financial assets and liabilities carried at other than fair value

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost approximate their fair values, except for the guaranteed notes and corporate bonds as disclosed in the following table:

	30 June 2026		31 December 2025	
	Carrying amount RMB'000 (Unaudited)	Fair value RMB'000 (Unaudited)	Carrying amount RMB'000 (Audited)	Fair value RMB'000 (Audited)
Guaranteed notes and corporate bonds	**75,069,318**	**75,221,758**	74,454,821	74,450,656

The fair values of guaranteed notes and corporate bonds are measured at quoted market prices and are within level 1 of the three-level fair value hierarchy.

22. Approval of the Condensed Consolidated Financial Statements

The unaudited condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 26 August 2026.

Interim Dividend and Closure of Register of Members

The board of directors of the Company (the "Board") declared the payment of an interim dividend of HK23 cents per share (2025: HK25 cents per share) for the six months ended 30 June 2026. The interim dividend will be payable in cash.

Relevant Dates for Interim Dividend Payment

Ex-dividend date	16 September 2026
Latest time to lodge transfer documents for registration with the Company's share registrar and transfer office	At 4:30 p.m. on 17 September 2026
Closure of Register of Members	18 September 2026
Record date	18 September 2026
Despatch of dividend warrants	5 October 2026

In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than the aforementioned latest time.

Share Capital

The total number of shares of the Company in issue as at 30 June 2026 was 10,944,883,535 ordinary shares (the "Shares").

Purchase, Sale or Redemption of the Group's Listed Securities

Save as disclosed below, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Group's listed securities during the six months ended 30 June 2026.

Purchase, Sale or Redemption of the Group's Listed Securities (continued)

Issue of Listed Securities

The following securities were issued by a wholly-owned subsidiary of the Company during the period. The net proceeds are used to repay the existing indebtedness of the Group.

Name of Subsidiary	Securities	Issue date	Due date	Principal amount (RMB'000)	Coupon rate per annum	Name of stock exchange/ market on which the securities are listed/issued
China Overseas Development Group Co., Ltd.* ("China Overseas Development")	2026 corporate bonds					Shenzhen Stock Exchange
	(i) First tranche (Type I)	13 January 2026	14 January 2029	1,500,000	1.80%	
	(ii) First tranche (Type II)	13 January 2026	14 January 2031	1,000,000	2.10%	

Redemption of Listed Securities

The following securities were redeemed by a wholly-owned subsidiary of the Company during the period:

Name of subsidiary	Securities	Issue date	Redemption date	Redemption value (RMB'000)	Remaining value (RMB'000)
China Overseas Development	RMB1,000 million at coupon rate of 3.55% corporate bonds which were listed on the Shenzhen Stock Exchange	11 June 2021	15 June 2026	1,000,000	Nil

For details of the aforementioned securities, please refer to relevant announcements of the Company.

* *English translation for identification purpose only*

Share Option Scheme

The share option scheme was approved and adopted by the shareholders of the Company on 11 June 2018 (the "Share Option Scheme") to enable the qualifying grantees to acquire ordinary Shares of the Company and unless otherwise cancelled or amended, it will remain in force for 10 years from 11 June 2018. The purpose of the Share Option Scheme is to attract and retain the best quality personnel for the development of the Group's businesses, to provide additional incentives to the qualifying grantees (being, among others, any employee of the Group or such other persons that have contributed to the Group as specified in the Share Option Scheme) that have contributed to the Group, and to promote the long-term financial success of the Group by aligning the interests of share option holders with shareholders of the Company.

The limit on the number of Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other schemes must not exceed 30% of the Shares in issue from time to time. No share options may be granted under any scheme of the Company if this will result in the limit being exceeded.

The number of Shares in respect of the share options that may be granted according to the Share Option Scheme (the "Share Options") shall not exceed 10% of the Shares in issue as at the date of adoption of the Share Option Scheme (i.e. 11 June 2018). On the basis of 10,956,201,535 Shares in issue as at 11 June 2018, this would be 1,095,620,153 Shares.

As at 30 June 2026, the Company has no outstanding share options granted under the Share Option Scheme. No share options have been granted/exercised/cancelled/lapsed under the Share Option Scheme during the six months ended 30 June 2026. The number of Share Options available for grant under the Share Option Scheme on 1 January 2026 and 30 June 2026 was 811,397,653. As at the date of this Interim Report, the total number of Shares in the capital of the Company available for issue under the Share Option Scheme is 811,397,653 Shares which represented approximately 7.41% of the total issued share capital at that date.

Unless otherwise approved by the shareholders of the Company in a general meeting, the number of Shares issued and to be issued upon exercise of the Share Options (whether exercised or outstanding) granted to each of the eligible persons in any 12-month period shall not exceed 1% of the Shares in issue.

Share Option Scheme (continued)

Unless otherwise approved by shareholders of the Company in a general meeting, no Share Options may be granted to any substantial shareholder of the Company, Independent Non-executive Directors or their respective associates, that would result in the Shares issued or to be issued to such person in the 12-month period up to and including the date of Board meeting proposing for the grant (i) in aggregate exceeding 0.1% of the Shares in issue from time to time; and (ii) in aggregate exceeding HK$5 million based on the closing price of the Shares at the date of the Board meeting proposing for such grant.

The exercise price in respect of any particular Share Option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Share Option, but shall not be less than whichever is the higher of (i) the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; and (ii) the average closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant.

The period within which the Shares must be taken up under a Share Option shall be determined by the Board in its absolute discretion at the time of grant, but such period must not exceed 6 years from the date of grant of the relevant Share Option.

The minimum period, if any, for which a Share Option must be held before it can be exercised shall be determined by the Board in its absolute discretion. The Share Option Scheme itself does not specify any minimum holding period.

HK$1.00 is payable by each of the Share Option holders to the Company on the acceptance of the offer of the Share Option. The period within which payments or calls must or may be made should be 28 days after the offer date of a Share Option or such period as the Directors may determine.

The life of the Share Option Scheme is 10 years commencing on 11 June 2018 and expiring on 10 June 2028.

Other details of the Share Option Scheme are set out in Appendix III to the circular published by the Company on 16 April 2018.

Directors' and Chief Executive's Interests in Securities

As of 30 June 2026, the interests and short positions of the Directors and the chief executive of the Company, and their respective associates in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

(a) Long Positions in Shares and Underlying Shares of the Associated Corporations

(all being personal interest and being held in the capacity of beneficial owner)

Name of associated corporation	Name of Director	Number of shares held	% of shares in issue (*Note*)
China State Construction Engineering Corporation Limited ("CSCECL")	Mr. Guo Guanghui	210,000	0.001%
China State Construction Development Holdings Limited	Mr. Zhang Zhichao	2,984,000	0.132%
China Overseas Grand Oceans Group Limited	Mr. Zhuang Yong	800,825	0.022%

Note: The percentage represents the number of shares interested divided by the number of shares of the related associated corporation in issue (as the case may be) as at 30 June 2026.

Directors' and Chief Executive's Interests in Securities (continued)

(b) Long Positions in Debentures of the Associated Corporations

Mr. Zhuang Yong in his capacity as a beneficial owner had personal interests in a nominal amount of US$900,000 in the 5.35% Guaranteed Notes due 2042 issued by China Overseas Finance (Cayman) V Limited, a wholly-owned subsidiary of the Company.

Save as disclosed above, as at 30 June 2026, no interests and short positions were held or deemed or taken to be held under Part XV of the SFO by any Director or chief executive of the Company or their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Part XV of the SFO or pursuant to the Model Code or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein.

Save as disclosed above and in the section headed "Share Option Scheme", during the six months ended 30 June 2026, none of the Directors and the chief executive of the Company (including their spouses and children under the age of 18) had any interest in, or had been granted any right to subscribe for the shares, options and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), or had exercised any such rights.

Substantial Shareholders' Interests in Securities

As of 30 June 2026, the interests and short positions of the substantial shareholders and other persons of the Company in the Shares and underlying Shares of the Company as recorded in the register maintained by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company, were as follows:

Name of shareholder	Capacity	Number of Shares held (Long position)	% of Shares in issue *(Note 1)*
Silver Lot Development Limited ("Silver Lot")	Beneficial owner	521,264,928	4.76%
China Overseas Holdings Limited ("COHL") *(Note 2)*	Beneficial owner Interest of controlled corporation	5,618,894,255 521,264,928	51.34% 4.76%
CSCECL *(Note 3)*	Interest of controlled corporation	6,140,159,183	56.10%
China State Construction Engineering Corporation ("CSCEC") *(Note 3)*	Interest of controlled corporation	6,140,159,183	56.10%
Complete Noble Investments Limited ("Complete Noble") *(Notes 4 and 5)*	Beneficial owner	1,095,620,154	10.01%
Affluent East Investments Limited ("Affluent East") *(Notes 4 and 5)*	Interest of controlled corporation	1,095,620,154	10.01%
CITIC Limited ("CITIC") *(Notes 4 and 5)*	Interest of controlled corporation	1,095,620,154	10.01%
CITIC Glory Limited ("CITIC Glory") *(Note 5)*	Interest of controlled corporation	1,095,620,154	10.01%
CITIC Polaris Limited ("CITIC Polaris") *(Note 5)*	Interest of controlled corporation	1,095,620,154	10.01%
CITIC Group Corporation ("CITIC Group") *(Note 5)*	Interest of controlled corporation	1,095,620,154	10.01%
Pzena Investment Management, LLC	Investment manager Beneficial owner	547,389,432 42,500	5.00% 0.00%

Substantial Shareholders' Interests in Securities (continued)

Notes:

1. *The percentage represents the number of ordinary Shares interested divided by the number of Shares of the Company in issue as at 30 June 2026.*

2. *Silver Lot is a direct wholly-owned subsidiary of COHL, thus COHL is deemed by the SFO to be interested in Shares of the Company in which Silver Lot is or is taken to be interested.*

3. *COHL is a direct wholly-owned subsidiary of CSCECL, which was in turn approximately 57.70% held by CSCEC. CSCECL and CSCEC are deemed by the SFO to be interested in Shares of the Company in which COHL is or is taken to be interested.*

4. *Complete Noble is a direct wholly-owned subsidiary of Affluent East, which in turn is a direct wholly-owned subsidiary of CITIC.*

5. *More than 50% of CITIC is held by CITIC Glory and CITIC Polaris, both of which are direct wholly-owned subsidiaries of CITIC Group, in aggregate. Accordingly, CITIC is an indirect non-wholly owned subsidiary of CITIC Group and Affluent East, CITIC, CITIC Glory, CITIC Polaris and CITIC Group are all deemed by the SFO to be interested in Shares of the Company in which Complete Noble is or is taken to be interested.*

Save as disclosed above, the Company had not been notified by any other person (other than Directors or the chief executive of the Company) who had an interest in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 30 June 2026.

Corporate Governance

The Company has complied throughout the six months ended 30 June 2026 with all the code provisions of the Corporate Governance Code from time to time as set out in Appendix C1 to the Listing Rules and with some of the recommended best practices contained therein.

Model Code for Securities Transactions by Directors

The Company has adopted a set of code of conduct on governing securities transactions by Directors (the "Code of Conduct") on terms no less exacting than those set out in the Model Code contained in Appendix C3 to the Listing Rules. Having made specific inquiries to all Directors, they confirmed that they have complied with the Code of Conduct throughout the six months ended 30 June 2026.

Review of Interim Report by Audit and Risk Management Committee

The Audit and Risk Management Committee of the Company has reviewed the unaudited interim results of the Company for the six months ended 30 June 2026, and discussed with the Company's management regarding risk management, internal control and other important matters.

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