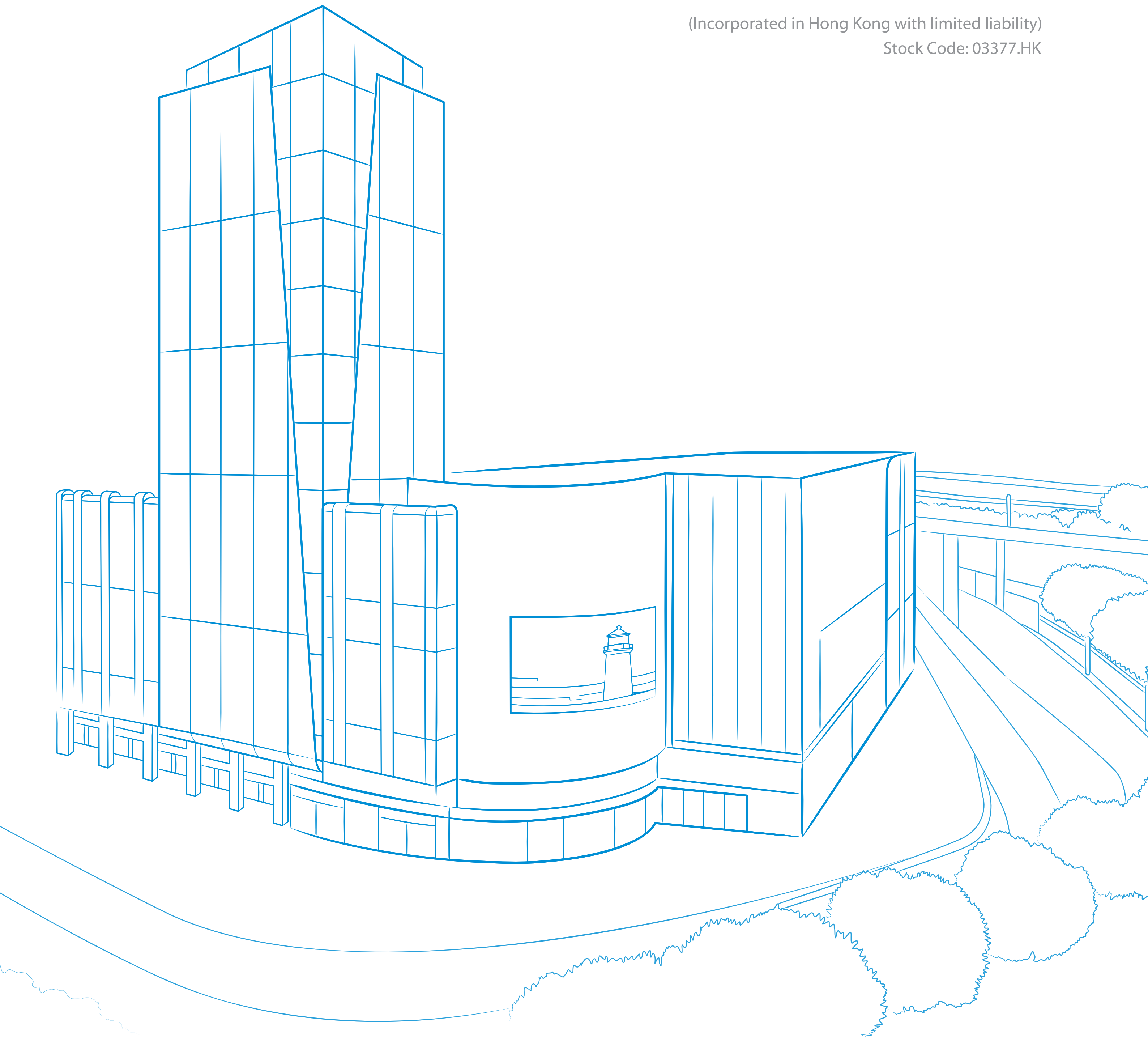
遠洋集團
SINO-OCEAN GROUP

2026
INTERIM REPORT

SINO-OCEAN

遠洋集團控股有限公司
SINO-OCEAN GROUP HOLDING LIMITED

(Incorporated in Hong Kong with limited liability)
Stock Code: 03377.HK



TRANSFORM •

REBIRTH

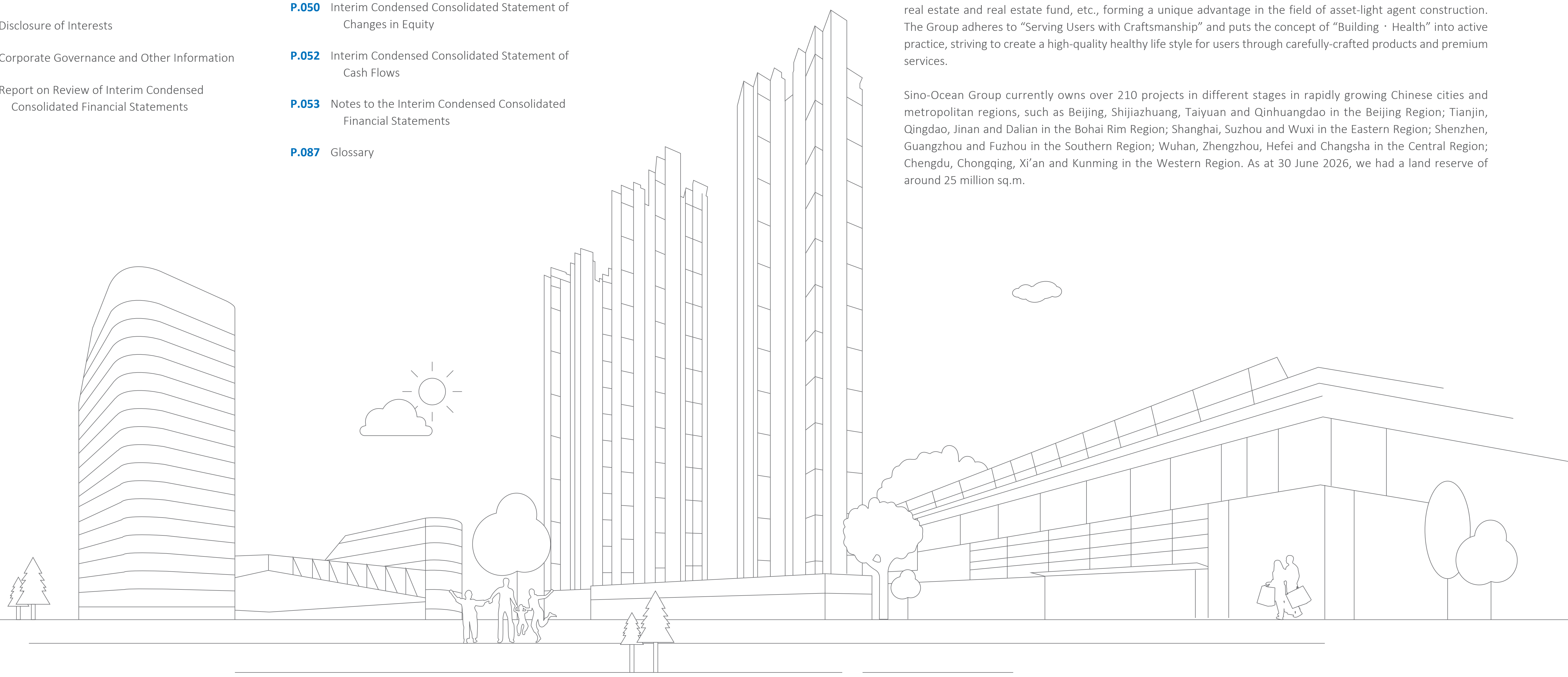
CONTENTS

ABOUT SINO-OCEAN

Sino-Ocean Group Holding Limited has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 28 September 2007 (Stock Code: 03377.HK), with China Life Insurance Company Limited and Dajia Life Insurance Co., Ltd. as substantial Shareholders.

With a strategic vision of becoming the "Creator of Building Health and Social Value", Sino-Ocean Group is committed to becoming a pragmatic comprehensive corporation focusing on investment and development while exploring related diversified new businesses. The core businesses of the Group include development of residential property, investment property development and operation, property services and whole-industrial chain construction services, with its scope of businesses also covering senior living service, internet data center, logistics real estate and real estate fund, etc., forming a unique advantage in the field of asset-light agent construction. The Group adheres to "Serving Users with Craftsmanship" and puts the concept of "Building · Health" into active practice, striving to create a high-quality healthy life style for users through carefully-crafted products and premium services.

Sino-Ocean Group currently owns over 210 projects in different stages in rapidly growing Chinese cities and metropolitan regions, such as Beijing, Shijiazhuang, Taiyuan and Qinhuangdao in the Beijing Region; Tianjin, Qingdao, Jinan and Dalian in the Bohai Rim Region; Shanghai, Suzhou and Wuxi in the Eastern Region; Shenzhen, Guangzhou and Fuzhou in the Southern Region; Wuhan, Zhengzhou, Hefei and Changsha in the Central Region; Chengdu, Chongqing, Xi'an and Kunming in the Western Region. As at 30 June 2026, we had a land reserve of around 25 million sq.m.



CORPORATE INFORMATION

The corporate information of Sino-Ocean Group as of the date of this report was as follows:

Directors

Executive Directors

Mr. LI Ming *(Chairman and CEO)*
Mr. WANG Honghui
Mr. CUI Hongjie
Ms. CHAI Juan

Non-executive Directors

Mr. YU Zhiqiang
Mr. ZHANG Zhongdang
Ms. SUN Jianxin
Ms. WANG Manling

Independent Non-executive Directors

Mr. HAN Xiaojing
Mr. LYU Hongbin
Mr. LIU Jingwei
Mr. JIANG Qi
Mr. CHEN Guogang

Audit Committee

Mr. LIU Jingwei *(Chairman of committee)*
Mr. YU Zhiqiang
Ms. SUN Jianxin
Mr. LYU Hongbin
Mr. CHEN Guogang

Nomination Committee

Mr. LI Ming *(Chairman of committee)*
Ms. WANG Manling
Mr. HAN Xiaojing
Mr. JIANG Qi
Mr. CHEN Guogang

Remuneration Committee

Mr. HAN Xiaojing *(Chairman of committee)*
Ms. CHAI Juan
Mr. LYU Hongbin
Mr. JIANG Qi

Strategic and Investment Committee

Mr. LI Ming *(Chairman of committee)*
Mr. WANG Honghui
Mr. CUI Hongjie
Mr. ZHANG Zhongdang
Ms. WANG Manling
Mr. LIU Jingwei
Mr. ZHAO Jianjun

Company Secretary

Ms. CHAN Ka Man

Authorized Representatives

Mr. LI Ming
Ms. CHAN Ka Man

Registered Office

Suite 601, One Pacific Place
88 Queensway
Hong Kong

Principal Place of Business

31–33 Floor, Tower A
Ocean International Center
56 Dongsihuanzhonglu
Chaoyang District, Beijing
PRC

Principal Bankers

(in alphabetical order)
Agricultural Bank of China, Ltd.
Bank of China (Hong Kong) Limited
Bank of China Limited
Bank of Communications Co., Ltd.
Bank of Shanghai Co., Ltd.
China CITIC Bank Corporation Limited
China Everbright Bank Co., Ltd.
China Guangfa Bank Co., Ltd.
China Minsheng Bank Corp., Ltd.
China Zheshang Bank Co., Ltd.
CMB Wing Lung Bank Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of China, Ltd.
Industrial Bank Co., Ltd.
Ping An Bank Co., Ltd.
Postal Savings Bank of China Co., Ltd.
Shanghai Pudong Development Bank Co., Ltd.
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited
United Overseas Bank Limited

Auditor

BDO Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

Legal Advisor

Paul Hastings (Hong Kong) LLP

Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

Listing Information

The Stock Exchange of Hong Kong Limited
Stock Code: 03377.HK

Company Website

www.sinooceangroup.com

Investor Relations Contact

ir@sinooceangroup.com

FINANCIAL & OPERATION HIGHLIGHTS

Six months ended 30 June (unaudited)

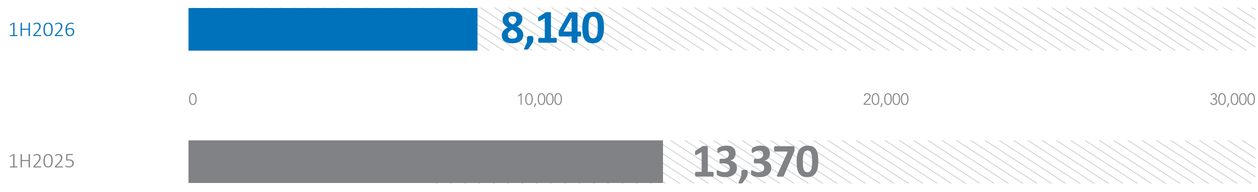
(RMB million)	2026	2025	Changes
Contracted sales	**8,140**	13,370	-39%
Revenue	**6,597**	6,203	6%
Gross profit/(loss)	**15**	-4,966	N/A
(Loss)/profit for the period	**-7,633**	9,056	N/A
(Loss)/profit attributable to owners of the Company	**-7,149**	10,202	N/A
(Loss)/earnings per share (RMB)			
— Basic	**-0.598**	1.171	N/A
— Diluted	**-0.598**	0.919	N/A
Gross profit/(loss) margin (%)	**0.2%**	-80%	N/A
Net (loss)/profit margin (%)	**-116%**	147%	N/A
Saleable GFA sold ('000 sq.m.)	**676**	849	-20%
Saleable GFA delivered ('000 sq.m.)	**516**	340	52%

(RMB million)	As at 30 June 2026 (unaudited)	As at 31 December 2025 (audited)	Changes
Total assets	**143,813**	150,975	-5%
Equity attributable to owners of the Company	**-7,042**	366	N/A
Cash resources[1]	**6,373**	6,023	6%
Net gearing ratio[2] (%)	**-749%**	2,361%	N/A
Current ratio (times)	**0.87**	0.91	-3%
Landbank ('000 sq.m.)	**24,500**	27,051	-9%

Notes:
1 Including restricted bank deposits
2 Total borrowings minus cash resources divided by total equity

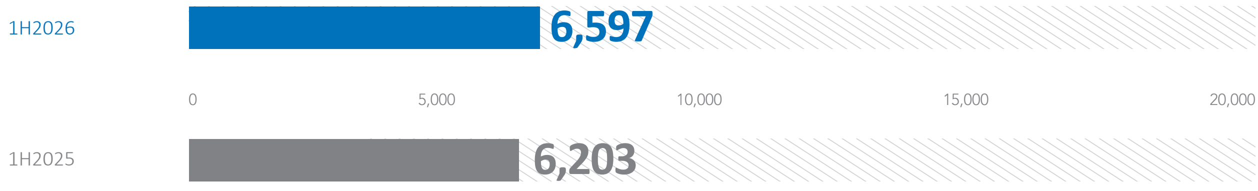
Contracted Sales

(RMB million)



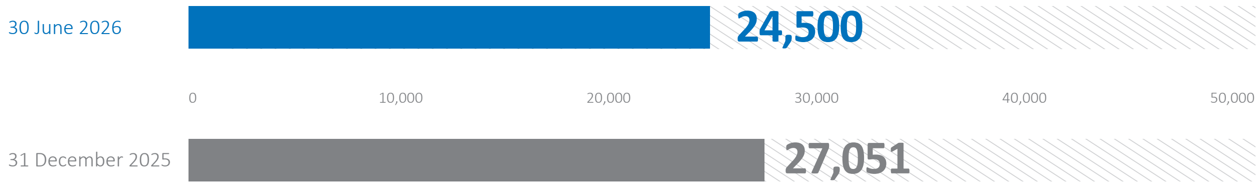
Revenue

(RMB million)



Landbank

('000 sq.m.)



CHAIRMAN'S STATEMENT

On behalf of the Board, I have the pleasure to present the unaudited interim results of the Group for the six months ended 30 June 2026.

2026 INTERIM RESULTS

For the six months ended 30 June 2026, the Group's revenue was RMB6,597 million, representing a YoY increase of 6%; the gross profit was RMB15 million (first half of 2025: gross loss of RMB4,966 million). Loss attributable to owners of the Company was RMB7,149 million. Basic and diluted loss per share were RMB0.598.

MARKET REVIEW AND OUTLOOK

In 2026, the real estate industry in China remained in the period of deep adjustment and consolidation whilst bottoming out. The Central Government maintains a policy focus on stabilizing the real estate market, with supportive policies focusing on revitalizing existing inventory, optimizing supply, and stabilizing expectations. The market on the whole displayed an operational trend of "partial improvements under overall pressure". In the first half of 2026, national real estate development investment was RMB3.8 trillion, a YoY decrease of 18%; saleable GFA delivered of newly-constructed commodity housing was 400 million sq.m., a decline of 11.6% YoY; sales revenue of newly-constructed commodity housing was RMB3.8 trillion, dropping by 13.6% YoY; funds in place for real estate development decreased by 20.2% YoY. The sector is still facing pressure in terms of sector investment, sales and financing. Risks elimination and market recovery will still take time.

Looking ahead to the second half of 2026, the development logic of the real estate industry is undergoing profound changes. Urban development models are gradually moving away from a model dominated by development expansion and entering into a new phase that places equal importance on both new development and existing stock renewal. Industry risks will shift from concentrated outbreak in the early stage to an orderly resolution, while the debt restructuring of real estate enterprises, asset revitalization and the process of natural selection amongst market entities continue to deepen. Urban renewal, commercial operation, property management, senior living services and special assets will meet opportunities for expansion, and specialised operating capabilities and comprehensive service capabilities will become essential foundation for the enterprise to build up its competitive advantage.

PERFORMANCE REVIEW AND STRATEGY

In the first half of 2026, faced with continuous deep adjustment within the industry, the Group weathered headwind and navigated steady course into the future. Building upon its commitment to ensuring high-quality project delivery, systematically mitigating debt risk, and consolidating its foundation for long-term viability, the Group leveraged its comprehensive strengths across "full-format and full-industry-chain", focusing on business areas such as agent construction, commercial property management and asset management, and customer services, whilst actively exploring pathways for transformation and upgrading and steadily advancing all aspects of its operations.

Ensuring delivery and honouring commitments, crafting quality through dedication and artistry

In the first half of 2026, the Group's effort to ensure delivery has entered a phase of normalisation and stability, with the successful and coordinated completion of high-quality handover of approximately 6,500 residential units across 10 cities. The Group has consistently adhered to the core principle of quality first, maintaining strict control over delivery standards. Third party data indicated that the Group maintained the Top 10[1] position among major property enterprises in terms of delivery quality. Our exquisite interiors and landscape gardening remained steadfast in Top 5[1]. Our capabilities in crafting products and delivery complemented each other, steadily reinforcing customer satisfaction and our reputation.

Note 1: According to data provided by Shenzhen Ridge Engineering Services Company

Debt risks continued to clear, restructuring plans advanced in an orderly manner

In the first half of 2026, the Group's efforts to mitigate debt risks achieved phased results. With regard to offshore debt, the Group completed the restructuring of a bilateral loan during the period, thereby securing further time and scope to consolidate its operational foundations. With regard to domestic credit-based debt, concerning nine debt financing instruments with a total size of approximately RMB17.8 billion, Sino-Ocean Holding announced the results of the cash offer allocation in August and completed the corresponding repayments; it will continue to work towards the implementation and settlement of the remaining options. As for project-related debt, Sino-Ocean Holding has maintained effective communication with creditors and has already achieved a reduction in the debt levels of certain projects.

Operations remained stable with steady progress, while light-asset businesses accelerated and optimized

In the first half of 2026, faced with an external environment characterised by continuous industry adjustments, the Group responded calmly and steadily advanced the transformation of its development model from an "assets-centric and development-centric" model to an "operation-centric and service-centric" model, while continuously optimising our operational structure.

The development and agent construction segment encompasses two major business lines: property development and asset-light agent construction. In the first half of 2026, the Group achieved a total contracted sales of approximately RMB8.14 billion[2], ranking in among Top 30[3] of the industry sales. The main projects for sale were located in key cities such as Shenzhen, Shanghai, and Xi'an. Among them, Ocean City in Shenzhen securely held the top sales spot in its area in the first half year, ranking the first[4] in both the number of units sold and sales value in the Pinghu area of Longgang District. The asset-light agent construction business operates under the "Sino-Ocean Management" brand. In terms of business expansion, the Group ranked among the top 15[5] in terms of new contracts in the first half of 2026. Regarding project delivery, the full process agent construction of Cixi Hangwan Financial Port resettlement project was completed two months ahead of schedule, as a benchmark for public housing, earning appreciation from the government, clients and residents alike, while clinching numerous industry accolades. The Shangdong Xintiandi project in Zhongshan achieved over RMB100 million in sales revenue within just two months of operation, while doubling both visitor numbers and conversion rate. In terms of accolades, at the 2026 Real Estate Project Management High-Quality Development Conference organised by the China Real Estate Association, Sino-Ocean Management was awarded a two-star rating in the 'Comprehensive Capability Assessment of Project Management Enterprises'. Rooted in its professional positioning as a 'project doctor', Sino-Ocean Management continuously strengthens its full-cycle management capabilities and refined operational standards, consistently delivering professional services and creating value for clients. Furthermore, the Group drives business quality and efficiency improvements through digital marketing, systematically embedding digital and intelligent capabilities throughout the entire development and project management process, thereby continuously enhancing its professional capabilities.

In terms of commercial and asset management, benefiting from the Group's extensive and long-term experience in the area of investment properties, the overall operation trend remained stable against the backdrop of pressure across the industry. In June 2026, the Grand Canal Place in Beijing completed the single largest office lease by area in the Tongzhou canal business district. In August 2026, Vision Place, located in the centre of Beijing's CBD, completed its final inspection and registration, and was awarded the "2026 Commercial Real Estate Brand Value Benchmark Case"[6]. Guided by the concept of green office and sustainable development, this project became the first super high-rise office building in China to obtain Net Zero Carbon Excellence Certification, aiming to create a dedicated "Green International Reception Hall" within the CBD. Meanwhile, the Group is leveraging its professional capabilities in the integration of commercial and asset management to actively expand its asset-light service businesses. In June 2026, the Group was awarded the contract for Yangzhou Longchuan Business Center project, marking the first implementation in Jiangsu of the 'Grand Canal Place' urban complex product line. The project will provide integrated commercial management services covering the entire life cycle, including preliminary consultation, launch preparation, and leasing and operations, in order to support Yangzhou in establishing its first 'light' cultural and tourism-oriented commercial complex.

Note 2: This data does not include the cumulative contracted sales from the agent construction business of the Group and its joint ventures and associates amounting to RMB1.49 billion

Note 3: According to Jan-Jun 2026 Ranking of China's Typical Real Estate Enterprises by Full-Attribute Sales (EH Consulting)

Note 4: According to data provided by China Index Cloud

Note 5: According to the 1H 2026 of China Real Estate Agent Construction Newly Added Scale Ranking (China Index Academy)

Note 6: 2026 China Commercial Real Estate Brand Value Report (China Office Research Center)

In terms of customer services, the Group has vigorously developed its two core business areas, senior living services and property management services, in response to multi-tiered eldercare needs and the appeal to improve residents' quality of life. The Group's elderly care brand, Senior Living L'Amore, operates across multiple segments including institutional care, home-based care and commissioned operations, with its market competitiveness continuing to strengthen. In the institutional elderly care sector, operational performance remained robust in the first half of 2026, with occupancy rates rising by 10 percentage points YoY; in February 2026, Senior Living L'Amore was awarded the contract for the Shenzhen Longgang District Nursing Home, where it is developing the nation's first fully integrated, Open Harmony smart eldercare facility. While expanding its institutional operations, Senior Living L'Amore also capitalized on the silver economy by concurrently developing its home-based care and outsourced management business. The home-based elderly care business caters to retirees of all ages, focusing on home-based care, smart health and wellness, and wellness tourism. In the outsourced management business, The Group leverages the brand "椿萱蕙" (a sub-brand of Senior Living L'Amore) to provide services externally. For the Kunming Yunyi 椿萱蕙 project, undertaken in collaboration with the Yunnan Provincial Health Industry Development Group, the entire operational framework was established in just 3 months; the number of residents had quadrupled, earning high acclaim from both clients and partner property owners within 10 months of opening. The Group's property management services brand, 'Sino-Ocean Service' remains committed to placing owners' needs at the core of its work, with a development strategy that prioritises both scale and quality, whilst continuously optimising its business structure. In the first half of 2026, Sino-Ocean Service achieved a YoY increase of 104.8% in new saturated contract value. Newly acquired project extended across 22 cities, with projects in deeply cultivated cities accounting for 91.8% of new signings, demonstrating a continuous strengthening of market reach, whilst the density of its regional footprint and synergies have significantly improved.

In addition, the Group continued its strategic planning in new businesses including distressed assets, urban renewal, and customized housing, achieving progress in various phases across all areas of work. As regards the distressed asset business, the Group developed a complete closed-loop capability encompassing project diagnosis, debt restructuring, value restoration, and capitalized exit. Leveraging its integrated strengths in 'real estate expertise, financial acumen and legal knowledge', the Group has established differentiated competitiveness in distressed asset revitalization. In the first half of 2026, the Group took the lead in establishing the Special Assets Center of the China Real Estate Chamber of Commerce, focusing on building a professional collaborative platform and building a standardized, transparent and efficient ecosystem for the industry. In terms of urban renewal, the Group's projects encompass a diverse range of types, including the refurbishment of existing properties and self-initiated redevelopment. Among these, the self-initiated residential redevelopment in Karamay, Xinjiang, is exploring a sustainable new model characterised by 'government guidance, market operation and public participation' through tripartite collaboration between government, enterprise and academia; implementation of the project is progressing in an orderly manner. In the customized housing sector, the Group has established key presence in locations such as Beijing and Sanya, whilst accelerating the construction of the 'Good Homes' R&D base at Seatopia in Qinhuangdao to foster ever-deeper internal and external cooperation and synergy.

Enhanced sustainability and resilience, with steady and strong ESG performance

The Group continues to refine its ESG governance and enhance operational resilience. During the period, it maintained its position among the top tier of mainland property developers in mainstream ESG ratings such as S&P CSA, GRESB and Sustainalytics, whilst demonstrating stable ESG performance in the capital markets.

Building on the construction and operational experience gained from VISION PLACE — China's first net-zero carbon super high-rise building — the Group published its first single-project ESG report: 'VISION PLACE 2025 Environmental, Social and Governance (ESG) Report'. The report systematically presents the Group's proven practices and professional service capabilities in the development and operation of green assets.

The Group remains committed to its core philosophy of 'Building·Health', and its capabilities in green development and operations continue to be consolidated. As of June 2026, the Group had registered nearly 200 green building projects, with a total registered area exceeding 40 million sq.m.; green building projects accounted for over 75% of the total.

COMPANY STRATEGIES IN THE SECOND HALF OF 2026

In the second half of 2026, the Group will focus on the full implementation of the corporate structure as the main thrust of its work, whilst coordinating the advancement of three key priorities: mitigating risks, strengthening operations and charting a course for the future, thereby ensuring that all tasks are carried out in a coordinated and mutually reinforcing manner. The Group will align with industry trends, build upon its future development plans and pursue a sustainable business model.

The corporate structure will guide our overall strategy. With the full implementation of the corporate structure as our central focus, we will maintain the principles of 'market orientation and the rule of law'. We will conduct a comprehensive assessment of all major business entities to clarify their respective disposal directions, implementation pathways and specific measures; we will encourage each business entity to effectively fulfil its primary responsibilities, adopt 'tailored approaches' to resolve risks and seek new avenues for growth.

Mitigating risks and demonstrating proactive leadership. Relying on their corporate governance structures, the Group's business entities will consolidate their primary responsibilities, clarify decision-making and governance mechanisms during the risk resolution phase, and formulate differentiated risk management strategies. We will strengthen dynamic assessments of project quality to ensure projects are delivered on time and to the required standards, whilst strictly upholding minimum product quality standards. We will continuously enhance our capacity to resolve and manage debt risks, implement debt-reduction measures in a tiered and targeted manner, and prevent the transmission and spread of risks across entities.

Strengthening operations and revitalising assets. The Group will accelerate sales and disposal of assets, in accordance with the strategic approach of reducing the total volume, optimising existing stock and enhancing quality; implement a range of measures to improve the rate and effectiveness of recovery of accounts receivable, thereby unlocking the value of key projects; update and refine the Sino-Ocean 'Good Homes' product portfolio to enhance product competitiveness; and continue to focus on its core business whilst strengthening the development of its in-house teams. The Group is accelerating its transformation into a 'comprehensive real estate service provider', by strictly adhering to service standards and improving the quality and efficiency of operations.

Seeking new pathways, balancing quantity and quality. The Group actively aligns with the industry's trend towards high-quality development and the requirements for establishing a new model of property development. We are resolutely advancing our 'shift from heavy to light' strategy, coordinating the synergistic development of our three core business segments: development and agent construction, commercial property management and asset management, and customer services. By drawing on our professional expertise, dedicated service and meticulous management, we aim to achieve sustainable business operations and the long-term development of our talent.

APPRECIATION

On behalf of the Board, I would like to extend my deepest gratitude to all Shareholders, investors, local authorities, business partners and customers who have been most supportive; also to our directors, management and the entire staff for their dedicated hard work. We could not have enjoyed our continued stable growth without their unreserved support.

LI Ming
Chairman

Hong Kong, 28 August 2026

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL REVIEW

Revenue

The components of the unaudited revenue for six months ended 30 June are analyzed as follows:

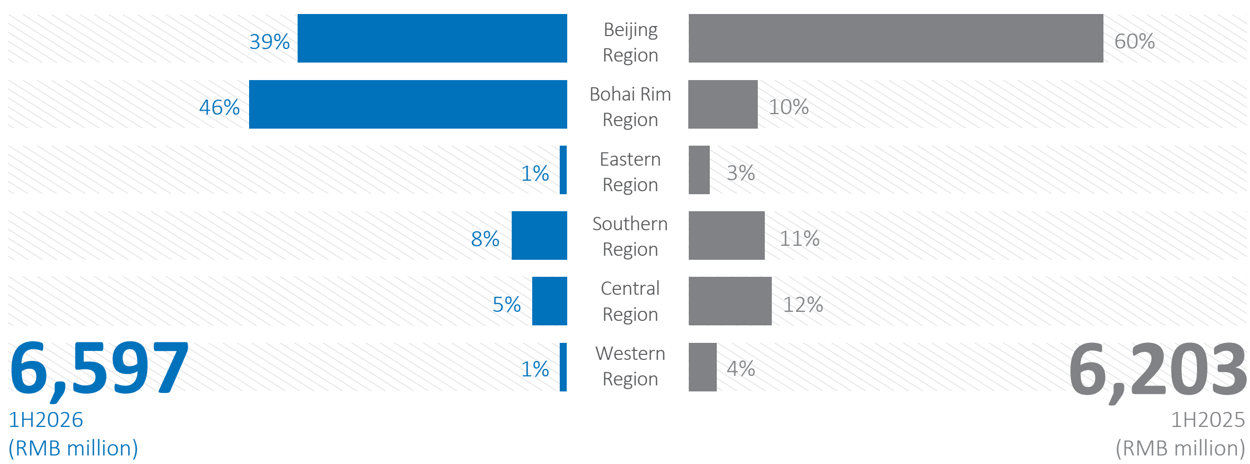
(RMB million)	2026	2025	Changes
Property development	**4,105**	3,296	25%
Property investment	**136**	144	-6%
Property management and related services	**1,260**	1,348	-7%
Other real estate related businesses	**1,096**	1,415	-23%
Total	**6,597**	6,203	6%

The revenue of the Group in the first half of 2026 was RMB6,597 million, representing a 6% increase as compared to RMB6,203 million in the first half of 2025. The property development segment remained the largest contributor, which accounted for approximately 62% of the Group's total revenue. During the first half of 2026, the revenue from property development contributed by the Beijing, Bohai Rim, Eastern, Southern, Central and Western Regions were 6%, 72%, 0%, 13%, 7% and 2%, respectively.

Property management and related services mainly include (i) property management services; (ii) community value-added services; and (iii) value-added services to non-property owners.

The other real estate related businesses include whole-industrial chain construction services, senior living services and asset-light agent construction etc.

Revenue contributions by geographical locations for the first half of 2026 and 2025 are analyzed below:



Cost of sales

The Group's total cost of sales for the period was RMB6,581 million (first half of 2025: RMB11,169 million).

The Group's total cost of sales was mainly the cost of property development, which mainly consisted of land cost and construction cost.

Excluding car parks, average land cost per sq.m. of property development business during the period decreased to approximately RMB3,800 (first half of 2025: RMB6,300 per sq.m.); the average construction cost per sq.m. (excluding car parks) for property development business was approximately RMB4,500 for the first half of 2026 (first half of 2025: RMB5,700 per sq.m.). The decrease aforementioned was mainly due to less projects located in the first-tier cities being delivered during the first half of 2026.

Gross profit/(loss)

Gross profit for the period was RMB15 million (first half of 2025: gross loss of RMB4,966 million). Gross profit margin was approximately 0.2% (first half of 2025: gross loss margin of 80%). The recorded gross profit for the period remaining under pressure was primarily attributed to the continuous adjustment in the overall PRC real estate market, which led to (i) the low level of the industry gross profit margin; and (ii) additional provision made by the Group for inventories.

Interests and other income and other losses (net)

Interests and other income for the six months ended 30 June 2026 decreased by approximately 73% to RMB122 million (first half of 2025: RMB448 million). Such decrease was mainly due to the decrease in the interest income during the period.

The Group recorded other losses (net) of RMB248 million for the period (first half of 2025: RMB3,326 million). The recorded other losses (net) for the period were primarily due to the continuous adjustment in the real estate market in the PRC. Other losses (net) for the first half of 2026 mainly comprised of provision for litigation and other contingent liabilities, net exchange gains and losses on disposal of interests in subsidiaries.

Gains from debt restructuring

For the first half of 2026, the Group recorded gains from debt restructuring of RMB276 million (first half of 2025: RMB31,756 million). The one-off and non-cash gains were derived from the completion of certain debt restructurings by the Group during the period.

Revaluation of investment properties

The Group recognized fair value losses on its investment properties (before tax and non-controlling interests) of RMB596 million for the first half of 2026 (first half of 2025: RMB644 million).

Operating expenses

Selling and marketing expenses for the first half of 2026 were RMB199 million (first half of 2025: RMB361 million). The decrease for the period was mainly due to the decrease in the contracted sales during the period. These costs accounted for approximately 2.4% of the total contracted sales amount for the first half of 2026 (first half of 2025: 2.7%).

Administrative expenses for the first half of 2026 decreased to RMB545 million (first half of 2025: RMB632 million), which represented approximately 8.3% of the total revenue for the first half of 2026 (first half of 2025: 10.2%). We will continue to adopt strict cost control measures to maintain these costs at a relatively stable and low level.

Net impairment losses under expected credit loss model

For the first half of 2026, the Group recorded net impairment losses under expected credit loss model of RMB4,022 million (first half of 2025: RMB9,725 million). The recorded losses for the period were primarily due to the continuous adjustment in the real estate market in the PRC, which led to the provisions made for expected credit losses on the trade and other receivables and financial guarantee by the Group during the period.

Finance costs

Due to the impact of the amortisation of finance cost related to debt restructuring, our weighted average interest rate increased from 5.84% for the first half of 2025 to 8.23% for the first half of 2026. During the first half of 2026, following the Group's significant progress in the holistic debt management, the total finance costs for the period decreased to RMB2,070 million (first half of 2025: RMB2,765 million), of which RMB1,668 million (first half of 2025: RMB2,065 million) was not capitalized and charged to interim condensed consolidated statement of profit or loss.

Taxation

We recorded the aggregate of enterprise income tax and deferred income tax expense of RMB162 million for the first half of 2026 (first half of 2025: tax credit of RMB162 million). In addition, land appreciation tax for the first half of 2026 was RMB75 million (first half of 2025: RMB81 million).

(Loss)/profit attributable to owners of the Company

The loss attributable to owners of the Company was RMB7,149 million for the first half of 2026 (first half of 2025: profit of RMB10,202 million). The recorded loss for the reporting period was mainly attributed to the continuous adjustment in the overall real estate market in China in recent years, resulting in the revenue and gross margin remaining under pressure, along with additional provision for impairment of property projects.

Financial resources and liquidity

The maturities of the Group's total borrowings are set out as follows:

(RMB million)	As at 30 June 2026	As a percentage of total borrowings	As at 31 December 2025	As a percentage of total borrowings
Within 1 year	**24,631**	**49%**	24,815	49%
1 to 2 years	**4,086**	**8%**	6,010	12%
2 to 5 years	**4,564**	**9%**	4,172	8%
Over 5 years	**17,110**	**34%**	15,855	31%
Total	**50,391**	**100%**	50,852	100%

During the first half of 2026, the Group continued to refine its funding structure, treasury and credit policies and objectives to strengthen the financial control and minimize its risk exposure under the ever changing financial market and global economic environment. During the period, the Group's borrowings decreased from RMB50,852 million as at 31 December 2025 to RMB50,391 million as at 30 June 2026. Approximately 81% of the Group's total borrowings were denominated in RMB and the remaining were denominated in other currencies, such as USD and HKD. Approximately 65% of the Group's borrowings were made at fixed interest rate.

The Group is actively in discussions with the existing lenders to renew the Group's certain borrowings and/or not to demand immediate repayment until the Group has successfully completed the property construction projects and generated sufficient cash flows therefrom. These discussions have been constructive and focused on possible actions in light of current circumstances but do require time to formulate or implement due to ongoing changes in market conditions. The Group also closely monitors the debt maturity profile especially those debts maturing within one year so as to mitigate the related risks to the Group's operations.

As at 30 June 2026, the Group had total cash resources (including cash and cash equivalents and restricted bank deposits) of RMB6,373 million, of which approximately 98.8% (31 December 2025: 99.7%) of the Group's cash resources were denominated in RMB with the remaining balances mainly denominated in USD and HKD. The current ratio was 0.87. During the first half of 2026, the Group was taking the initiative in mitigating liquidity risks, so as to ensure the Group will have sufficient cash resources to continue as a going concern and pay its debts.

As at 30 June 2026, the Group's net gearing ratio (i.e. total borrowings less total cash resources divided by total equity) was approximately -749%. The changes in the capital structure were mainly attributable to the losses recorded by the Group during the period, which led to a decrease in total equity; and a decrease in total borrowings. With the loose policies in the real estate market in the PRC for the second half of 2026, we will continue to resolve the debt risks and focus on ensuring the delivery of property projects and lowering the net gearing ratio.

Other investments

As of 30 June 2026, the Group had a diversified investment portfolio, such as investments in joint ventures and associates for property development projects, investments in property funds, equity financial investments in real estate area.

The results of the above investments have been properly reflected in the unaudited interim financial information for the six months ended 30 June 2026.

Guarantees in respect of mortgage facilities for certain purchasers and charge on assets

As at 30 June 2026, the value of the guarantees provided by the Group to banks for mortgages extended to property buyers before completion of their mortgage registration was RMB11,371 million (31 December 2025: RMB10,627 million).

As at 30 June 2026, the Group had pledged certain of its property, plant and equipment, land use rights, properties under development, completed properties held for sale, investment properties, equity interests in certain subsidiaries of the Group, etc. to secure short-term borrowings (including the current portion of long-term borrowings) of RMB21,333 million (31 December 2025: RMB22,528 million) and long-term borrowings of RMB26,173 million (31 December 2025: RMB24,475 million). As at 30 June 2026, total pledged assets accounted for approximately 41% of the total assets of the Group (31 December 2025: 46%).

Capital commitments

The Group entered into certain agreements in respect of properties under development and property projects. As at 30 June 2026, the Group had a total capital commitment of RMB9,824 million (31 December 2025: RMB11,153 million).

Contingent liabilities

In line with the prevailing commercial practice in the mainland China, the Group provides guarantees for mortgages extended to property buyers before completion of their mortgage registration. As at 30 June 2026, the total amount of the aforesaid guarantees provided by the Group was RMB11,371 million (31 December 2025: RMB10,627 million). In the past, the Group had not incurred any material loss from providing such guarantees, as the guarantees were given as a transitional arrangement that would be terminated upon completion of the mortgage registration and were secured by the buyers' properties.

As at 30 June 2026, the Group provided guarantees in the amount of RMB67,824 million for borrowings of joint ventures, associates and third parties (31 December 2025: RMB68,242 million).

Material acquisitions and disposals of subsidiaries, associates and joint ventures

Save as disclosed below, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2026.

- ### Completion of internal restructuring of assets

  During the six months ended 30 June 2026, the return of 2,418 parking spaces located in the PRC (the "Target Assets") by Sino-Ocean Service Group to the Group (the "Return"), which was in substance an internal restructuring of assets of the Group from a 63.82%-owned subsidiary to wholly-owned subsidiaries of the Company resulting in a net acquisition of approximately 36.18% interest in the Target Assets by the Group, had been completed.

  Details of the Return are disclosed in the announcement of the Company dated 16 July 2025 and the paragraphs headed "Material acquisitions and disposals of subsidiaries, associates and joint ventures" under the sub-section headed "FINANCIAL REVIEW" in the section headed "Management Discussion & Analysis" of the 2025 annual report of the Company.

BUSINESS REVIEW

Property development

Recognised sales

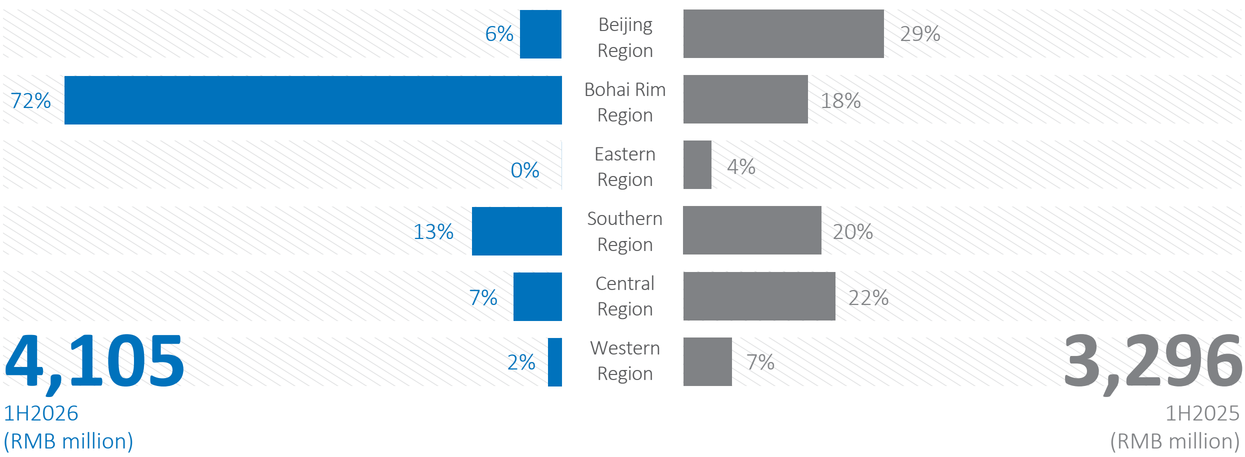
The Group's revenue from property development segment increased by approximately 25% in the first half of 2026 to RMB4,105 million as compared to RMB3,296 million for the corresponding period in 2025. Saleable GFA delivered increased by approximately 52% from 340,000 sq.m. for the first half of 2025 to 516,000 sq.m. for the first half of 2026. Excluding car park sales, the average selling price recognized for the first half of 2026 decreased to approximately RMB8,300 per sq.m. (first half of 2025: RMB11,000 per sq.m.). The decrease was mainly due to the geographical location of the projects being delivered, of which were not mainly located in first-tier cities during the first half of 2026.

Revenue and saleable GFA delivered by cities during the first half of 2026 are set out as follows:

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Beijing Region	Beijing	28	820	34,100
	Taiyuan	27	2,743	9,800
	Qinhuangdao	28	1,937	14,500
	Langfang	77	5,430	14,200
		160	**10,930**	**14,600**
Bohai Rim Region	Tianjin	663	47,103	14,100
	Qingdao	12	1,632	7,400
	Jinan	2,225	311,553	7,100
	Dalian	29	2,614	11,100
	Shenyang	1	100	10,000
		2,930	**363,002**	**8,100**
Eastern Region	Wenzhou	4	286	14,000
		4	**286**	**14,000**
Southern Region	Shenzhen	29	1,372	21,100
	Guangzhou	38	2,748	13,800
	Maoming	11	4,188	2,600
	Fuzhou	24	2,225	10,800
	Jiangmen	7	1,037	6,800
	Zhongshan	264	32,784	8,100
	Zhanjiang	105	17,719	5,900
	Hong Kong	44	550	80,000
		522	**62,623**	**8,300**

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Central Region	Wuhan	86	9,920	8,700
	Ganzhou	204	33,487	6,100
		290	**43,407**	**6,700**
Western Region	Chengdu	5	413	12,100
	Chongqing	21	1,918	10,900
	Xi'an	16	736	21,700
	Guiyang	29	4,344	6,700
		71	**7,411**	**9,600**
	Other projects	76	3,042	25,000
Subtotal (excluding carparks)		**4,053**	**490,701**	**8,300**
Carparks (various projects)		52	25,038	2,100
Total		**4,105**	**515,739**	**8,000**

Revenue from property development by geographical locations for the first half of 2026 and 2025 are analyzed below:



Contracted sales

Due to the impact caused by the continuous adjustment in the overall real estate market in the PRC, the Group's contracted sales (including its joint ventures and associates) during the six months ended 30 June 2026 amounted to RMB8,140 million, representing an approximately 39% decrease as compared to RMB13,370 million from the corresponding period in 2025. GFA sold for the first half of 2026 decreased by approximately 20% to 676,200 sq.m. (first half of 2025: 849,000 sq.m.). Excluding car park sales, the average selling price decreased by approximately 30% to RMB13,300 per sq.m. (first half of 2025: RMB18,900 per sq.m.). The decrease in average selling price was primarily because of the decrease in newly launched projects in the first-tier cities during the first half of 2026.

There were around 120 projects available for sale during the first half of 2026 (first half of 2025: 130 projects). In terms of distribution, contracted sales from first-tier and second-tier cities accounted for approximately 80%.

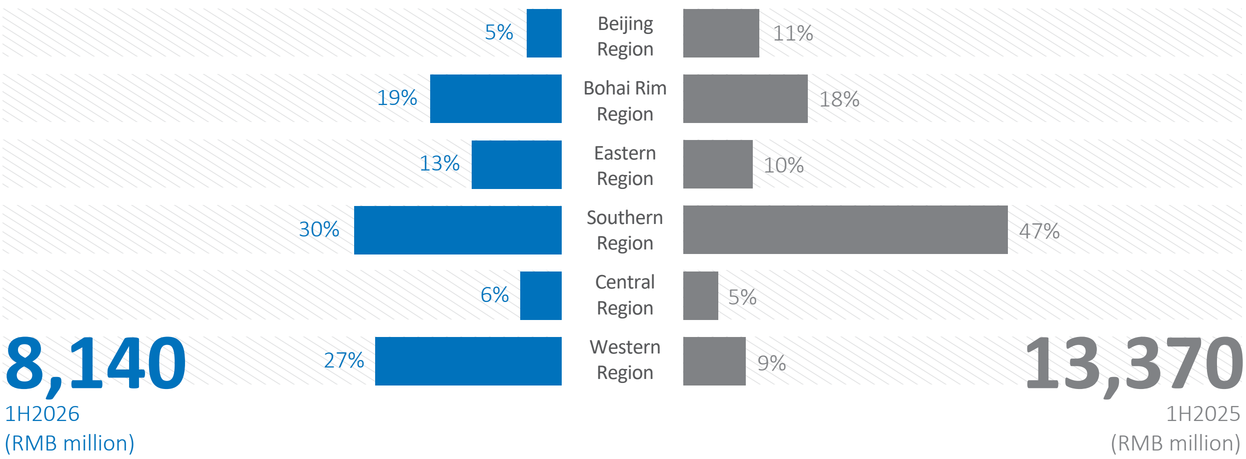
The contracted sales amounts and saleable GFA sold by cities during the first half of 2026 are set out as follows:

Regions	Cities	Contracted sales (RMB million)	Approximate Saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Beijing Region	Beijing	202	5,700	35,400
	Taiyuan	19	2,100	9,000
	Qinhuangdao	104	8,400	12,400
	Langfang	22	2,200	10,000
	Jinzhong	16	2,600	6,200
		363	**21,000**	**17,300**
Bohai Rim Region	Tianjin	885	69,100	12,800
	Qingdao	7	1,300	5,400
	Jinan	593	38,100	15,600
	Dalian	9	1,400	6,400
	Shenyang	2	200	10,000
		1,496	**110,100**	**13,600**

Regions	Cities	Contracted sales (RMB million)	Approximate Saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Eastern Region	Shanghai	457	14,400	31,700
	Suzhou	29	2,600	11,200
	Wuxi	334	17,500	19,100
	Changzhou	2	200	10,000
	Wenzhou	11	800	13,800
	Jinhua	1	200	5,000
	Zhenjiang	135	27,000	5,000
	Suqian	57	9,000	6,300
		1,026	**71,700**	**14,300**
Southern Region	Shenzhen	2,067	43,900	47,100
	Guangzhou	31	1,900	16,300
	Fuzhou	26	2,300	11,300
	Foshan	104	8,100	12,800
	Maoming	6	1,000	6,000
	Jiangmen	32	3,500	9,100
	Zhongshan	181	13,600	13,300
	Zhanjiang	7	2,100	3,300
		2,454	**76,400**	**32,100**
Central Region	Wuhan	64	6,100	10,500
	Zhengzhou	275	22,800	12,100
	Changsha	41	5,400	7,600
	Nanchang	7	600	11,700
	Ganzhou	92	15,000	6,100
		479	**49,900**	**9,600**

Regions	Cities	Contracted sales (RMB million)	Approximate Saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Western Region	Chengdu	115	8,800	13,100
	Chongqing	20	1,700	11,800
	Xi'an	649	59,500	10,900
	Guiyang	247	25,700	9,600
	Urumqi	9	600	15,000
	Xining	28	9,900	2,800
	Xishuangbanna	29	2,100	13,800
	Baoshan	128	24,700	5,200
		1,225	**133,000**	**9,200**
	Other projects	897	134,700	6,700
Subtotal (excluding carparks)		**7,940**	**596,800**	**13,300**
Carparks (various projects)		200	79,400	2,500
Total		**8,140**	**676,200**	**12,000**

Contracted sales amounts by geographical locations for the first half of 2026 and 2025 are analyzed below:



Landbank and construction progress

The Group's total GFA and total saleable GFA (including its joint ventures and associates) completed in the first half of 2026 were approximately 506,000 sq.m. and 384,400 sq.m. respectively, decreased by 54% and 60% respectively as compared to the corresponding period in 2025 and approximately 24% of this year's construction target was achieved in the first half of 2026. The Group achieved the construction targets as planned in the first half of 2026 so as to have sufficient sales resources and GFA available for sale to support future growth.

As at 30 June 2026, the landbank of the Group (including its joint ventures and associates) decreased to 24,500,000 sq.m. (31 December 2025: 27,051,000 sq.m.); and landbank with attributable interest decreased to 12,830,000 sq.m. (31 December 2025: 14,160,000 sq.m.) accordingly. During the first half of 2026, we together with our joint ventures and associates did not acquire any plot of land. In terms of total saleable GFA, the average land cost per sq.m. for our landbank as at 30 June 2026 was approximately RMB6,200 (31 December 2025: RMB6,100 per sq.m.).

The landbank details of the Group and its joint ventures and associates as at 30 June 2026 are set out as follows:

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
Beijing Region	Beijing	Captain House	Fengtai District, Beijing	131	100	1	51.00%
		Central Peak	Changping District, Beijing	256	193	176	50.00%
		Gold Mansion	Daxing District, Beijing	118	99	79	25.00%
		Grand Harmony Emerald Residence	Daxing District, Beijing	224	165	88	40.00%
		Hilltime	Mentougou District, Beijing	430	344	430	10.00%
		Jasper Epoch	Daxing District, Beijing	92	78	8	100.00%
		Jialihua Project, Shunyi District	Shunyi District, Beijing	277	206	277	100.00%
		Liangxiang Project	Fangshan District, Beijing	126	102	38	11.10%
		Ocean LA VIE	Chaoyang District, Beijing	318	305	40	85.72%
		Ocean Metropolis	Mentougou District, Beijing	330	276	44	58.00%
		Ocean Poetic Dwelling	Shijingshan District, Beijing	249	187	56	31.00%
		Ocean Wuliepoch	Shijingshan District, Beijing	595	458	102	21.00%
		Our New World	Fangshan District, Beijing	109	91	13	100.00%
		Plot 6002, Mentougou New Town	Mentougou District, Beijing	125	97	75	21.00%
		Royal River Villa	Chaoyang District, Beijing	132	118	12	20.00%
		Sino-Ocean Apple Garden No.6	Shijingshan District, Beijing	69	50	42	51.00%
		Vision Place	Chaoyang District, Beijing	27	21	27	28.57%
		Xanadu & Ocean Epoch	Chaoyang District, Beijing	230	193	26	50.00%
		Xanadu & Ocean Palace	Daxing District, Beijing	300	207	96	50.00%
		Xiji Plot E, Tongzhou District	Tongzhou District, Beijing	139	136	139	50.00%
		Xinchi Tower	Daxing District, Beijing	67	41	67	85.65%
		Yongjingtaoyuan Project	Chaoyang District, Beijing	692	554	692	52.15%
				5,036	**4,021**	**2,528**	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Shijiazhuang	Ande Memorial Park	Jingxing County, Shijiazhuang	110	110	109	88.89%
		Gaocheng Logistics Project	Gaocheng District, Shijiazhuang	54	–	54	64.30%
		Harmony Palace	Zhengding New District, Shijiazhuang	152	140	29	38.35%
				316	**250**	**192**	
	Taiyuan	Glory Mansion	Xinghualing District, Taiyuan	288	198	140	52.15%
		Jiefang Road Aegean Place	Xinghualing District, Taiyuan	125	–	125	52.15%
		Ocean Crown	Xiaodian District, Taiyuan	53	38	53	100.00%
		Ocean Seasons	Wanbailin District, Taiyuan	308	254	42	100.00%
		Sky Masion	Yingze District, Taiyuan	394	286	116	36.21%
		Sky of Palace	Wanbailin District, Taiyuan	897	529	67	26.60%
		Villa Epoch	Yangqu County, Taiyuan	54	34	18	44.00%
		Wangjiafeng Aegean Place	Yingze District, Taiyuan	109	–	109	36.21%
				2,228	**1,339**	**670**	
	Qinhuangdao	Seatopia	Funing District, Qinhuangdao	1,438	1,243	1,056	100.00%
	Langfang	Capital Palace	Anci District, Langfang	404	292	18	52.15%
		Ocean Brilliant City	Guangyang District, Langfang	1,897	954	1,127	43.20%
		Plot I, Guangyang Logistics Project	Guangyang District, Langfang	45	–	45	64.30%
		Yanjiao Sanhe Internet Data Center	Yanjiao County, Langfang	73	–	73	29.16%
				2,419	**1,246**	**1,263**	
	Jinzhong	Sky Masion	Yuci District, Jinzhong	2,067	1,537	747	30.85%
				13,504	**9,636**	**6,456**	
Bohai Rim Region	Tianjin	Capital Palace	Jizhou District, Tianjin	346	213	193	52.15%
		Happy Light Year	Wuqing District, Tianjin	207	176	25	49.98%
		Jixian Aegean Place	Jizhou District, Tianjin	87	–	87	52.15%
		Neo-metropolis	Beichen District, Tianjin	2,579	2,013	1,334	51.00%
		Ocean Fantastic Time	Dongli District, Tianjin	151	115	3	100.00%
		Ocean Orient	Binhai New Area, Tianjin	164	126	7	100.00%
		Sky Masion	Binhai New Area, Tianjin	388	231	5	52.15%
		Sky Masion Bay	Binhai New Area, Tianjin	253	182	15	52.15%
		UPED	Binhai New Area, Tianjin	653	445	259	51.00%
		Xanadu	Binhai New Area, Tianjin	185	135	185	30.00%
				5,013	**3,636**	**2,113**	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Qingdao	Ocean Glory	Shibei District, Qingdao	102	76	1	10.75%
		Sino-Ocean Harmony	Shibei District, Qingdao	377	270	5	43.00%
		Sino-Ocean Landscape	Jimo District, Qingdao	113	86	14	100.00%
				592	**432**	**20**	
	Jinan	Fantastic Time	Tianqiao District, Jinan	535	435	231	100.00%
		Minghu Mansion	Tianqiao District, Jinan	555	461	256	100.00%
		Ocean Crown	Huaiyin District, Jinan	103	87	95	85.65%
		Ocean Epoch	Lixia District, Jinan	390	371	140	50.00%
		Ocean Mansion	Huaiyin District, Jinan	228	190	18	79.60%
		Ocean Orient	Licheng District, Jinan	544	422	91	42.00%
		Sino-Ocean Metropolis	Tianqiao District, Jinan	379	255	45	70.00%
		Sky Masion	Shanghe County, Jinan	583	520	257	30.66%
				3,317	**2,741**	**1,133**	
	Dalian	Diamond Bay	Ganjingzi District, Dalian	1,497	1,345	542	100.00%
		Joy of Mountain and Sea	Ganjingzi District, Dalian	189	150	1	51.00%
		Ocean Orient	Jinpu New Area, Dalian	116	113	116	85.65%
		Ocean Tower River Bay	Lvshunkou District, Dalian	234	200	194	100.00%
				2,036	**1,808**	**853**	
	Shenyang	Ocean Elite River Prospect	Shenbei New District, Shenyang	400	313	246	60.00%
	Changchun	Dream Jilin	Shuangyang District, Changchun	326	255	216	52.15%
	Anshan	International Plaza	Tiedong District, Anshan	350	294	39	52.15%
				12,034	**9,479**	**4,620**	
Eastern Region	Shanghai	Baoshan Sky Masion	Baoshan District, Shanghai	213	115	53	52.15%
		Lingang Aegean Place	Pudong New Area, Shanghai	66	–	66	52.15%
		Moon Mirage	Chongming District, Shanghai	922	588	477	41.03%
		Ocean Fortune Center	Pudong New Area, Shanghai	59	45	16	100.00%
				1,260	**748**	**612**	

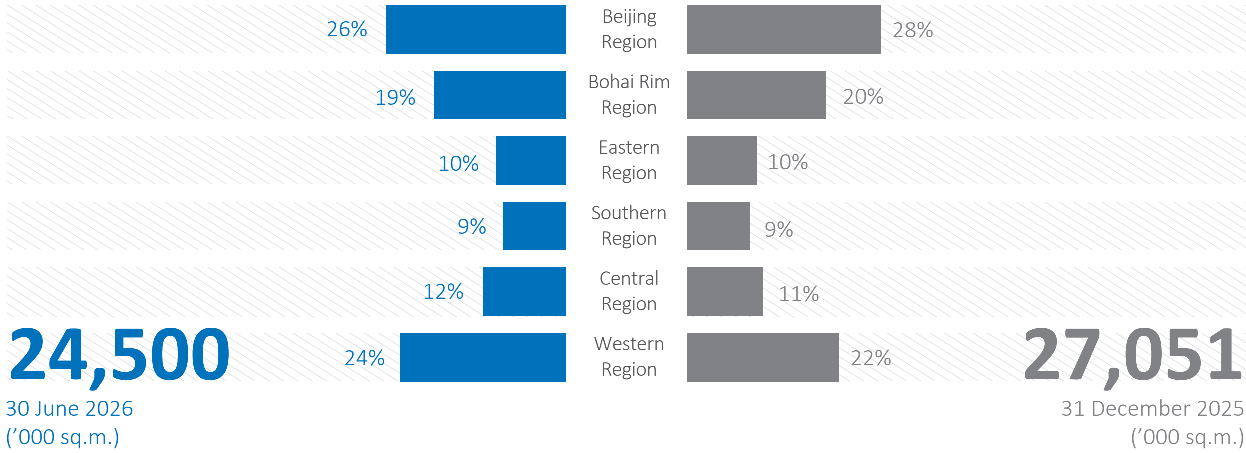
Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Suzhou	Mansion Yue	Wujiang District, Suzhou	150	147	47	70.00%
		Rocker Park	Huqiu District, Suzhou	240	198	1	30.00%
		Royal Seasons	Taicang City, Suzhou	105	77	28	34.00%
		Shengze Sky Masion	Wujiang District, Suzhou	262	211	7	45.60%
		Shihu Project	Wuzhong District, Suzhou	49	–	49	100.00%
				806	**633**	**132**	
	Wuxi	Life in Park	Xinwu District, Wuxi	196	157	45	15.00%
		One Residence	Xinwu District, Wuxi	211	154	22	21.66%
				407	**311**	**67**	
	Changzhou	Aegean Place	Wujin District, Changzhou	197	–	197	52.15%
	Wenzhou	Four Seasons Mansion	Longwan District, Wenzhou	85	60	10	100.00%
		Peninsula No.9	Ouhai District, Wenzhou	276	174	138	41.36%
				361	**234**	**148**	
	Yangzhou	Home Furniture Mall	Hanjiang District, Yangzhou	81	–	81	52.15%
		Sky Masion	Hanjiang District, Yangzhou	467	348	467	52.15%
				548	**348**	**548**	
	Jinhua	Mountain Courtyard	Wucheng District, Jinhua	171	124	123	26.60%
	Zhenjiang	Central Mansion	Danyang City, Zhenjiang	607	502	304	50.00%
	Suqian	Shuyang Sky Masion	Shuyang County, Suqian	545	407	33	100.00%
		Sky Masion	Sucheng District, Suqian	484	411	157	14.08%
				1,029	**818**	**190**	
	Huzhou	Anji Internet Data Center	Anji County, Huzhou	135	–	135	64.30%
				5,521	**3,718**	**2,456**	
Southern Region	Shenzhen	Ocean City	Longgang District, Shenzhen	323	303	323	81.00%
		Ocean Express	Longgang District, Shenzhen	556	437	75	100.00%
		Ocean Filter	Longgang District, Shenzhen	92	64	27	100.00%
		Ocean No.163 Project	Nanshan District, Shenzhen	141	106	141	48.00%
		Ocean Purity	Longgang District, Shenzhen	152	108	152	39.20%
		Ocean Seafront Towers	Nanshan District, Shenzhen	115	52	59	80.00%
				1,379	**1,070**	**777**	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Guangzhou	East Bay	Zengcheng District, Guangzhou	141	96	8	40.00%
		Hibiscus Villa	Huadu District, Guangzhou	179	87	2	51.00%
		Natural Mansion	Zengcheng District, Guangzhou	76	48	6	100.00%
		Ocean Prospect	Zengcheng District, Guangzhou	133	96	8	100.00%
				529	**327**	**24**	
	Fuzhou	Ocean Tianfu	Cangshan District, Fuzhou	128	97	30	100.00%
	Foshan	Landscape	Shunde District, Foshan	80	63	39	49.00%
		Natural Mansion	Nanhai District, Foshan	140	107	60	50.00%
				220	**170**	**99**	
	Xiamen	Ocean Prospect	Tong'an District, Xiamen	199	144	27	51.00%
	Maoming	Sino-Ocean Landscape	Maonan District, Maoming	299	249	143	100.00%
	Jiangmen	Cloud Mansion	Pengjiang District, Jiangmen	176	133	28	51.00%
		Top Mansion	Pengjiang District, Jiangmen	131	101	31	100.00%
				307	**234**	**59**	
	Zhongshan	Blossoms Valley	Shenwan Town, Zhongshan	1,172	1,037	770	75.00%
		Ocean Palace	Southern District, Zhongshan	181	134	107	100.00%
				1,353	**1,171**	**877**	
	Zhanjiang	Ocean City	Xiashan District, Zhanjiang	612	493	140	67.50%
	Sanya	Ocean Hill	Jiyang District, Sanya	177	111	74	100.00%
				5,203	**4,066**	**2,250**	
Central Region	Wuhan	Aegean Place	Xinzhou District, Wuhan	62	–	62	52.15%
		Dongxihu Xingou Logistics Project	Dongxihu District, Wuhan	112	–	112	64.30%
		Huazhong Big Data Industrial Park	Jiangxia District, Wuhan	89	–	89	14.87%
		Oriental World View	Hanyang District, Wuhan	1,917	1,430	86	70.00%
		Oriental Worldview II	Hanyang District, Wuhan	322	229	322	7.75%
		Yangtze Opus	Jiang'an District, Wuhan	178	80	89	70.00%
				2,680	**1,739**	**760**	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Zhengzhou	Fontaine Polaris	Zhongmu County, Zhengzhou	176	141	176	24.50%
		Grand Apartment	Jinshui District, Zhengzhou	172	133	172	38.88%
		Ocean Landscape Courtyard	Yingyang District, Zhengzhou	204	150	14	55.00%
		Ocean Prospect	Xinzheng City, Zhengzhou	169	158	34	100.00%
		Rong Fu	Xinzheng City, Zhengzhou	156	101	118	23.64%
		Rulinchenzhang	Guanchenghuizu District, Zhengzhou	299	198	299	100.00%
		The Collection	Erqi District, Zhengzhou	182	141	54	49.00%
				1,358	**1,022**	**867**	
	Hefei	Ideal Bourn	Feidong County, Hefei	104	83	104	100.00%
		Ocean Landscape	Feidong County, Hefei	200	180	31	70.00%
				304	**263**	**135**	
	Changsha	Aegean Place	Yuhua District, Changsha	69	–	69	41.72%
		Sky Masion	Yuhua District, Changsha	878	616	435	41.72%
		Special Mansion	Wangcheng District, Changsha	482	384	482	24.50%
				1,429	**1,000**	**986**	
	Nanchang	Cloud View	Jingkai District, Nanchang	81	61	6	51.00%
		Ocean Palace	Wanli District, Nanchang	173	122	11	51.00%
		Sky Masion	Wanli District, Nanchang	175	163	29	52.15%
				429	**346**	**46**	
	Ganzhou	Sky Masion	Nankang District, Ganzhou	888	705	40	53.59%
				7,088	**5,075**	**2,834**	
Western Region	Chengdu	Ocean Ecological Land	Xindu District, Chengdu	199	127	60	100.00%
		Ocean Luxury City	Qingyang District, Chengdu	122	106	11	24.50%
		Qingbaijiang Internet Data Center, Zone A	Qingbaijiang District, Chengdu	193	–	193	38.88%
		Wenjiang Internet Data Center	Wenjiang District, Chengdu	54	–	54	29.16%
				568	**233**	**318**	
	Chongqing	Fenghua Melody	Shapingba District, Chongqing	102	71	20	24.50%
		Fontaine Island	Nan'an District, Chongqing	178	132	3	24.50%
		Life In Art Dist	Jiulongpo District, Chongqing	52	37	15	34.00%
		Sino-Ocean Garden	Banan District, Chongqing	592	480	34	56.10%
				924	**720**	**72**	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Xi'an	Aegean Place	Xincheng District, Xi'an	104	–	104	26.60%
		Emperor Chic	Weiyang District, Xi'an	321	316	215	24.50%
		Fontaine Island	Chanba Ecological District, Xi'an	147	111	147	24.50%
		Ocean Mansion	Weiyang District, Xi'an	558	416	313	42.33%
		Sino-Ocean Royal Landscape	Chanba Ecological District, Xi'an	292	208	30	80.00%
		Sky Masion	Xincheng District, Xi'an	462	312	462	26.60%
				1,884	**1,363**	**1,271**	
	Kunming	In Galaxy (formerly known as Chenggong Project)	Chenggong District, Kunming	222	218	84	71.66%
		In Galaxy (formerly known as Chenggong Project, Phase II)	Chenggong District, Kunming	99	88	99	71.66%
				321	**306**	**183**	
	Guiyang	Sino-Ocean Aristocratic Family	Shuanglong New District, Guiyang	165	135	85	100.00%
		Sino-Ocean Prospect	Yunyan District, Guiyang	100	75	11	100.00%
		Sky Masion	Guanshanhu District, Guiyang	297	120	297	26.60%
		Sky Masion, Retail	Guanshanhu District, Guiyang	36	–	36	26.60%
				598	**330**	**429**	
	Urumqi	Royal Mansion	Saybag District, Urumqi	402	293	171	28.97%
	Lanzhou	Sky Masion	Yuzhong County, Lanzhou	397	301	264	31.29%
	Liuzhou	Aegean Place	Yufeng District, Liuzhou	85	–	85	76.55%
		Glory Mansion	Yufeng District, Liuzhou	357	251	106	76.55%
				442	**251**	**191**	
	Luzhou	Sky Masion	Jiangyang District, Luzhou	279	207	279	52.15%
	Xining	Aegean Place	Haihu New District, Xining	121	–	121	76.55%
		Sky Masion	Chengzhong District, Xining	1,278	1,018	512	41.72%
		Sky Palace	Chengxi District, Xining	311	254	117	76.55%
				1,710	**1,272**	**750**	
	Xishuangbanna	Rainforest Resorts	Jinghong City, Xishuangbanna	515	429	152	26.07%
	Baoshan	Qinghuahai Park	Longyang District, Baoshan	2,704	1,751	1,738	26.07%
				10,744	**7,456**	**5,818**	
Other Region	Jakarta	Auraya	Greater Jakarta, Indonesia	66	57	66	28.00%
				66	**57**	**66**	
Total				**54,160**	**39,487**	**24,500**	

The landbank by geographical locations as at 30 June 2026 and 31 December 2025 are analyzed below:



The landbank by stages of development as at 30 June 2026 are set out as follows:

	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)
Completed properties held for sales	37,530	27,469	7,870
Properties under development	8,856	6,421	8,856
Properties held for future development	7,774	5,597	7,774
Total	**54,160**	**39,487**	**24,500**

Property investment

During the first half of 2026, revenue from property investment decreased by approximately 6% to RMB136 million (first half of 2025: RMB144 million). As at 30 June 2026, the Group (including its joint ventures and associates) held more than 22 operating investment properties. Our investment properties are mainly prime A-grade office premises, shopping malls, commercial complex and logistics projects at prime locations. Vision Place in Beijing was completed in August 2026. The total leasable area amounted to approximately 3,367,000 sq.m. as at 30 June 2026 with office developments about 23%, logistics projects about 44%, and others including commercial complexes, car parks and others about 33%. We would continue to implement the asset-light mode for the Group's investment properties and accelerate the cash collection.

The investment properties of the Group and its joint ventures and associates as at 30 June 2026 are set out as follows:

Projects	Districts	Approximate leasable area (sq.m.)	Office premises (sq.m.)	Retail space (sq.m.)	Logistics projects (sq.m.)	Others (sq.m.)	Occupancy rate (%)	Interest attributable to the Group (%)
E-wing Center (Beijing)	Haidian District, Beijing	12,000	12,000	–	–	–	90%	100%
Grand Canal Place (Beijing)	Tongzhou District, Beijing	111,000	60,000	51,000	–	–	56%	65%
Ocean Incom (Beijing)	Shunyi District, Beijing	49,000	32,000	2,000	–	15,000	60%	100%
Ocean International Center (Beijing)	Chaoyang District, Beijing	103,000	76,000	9,000	–	18,000	82%	100%
Ocean International Center (Tianjin)	Hedong District, Tianjin	53,000	53,000	–	–	–	71%	100%
Shuyang Ocean We-life Plaza (Suqian)	Shuyang County, Suqian	39,000	–	39,000	–	–	60%	100%
Citylane (Wuhan)	Hanyang District, Wuhan	23,000	–	23,000	–	–	98%	70%
Ocean We-life Plaza (Ganzhou)	Nankang District, Ganzhou	49,000	–	49,000	–	–	96%	54%
Other projects		23,000	4,000	2,000	–	17,000		
Subtotal		462,000	237,000	175,000	–	50,000		
Other								
INDIGO (Beijing)	Chaoyang District, Beijing	180,000	52,000	47,000	–	81,000	98%	50%
Ocean International Center, Phase II (Beijing)	Chaoyang District, Beijing	70,000	46,000	13,000	–	11,000	95%	12%
Ocean Plaza (Beijing)	Xicheng District, Beijing	30,000	26,000	–	–	4,000	87%	72%
Ocean Office Park (Beijing)	Chaoyang District, Beijing	93,000	81,000	12,000	–	–	78%	29%
Eco-city Ocean We-life Plaza (Tianjin)	Binhai New Area, Tianjin	42,000	–	42,000	–	–	98%	52%
Grand Canal Place (Tianjin)	Hedong District, Tianjin	97,000	–	97,000	–	–	95%	34%
Ocean We-life (Tianjin)	Binhai New District, Tianjin	28,000	–	28,000	–	–	93%	86%
Ocean We-life Plaza (Tianjin)	Hedong District, Tianjin	42,000	–	42,000	–	–	97%	64%
Ocean We-life Plaza (Jinan)	Shanghe County, Jinan	34,000	–	34,000	–	–	85%	52%
H88 Yuehong Plaza (Shanghai)	Xuhui District, Shanghai	56,000	56,000	–	–	–	60%	61%
Haixing Plaza (Shanghai)	Huangpu District, Shanghai	14,000	10,000	–	–	4,000	59%	30%
Ocean We-life Plaza (Suzhou)	Wujiang District, Suzhou	49,000	–	49,000	–	–	91%	26%
Ocean We-life Plaza (Suqian)	Sucheng District, Suqian	54,000	–	54,000	–	–	64%	14%
Grand Canal Place (Fuzhou)	Cangshan District, Fuzhou	95,000	–	95,000	–	–	96%	31%
Other projects		2,021,000	257,000	216,000	1,472,000	76,000		
Subtotal		2,905,000	528,000	729,000	1,472,000	176,000		
Total		**3,367,000**	**765,000**	**904,000**	**1,472,000**	**226,000**		

Commercial properties in progress

The Group has built a sound foundation for office complex operation and management since the development of investment property development and operation. The Group has cultivated strengths in commercial and logistics project positioning, planning and design, development and construction, attracting investment and project operation. To date, the Group has several commercial property projects in progress across China, including grade A offices, high-end shopping centers, five-star hotels and high quality logistics projects.

The Group has commercial property resources pending for development and operation by stages, which will boost a strong portfolio of cross regional and diversified products.

Property management and related services

Our key subsidiary, Sino-Ocean Service (Stock Code: 06677.HK) is a comprehensive service provider for customers and covers the entire property management value chain. We always adhere to the service philosophy of “Being understanding and innovative”. Sino-Ocean Service aims to provide premium property management services that make available conveniences in daily life and foster a more valuable living environment and experience for property owners and residents.

For the six months ended 30 June 2026, the Group’s revenue from property management and related services was RMB1,260 million, a decrease of approximately 7% from RMB1,348 million for the corresponding period in 2025.

As of 30 June 2026, Sino-Ocean Service’s total GFA under management of property management services reached 845 million sq.m.[1], covering 78 cities[1] across 28 provinces, autonomous regions and municipalities[1] in China; and 491 property projects were under our management. Our property management services cover a wide range of property types, including residential communities, commercial properties (such as shopping malls and office buildings) and public and other properties (such as hospitals, schools, government buildings and public service facilities).

Asset-light agent construction

Our group has accumulated extensive experience in the agent construction business and has a dedicated service platform, Sino-Ocean Management. Our projects span across the country, offering comprehensive and full-chain services in the real estate sector, including consulting, product positioning, construction management, marketing and quality delivery services. These services cover various businesses such as residential, commercial, office, hotel, industrial parks, and senior living. According to the third-party data[2], Sino-Ocean Management ranked TOP15 in newly added scale among Chinese real estate companies for agent construction, and entered the first tier of the agent construction industry.

In addition, for the six months ended 30 June 2026, the accumulated contracted sales of the agent construction projects of the Group, together with its joint ventures and associates amounted to approximately RMB1.49 billion; accumulated contracted sales GFA amounted to approximately 124,700 sq.m.; accumulated contracted average selling price was approximately RMB11,900 per sq.m.

Note 1: Including for those provided to the Group and its affiliates

Note 2: According to 2026 1H China Real Estate Agent Construction Companies Newly Added Scale Ranking (China Index Academy)

OTHER INFORMATION

Key risk factors and uncertainties

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

Risks pertaining to the property market and operation

The Group's businesses and prospects are largely dependent on the performance of the property market in mainland China. The property market in mainland China is affected by a number of factors, including changes in social, political, economic and legal environment, as well as changes in the government's financial, economic, monetary, industrial and environmental conservation policies. The Group is also susceptible to changes in economic conditions, consumer confidence, consumption spending, and changes in consumption preferences.

The Group's operation is subject to a number of risk factors distinctive to property development, property investment, and property related businesses. Default on the part of our buyers, tenants and strategic business partners, inadequacies or failures of internal processes, people and systems or other external factors may have various levels of negative impact on the results of operations.

In light of the uncertainties of the economic environment and the changes in the industry, we have adopted a series of measures to stabilize operation and resolve the debt risks. At the same time, the Group continues to monitor the above factors and works together with those stakeholders to formulate actions to deliver sustainable development of economic, social and environmental values.

Risk of exposure to interest rate fluctuations

Certain of the Group's borrowings are with floating interest rates. For the first half of 2026, the weighted average interest rate of the Group was 8.23%, which increased by 239 basis points as compared to the corresponding period in 2025. The Group has closely monitored interest rate movements and assessed its impacts to the Group's financial performance and operations.

Risk of exposure to exchange rate fluctuations

As at 30 June 2026, approximately 19% of the Group's total borrowings were denominated in USD and HKD. As a result, the Group had a net currency exposure to fluctuations in foreign exchange rates. As non-RMB currency borrowings are subject to fluctuations of exchange rates, the Group is careful in having borrowings in non-RMB currencies. The Group has never engaged in the dealing of any financial derivative instruments for speculative purposes. Our operation has not been materially affected by the exchange rate fluctuations. The Group will continuously monitor exchange rate movements and consider appropriate measures to reduce the exchange rate risk.

EMPLOYEES AND HUMAN RESOURCES

As at 30 June 2026, the Group had 11,718 employees (31 December 2025: 12,041 employees). The decrease in the number of employees was mainly due to the continuous optimization of manpower in the property development and its related businesses. The Group's staff cost in the period decreased to RMB1,043 million (first half of 2025: RMB1,156 million). The decrease in staff cost was mainly the net effect of the reduction of staff cost in the property development segment and the increase of one-off cost related to the optimization of manpower during the period.

The Group's remuneration system has been established with reference to the corporate business performance, the efficiency and accomplishments of the staff and the remuneration level of the same industry in the market. The Company offers share options to motivate competitive staff at appropriate times. We adhere to the performance-oriented payment concept and incentive scheme. While ensuring the stability of our workforce, we are committed to channeling limited resources towards front-line teams and core performance personnel for ensuring institutional transformation, risk mitigation, operational reinforcement. By further tapping into internal potential, we have enhanced the efficiency of our human resources and administrative resource utilisation. In parallel, the Group provided a variety of learning and training programmes to address the development needs of our teams and employees. Working in collaboration with our operating units, we leveraged the Sino-Ocean Academy platform to integrate cross-business training resources. Through multi-dimensional approaches such as experience sharing and knowledge distillation, thematic exchange workshops, and hands-on practical sessions, we empowered our frontline teams, fostered a positive organisational culture, and enhanced overall capabilities, thereby safeguarding the achievement of our operational objectives and supporting our business transformation and growth. This strategic focus aims to attract, motivate and retain talented staff, who in return can ultimately bring in higher return to our investors.

ADDITIONAL INFORMATION ON DISCLAIMER OF CONCLUSION EXPRESSED BY AUDITOR ON THE 2026 INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Subsequent to the disclaimer of opinion on the consolidated financial statements of the Group for the year ended 31 December 2025 as disclosed in the Independent Auditor's Report in the 2025 annual report of the Company, BDO did not express a conclusion (the "Disclaimer of Conclusion") on the interim condensed consolidated financial statements for the six months ended 30 June 2026 (the "2026 Interim Condensed Consolidated Financial Statements"). Details of the Disclaimer of Conclusion are described in the paragraphs headed "BASIS FOR DISCLAIMER OF CONCLUSION — Multiple Uncertainties Relating to Going Concern" in the Report on Review of Interim Condensed Consolidated Financial Statements in this interim report.

With respect to certain plans and measures regarding the going concern assumption as mentioned in note 2.1 to the consolidated financial statements for the year ended 31 December 2025, the management of the Group has closely monitored the implementation progress, which included but not limited to the progress made in the onshore debt restructuring; the negotiations with other existing lenders on loan extensions and/or other constructive action in light of the current circumstances; any potential new funding resources; the progress of outstanding litigations; the property sales and development progress; the achievement of cost control measures. The management of the Group is of the view that the relevant plans and measures are currently being implemented as planned.

The management of the Group has given careful consideration to the Disclaimer of Conclusion and the basis thereof and has had continuous discussions with BDO during the preparation of the 2026 Interim Condensed Consolidated Financial Statements. It understands that the Disclaimer of Conclusion relates solely to the validity of going concern assumption, on which the 2026 Interim Condensed Consolidated Financial Statements have been prepared and which depends upon the successful implementation of certain plans and measures, which are in turn subject to multiple uncertainties.

The management of the Group has carefully considered the Group's cash flow forecast for the next twelve months from 30 June 2026 and has given due consideration to the matters that give rise to material doubt as to its ability to continue as a going concern, and accordingly, has proactively formulated certain plans and measures to ensure the Group will have sufficient cash resources to continue as a going concern and pay its debts when they fall due. Certain plans and measures have been taken or will be taken to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due which include, but not limited to, those set out in note 2 to the 2026 Interim Condensed Consolidated Financial Statements in this interim report (the "Relevant Plans and Measures"). Further information on the restructuring of onshore open market debts is also set out in the below paragraphs headed "RELEVANT INFORMATION ON ONSHORE OPEN MARKET DEBTS". For details on the onshore debt restructuring implementation timetable, please refer to the announcements of Sino-Ocean Holding published on the Shanghai Stock Exchange.

Assuming the success of the Relevant Plans and Measures, the management of the Group considers that the Group will have sufficient working capital to finance its operations and to meet its obligations as and when they fall due for at least twelve months from 30 June 2026. Accordingly, the management of the Group is of the opinion that it is appropriate to prepare the 2026 Interim Condensed Consolidated Financial Statements on a going concern basis.

The Audit Committee had discussed with the Board and the management of the Group regarding the going concern issue and reviewed the progress update of the implementation of the Relevant Plans and Measures provided from the management of the Group from time to time. With the orderly implementation of the Relevant Plans and Measures, the Audit Committee agreed with the position taken by the Group's management and the Board regarding the accounting treatment adopted by the Company.

The Audit Committee also discussed and understood the concerns of BDO that uncertainties exist as to whether the management of the Group will be able to achieve the Relevant Plans and Measures. There is no disagreement by the Board, the Group's management nor the Audit Committee with the position taken by BDO regarding the going concern issue.

RELEVANT INFORMATION ON ONSHORE OPEN MARKET DEBTS

References are made to the announcements of the Company published on the Stock Exchange and the announcements of Sino-Ocean Holding published on the Shanghai Stock Exchange, both dated 9 May 2025, 30 May 2025, 12 June 2025, 19 June 2025, 10 July 2025, 18 July 2025, 28 July 2025, 1 August 2025, 14 August 2025, 26 November 2025, 4 February 2026, 23 June 2026 and 11 August 2026, in relation to the onshore open market debts of the Group (collectively, the "Onshore Open Market Debts Announcements").

As set out in the Onshore Open Market Debts Announcements, to advance sustainable operations going forward, in light of Sino-Ocean Holding's current situation, the Group planned to provide an overall restructuring plan to holders of certain existing onshore corporate bonds and interbank directed debt financing instruments. This plan would adjust the repayment arrangements for the principal and interest of such bonds/debt financing instruments and offer multiple settlement options, including cash repurchase, equity economic income right, and debt settlement with assets. Sino-Ocean Holding would advance the restructuring of such bonds/debt financing instruments by convening bondholders' meeting(s), and the final restructuring plan shall be subject to the resolutions set forth in the bondholders' meeting notice(s).

Bondholders' meetings for relevant corporate bonds had been subsequently convened, at which the resolutions concerning the restructuring of the relevant bonds were approved. Pursuant to the announcements regarding the results of the relevant bondholders' meetings, the cash repurchase option, the equity economic income right option, and the debt settlement with assets option (debt settlement with proceeds from residential projects and debt settlement with proceeds from commercial projects) would be subsequently initiated, in sequence, by the relevant parties.

On 23 June 2026, the Group announced the details of the cash repurchase option in respect of nine onshore bonds/debt financing instruments of the Group. On 11 August 2026, the Group announced the implementation results of the cash repurchase. Subsequently, the Group will continue to move forward other restructuring options in accordance with the approved resolutions concerning the bonds restructuring.

Please refer to the Onshore Open Market Debts Announcements for details.

IMPORTANT EVENTS AFTER THE PERIOD ENDED 30 JUNE 2026

Save as disclosed in the above paragraphs headed "RELEVANT INFORMATION ON ONSHORE OPEN MARKET DEBTS" and Note 29 to the interim condensed consolidated financial statements in this interim report, as at the Latest Practicable Date, there was no important event affecting the Group after the period ended 30 June 2026.

DISCLOSURE OF INTERESTS

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the interests and short positions of each of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Long position in the Shares and the underlying Shares

		As at 30 June 2026	
Name of Directors	Capacity/ nature of interest	No. of Shares held	Approximate percentage in the Company's total issued share capital (Note iii)
Mr. LI Ming	Founder of discretionary trust	127,951,178 (Note i)	1.010%
	Beneficiary of trust	14,914,200 (Note ii)	0.118%
	Beneficial owner	65,445,000	0.517%
Mr. WANG Honghui	Beneficial owner	273,295	0.002%
Mr. CUI Hongjie	Beneficial owner	369,571	0.003%
Ms. CHAI Juan	–	–	–
Mr. YU Zhiqiang	–	–	–
Mr. ZHANG Zhongdang	–	–	–
Ms. SUN Jianxin	–	–	–
Ms. WANG Manling	–	–	–
Mr. HAN Xiaojing	Beneficial owner	460,000	0.004%
Mr. LYU Hongbin	–	–	–
Mr. LIU Jingwei	–	–	–
Mr. JIANG Qi	–	–	–
Mr. CHEN Guogang	–	–	–

Notes:

(i) The 127,951,178 Shares are held by a discretionary trust of which Mr. LI Ming is the founder.

(ii) The 14,914,200 Shares are held by a discretionary trust of which Mr. LI Ming, his spouse and his son are the beneficiaries.

(iii) Calculated based on the Company's total number of issued Shares of 12,664,999,236 Shares as at 30 June 2026.

Long position in the shares of the associated corporation

			As at 30 June 2026	
Name of Director	Name of associated corporation	Capacity/ nature of interest	No. of ordinary shares of associated corporation held	Approximate percentage of total issued share capital of associated corporation (Note)
Mr. WANG Honghui	Gemini Investments (Holdings) Limited	Beneficial owner	132,000	0.018%

Note: Calculated based on Gemini Investments (Holdings) Limited's total number of issued ordinary shares of 730,905,500 shares as at 30 June 2026.

Save as disclosed above, none of the Directors nor the chief executives of the Company had any interest or short positions in any of the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 30 June 2026 as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO PURCHASE SHARES OR DEBENTURES

Save for the share options granted pursuant to the 2018 Option Scheme as set out in the section headed "SHARE OPTION SCHEME OF THE COMPANY" in this report, at no time during the six months ended 30 June 2026, was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18, were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, other persons' interests and short positions in Shares and underlying Shares (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

			As at 30 June 2026	
Name of Shareholders	**Capacity/ nature of interest**	**Long/short position**	**No. of Shares held**	**Approximate percentage in the Company's total issued share capital** (Note iv)
China Life Group (Note i)	Interest of controlled corporation	Long	2,253,459,151	17.793%
Dajia Insurance Group (Note ii)	Interest of controlled corporation	Long	2,252,646,115	17.786%
Jane Street Group, LLC (Note iii)	Beneficial owner	Long	704,582,978	5.563%
	Beneficial owner	Short	4	0.000%

Notes:

(i) The 2,253,459,151 Shares were registered in the name of, and beneficially owned by, China Life Insurance. China Life Group was interested in 68.37% of China Life Insurance. China Life Group was deemed to be interested in these Shares by virtue of the SFO.

(ii) The 2,252,646,115 Shares were registered in the name of, and beneficially owned by, Dajia Life Insurance. Dajia Insurance Group was interested in 99.98% of Dajia Life Insurance. Dajia Insurance Group was deemed to be interested in these Shares by virtue of the SFO.

(iii) According to the Form 2 — Corporate Substantial Shareholder Notice for the relevant event on 8 May 2026 submitted by Jane Street Group, LLC, 704,511,433 Shares were owned by Jane Street Europe Limited, 71,125 Shares (of which 71,121 Shares were long positions and 4 Shares were short positions) were owned by Jane Street Global Trading, LLC and 424 Shares were owned by Jane Street Asia Trading Limited. Jane Street Europe Limited, Jane Street Global Trading, LLC and Jane Street Asia Trading Limited were each wholly owned by Jane Street Group, LLC. Accordingly, Jane Street Group, LLC was deemed to be interested in these Shares by virtue of the SFO.

(iv) Calculated based on the Company's total number of issued Shares of 12,664,999,236 Shares as at 30 June 2026.

Save as disclosed above, the Company had not been notified by any person or corporation who had interests or short positions in the Shares or underlying Shares as at 30 June 2026 as recorded in the register required to be kept by the Company under section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

In the opinion of the Board, the Company had applied the principles of the CG Code, which was in force throughout the six months ended 30 June 2026, to its corporate governance structure and practices as described in the annual report of the Company for the year ended 31 December 2025 and complied with the applicable code provisions of the CG Code throughout the six months ended 30 June 2026, except for the deviation as disclosed below.

The roles of the Chairman and the CEO are served by Mr. LI Ming and have not been segregated as required under code provision C.2.1 of the CG Code. The Company considers that the combination of the roles of the Chairman and the CEO involves a realignment of power and authority under the existing corporate structure and facilitates the ordinary business activities of the Company. Although the responsibilities of the Chairman and the CEO are vested in one person, all major decisions are made in consultation with the Board and the senior management of the Company. The Board considers that there is sufficient balance of power and that the current arrangement maintains a strong management position and also facilitates efficiency in the ordinary business activities of the Company. The Board will review the current structure from time to time and will make any necessary arrangement as appropriate.

REVIEW OF INTERIM FINANCIAL INFORMATION

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 has been reviewed by the auditor of the Company, BDO, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants, the report of which is included on pages 43 to 45 of this report.

AUDIT COMMITTEE

The Audit Committee consists of three INEDs namely Mr. LIU Jingwei, Mr. LYU Hongbin and Mr. CHEN Guogang and two NEDs, namely Mr. YU Zhiqiang and Ms. SUN Jianxin. Mr. LIU Jingwei is the chairman of the Audit Committee. He has professional qualifications in accountancy. None of the members of the Audit Committee is a member of the former or existing auditors of the Company or has any financial interest in the firm.

The Audit Committee has reviewed with the management of the Company the accounting policies and practices adopted by the Group, significant audit matters such as significant accounting estimates and judgmental areas and discussed, among other things, the Group's internal control, risk management and financial reporting matters including review of the Company's audited annual results and annual report for the year ended 31 December 2025, unaudited interim results and the interim report for the six months ended 30 June 2026 and reports issued by risk management department of the Group.

INTERIM DIVIDEND

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

DIRECTORS' AND RELEVANT EMPLOYEES' SECURITIES TRANSACTIONS

The Company has adopted the Code of Conduct on terms no less exacting than those required standards set out in the Model Code. The Company has made specific enquiries with all the Directors and each of them has confirmed that he/she had complied with all required standards set out in the Model Code and the Code of Conduct throughout the six months ended 30 June 2026.

The Company has also set out a guideline regarding securities transactions by the relevant employees (the "Relevant Employees") who, because of their roles and functions in the Company or its subsidiaries, are likely to be in possession of inside information. All the Relevant Employees are reminded of the necessity for compliance with the guideline regularly.

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in the information of the Directors during the period from 17 April 2026 (being the latest practicable date prior to the issue of the annual report of the Company for the year ended 31 December 2025) to the Latest Practicable Date required to be disclosed are set out below:

- In June 2026, Mr. JIANG Qi ceased to be a director and managing partner at Beijing Hylands (Shanghai) Law Firm.

SHARE OPTION SCHEME OF THE COMPANY

The 2018 Option Scheme (details of which were set out in the circular of the Company dated 16 July 2018) is valid and effective for a period of 10 years until 5 August 2028, unless it is terminated early in accordance with its provisions. The number of share options available for grant (and the number of Shares issuable under the share options available for grant) under the 2018 Option Scheme was 17,400,000 at the beginning and the end of the financial period for the six months ended 30 June 2026, representing approximately 0.14% of the total number of the issued Shares as at the date of this report (i.e. 12,668,321,134 Shares).

At the beginning and at the end of the financial period for the six months ended 30 June 2026, there were no outstanding share options under the 2018 Option Scheme. During the six months ended 30 June 2026, there were no share options granted, exercised, cancelled or lapsed under the 2018 Option Scheme.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including the sale of treasury shares, if any) of the Company during the period under review. As at 30 June 2026, the Company did not hold any treasury shares.

MANDATORY CONVERTIBLE BONDS

At the extraordinary general meeting of the Company held on 18 November 2024, the shareholders of the Company granted a specific mandate to the directors of the Company to allot and issue certain conversion shares to be allotted and issued upon conversion of certain zero-coupon, two-year mandatory convertible bonds (the "MCBs") to be issued by the Company. Details of the MCBs are set out in the circular of the Company dated 1 November 2024.

On 27 March 2025, the Company issued Class A zero-coupon mandatory convertible bonds due 2027 ("Class A MCB"), Class B zero-coupon mandatory convertible bonds due 2027 ("Class B MCB"), Class C zero-coupon mandatory convertible bonds due 2027 ("Class C MCB") and Class D zero-coupon mandatory convertible bonds due 2027 ("Class D MCB", collectively with Class A MCB, Class B MCB and Class C MCB, the "Holistic Restructuring MCB") in the aggregate principal amount of USD2,927,460,067 to the relevant creditors as part of the consideration for the holistic debt management of the relevant offshore debts of the Group (the "Offshore Debts Restructuring"). No cash proceeds were received by the Group from the issue of the Holistic Restructuring MCB. Further details of the Offshore Debts Restructuring and the Holistic Restructuring MCB (including the terms of the Holistic Restructuring MCB) are set out in the announcements and circular issued by the Company during the period from 18 July 2024 to 27 March 2025.

On 18 December 2025, the Company issued zero-coupon mandatory convertible bonds due 2027 in the principal amount of USD21,187,476 (the "First Bilateral MCB") as part of the consideration for the restructuring of certain loan facilities of the Group (the "December 2025 Bilateral Restructuring"). No cash proceeds were received by the Group from the issue of the First Bilateral MCB. Further details of the December 2025 Bilateral Restructuring and the First Bilateral MCB (including the terms of the First Bilateral MCB) are set out in the announcement of the Company dated 22 December 2025.

On 23 March 2026, the Company issued zero-coupon mandatory convertible bonds due 2027 in the principal amount of USD16,622,239 (the "Second Bilateral MCB", together with the Holistic Restructuring MCB and the First Bilateral MCB, the "Issued MCBs") as part of the consideration for the restructuring of certain loan facilities of the Group (the "March 2026 Bilateral Restructuring"). No cash proceeds were received by the Group from the issue of the Second Bilateral MCB. Further details of the March 2026 Bilateral Restructuring and the Second Bilateral MCB (including the terms of the Second Bilateral MCB) are set out in the announcement of the Company dated 25 March 2026.

The initial minimum conversion prices of HKD1.55 per Share for Class A MCB, HKD5.74 per Share for Class B MCB, HKD17.26 per Share for Class C MCB and HKD11.36 per Share for Class D MCB represented a premium of approximately 631%, 2,608%, 8,042% and 5,258% respectively to the closing price of HKD0.212 per Share as quoted on the Stock Exchange on 27 March 2025, being the date of issue of the Holistic Restructuring MCB. The initial conversion price of HKD1.55 per Share for the First Bilateral MCB represented a premium of approximately 1,376% to the closing price of HKD0.105 per Share as quoted on the Stock Exchange on 18 December 2025, being the date of issue of the First Bilateral MCB. The initial conversion price of HKD1.55 per Share for the Second Bilateral MCB represented a premium of approximately 1,862% to the closing price of HKD0.079 per Share as quoted on the Stock Exchange on 23 March 2026, being the date of issue of the Second Bilateral MCB.

Assuming there is full conversion of the Issued MCBs in initial aggregate principal amount of USD2,965,269,782 at the aforementioned relevant conversion prices, in each case based on the agreed exchange rate of USD1 = HKD7.82, such Issued MCBs will be converted into a maximum aggregate of 6,725,796,129 Shares.

During the six months ended 30 June 2026, based on the conversion prices of HKD1.55 per Share for Class A MCB, HKD5.74 per Share for Class B MCB, HKD17.26 per Share for Class C MCB and HKD11.36 per Share for Class D MCB, and the agreed exchange rate of USD1 = HKD7.82 in each case, a total of 845,162,294 Shares were issued and allotted to the Holistic Restructuring MCB converting holders (i.e. in-scope creditors of the Offshore Debts Restructuring) as a result of conversion of the Holistic Restructuring MCB in the aggregate principal amount of USD279,206,003. In addition, the Holistic Restructuring MCB in the aggregate principal amount of USD154,796,341 were cancelled following the expiry of the holding period trust constituted for the benefit of certain creditors of the Offshore Debts Restructuring.

During the six months ended 30 June 2026, no conversion of the First Bilateral MCB or the Second Bilateral MCB had occurred and hence no Shares were issued and allotted by the Company in respect of the First Bilateral MCB or the Second Bilateral MCB.

Dilutive Impact of the Conversion of the Issued MCBs

As at 30 June 2026, USD858,455,374 in aggregate principal amount of the Holistic Restructuring MCB, USD21,187,476 in principal amount of the First Bilateral MCB and USD16,622,239 in principal amount of the Second Bilateral MCB remained outstanding. Assuming there is full conversion of the Issued MCBs, based on the initial minimum conversion prices of HKD1.55 per Share for Class A MCB, HKD5.74 per Share for Class B MCB, HKD17.26 per Share for Class C MCB and HKD11.36 per Share for Class D MCB, the conversion price of HKD1.55 per Share for the First Bilateral MCB and the conversion price of HKD1.55 per Share for the Second Bilateral MCB, and the agreed exchange rate of USD1 = HKD7.82 in each case, the Issued MCBs can be converted into a maximum aggregate of 1,532,096,113 Shares, which represent approximately 12.10% of the total number of Shares in issue (excluding treasury shares) as at 30 June 2026 (i.e. 12,664,999,236 Shares) and approximately 10.79% of the total number of Shares in issue (excluding treasury shares) as enlarged by the issue and allotment of such conversion shares (assuming no other change in the issued share capital of the Company) (i.e. 14,197,095,349 Shares).

Set out below is the dilutive impact on respective shareholdings of the substantial shareholders (within the meaning of the Listing Rules) of the Company if there had been full conversion of the Issued MCBs as at 30 June 2026:

	As at 30 June 2026		Upon full conversion of the outstanding Issued MCBs as at 30 June 2026	
	Number of Shares held	Approximate percentage of shareholding	Number of Shares held	Approximate percentage of shareholding
China Life Insurance(i)	2,253,459,151	17.793%	2,253,459,151	15.873%
China Life Group(i)	2,253,459,151	17.793%	2,253,459,151	15.873%
Dajia Life Insurance(ii)	2,252,646,115	17.786%	2,252,646,115	15.867%
Dajia Insurance Group(ii)	2,252,646,115	17.786%	2,252,646,115	15.867%

Notes:

(i) The 2,253,459,151 Shares were registered in the name of, and beneficially owned by, China Life Insurance. China Life Group was interested in 68.37% and was a controlling shareholder of China Life Insurance.

(ii) The 2,252,646,115 Shares were registered in the name of, and beneficially owned by, Dajia Life Insurance. Dajia Insurance Group was interested in 99.98% and was a controlling shareholder of Dajia Life Insurance.

As calculated based on the loss attributable to owners of the Company of approximately RMB7,149 million and the distributions related to perpetual securities of approximately RMB43 million for the six months ended 30 June 2026, basic loss per Share amounted to RMB0.598, and there was no dilutive impact on loss per Share on the assumption of full conversion of the Issued MCBs.

The Issued MCBs will be mandatorily convertible into Shares upon maturity and will not be redeemed by cash. It would be equally financially advantageous for the holders of the Issued MCBs to convert or redeem the Issued MCBs based on the implied internal rate of return thereof, when the Company's share price approximates to the respective conversion price in the future.

DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 30 June 2026, the aggregate amount of financial assistance to affiliated companies by the Group exceeded 8% under the assets ratio as defined in Rule 14.07(1) of the Listing Rules.

In accordance with the requirements under Rule 13.22 of the Listing Rules, a proforma combined statement of financial position of the affiliated companies as at 30 June 2026 is presented as follows:

	RMB (million)
Non-current assets	34,781
Current assets	75,259
Current liabilities	(73,883)
Non-current liabilities	(37,913)
Net assets	**(1,756)**

The Group's attributable interest in the affiliated companies as at 30 June 2026 amounted to approximately RMB39 million.

The proforma combined statement of financial position of the affiliated companies has been prepared by combining their statements of financial position, after making adjustments to conform with the Group's significant accounting policies as at 30 June 2026.

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

BDO

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

To the Board of Directors of Sino-Ocean Group Holding Limited
(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We were engaged to review the interim condensed consolidated financial statements set out on pages 46 to 86, which comprise the interim condensed consolidated statement of financial position of Sino-Ocean Group Holding Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as of 30 June 2026 and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six months period then ended, and notes to the interim condensed consolidated financial statements, including material accounting policy information (the "interim condensed consolidated financial statements"). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of the interim condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on the interim condensed consolidated financial statements based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

However, because of the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effect on the interim condensed consolidated financial statements described in the "Basis for Disclaimer of Conclusion" paragraphs, we were not able to express a conclusion on the interim condensed consolidated financial statements.

BASIS FOR DISCLAIMER OF CONCLUSION

Multiple Uncertainties Relating to Going Concern

As disclosed in Note 2 to the interim condensed consolidated financial statements, the Group incurred a loss of approximately RMB7.63 billion for the six months ended 30 June 2026 and, as of that date, the Group's current liabilities were in excess of current assets by approximately RMB15.39 billion. As at 30 June 2026, the Group had total borrowings of approximately RMB50.39 billion, of which the current borrowings amounted to approximately RMB24.63 billion, while the Group had cash and cash equivalents of approximately RMB1.40 billion only.

As at 30 June 2026, the Group had not repaid borrowings (comprising bank borrowings and other borrowings but excluding bonds) in principal amount of approximately RMB13.64 billion in aggregate according to their scheduled repayment dates. The Group had not repaid onshore bonds with total principal amount of approximately RMB3.39 billion in aggregate according to their scheduled repayment dates. As of the approval date of the interim condensed consolidated financial statements, the Group is still in communication with the creditors on adjusting the repayment schedules of these debts.

In addition, the Group has been involved in various litigation cases for unpaid borrowings, outstanding construction and daily operations payables and other matters for which the Group has made provisions.

All these events or conditions indicate that multiple material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern.

In view of these circumstances, the directors of the Company have carefully considered the Group's cash flow forecast for the next twelve months from 30 June 2026, and have given due consideration to the matters that give rise to material doubt as to its ability to continue as a going concern, and accordingly, have proactively come up with certain plans and measures to ensure the Group will have sufficient cash resources to continue as a going concern and pay its debts when they fall due. Certain plans and measures have been taken or will be taken to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due which include, but not limited to, those set out in Note 2 to the interim condensed consolidated financial statements. The validity of going concern assumption on which the interim condensed consolidated financial statements have been prepared depends upon the successful implementation of these plans and measures, which are subject to multiple uncertainties, including, but not limited to:

— Successful negotiation with existing lenders on the renewal of the Group's certain borrowings and not to demand immediate repayment of bank and other borrowings until the Group has successfully completed the construction projects and generated sufficient cash flows therefrom; the Group's ability to successfully obtain additional new financing as and when needed;

— The Group's ability to reach an amicable solution on the litigations which have not yet reached a definite outcome; and

— The Group's ability to maintain continuing and normal business relationship with major constructors and suppliers; to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables; and to successfully implement its business strategy and cost control measures so as to improve the Group's working capital and cash flow position.

As a result of the multiple uncertainties and the cumulative effect on the interim condensed consolidated financial statements resulting from the potential interaction thereof, we were unable to form a conclusion as to whether the use of the going concern basis of preparation is appropriate.

Should the Group fail to achieve the intended effects resulting from the plans and measures as mentioned in Note 2 to the interim condensed consolidated financial statements on a timely basis, it may not be able to continue to operate as a going concern basis, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their net realisable amounts, to provide for any further liabilities that may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the interim condensed consolidated financial statements.

We disclaimed our opinion on the consolidated financial statements for the year ended 31 December 2025 relating to the going concern basis of preparing the consolidated financial statements. Any adjustments to the balances as at 31 December 2025 would affect the balances of these interim condensed consolidated financial statements items as at 1 January 2026 and the corresponding movements, if any, during the six months ended 30 June 2026. The balances as at 31 December 2025 are presented as corresponding figures in the interim condensed consolidated statement of financial position as at 30 June 2026.

DISCLAIMER OF CONCLUSION

Because of the potential interaction of the multiple uncertainties related to going concern and their possible cumulative effect on these interim condensed consolidated financial statements described in the "Basis for Disclaimer of Conclusion" paragraphs above, we do not express a conclusion on these interim condensed consolidated financial statements.

BDO Limited
Certified Public Accountants
Yau Shuk Yuen Amy
Practising Certificate no. P06095

Hong Kong, 28 August 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	Six months ended 30 June 2026 RMB'000	Six months ended 30 June 2025 RMB'000
Revenue	6	**6,596,507**	6,203,069
Cost of sales		**(6,581,022)**	(11,169,233)
Gross profit/(loss)		**15,485**	(4,966,164)
Interests and other income		**121,632**	447,672
Other losses — net	21	**(248,014)**	(3,326,486)
Fair value change on investment properties	9	**(596,257)**	(643,676)
Selling and marketing expense		**(198,896)**	(360,808)
Impairment losses under expected credit loss model		**(4,021,688)**	(9,724,988)
Administrative expense		**(544,729)**	(631,543)
Operating loss		**(5,472,467)**	(19,205,993)
Gains from debt restructuring		**275,607**	31,756,397
Finance costs	22	**(1,667,695)**	(2,064,729)
Share of results of joint ventures		**(421,359)**	(1,173,565)
Share of results of associates		**(109,191)**	(337,339)
(Loss)/profit before income tax		**(7,395,105)**	8,974,771
Income tax (expense)/credit	23	**(237,529)**	81,386
(Loss)/profit for the period		**(7,632,634)**	9,056,157
Attributable to:			
— Owners of the Company		**(7,149,177)**	10,202,141
— Non-controlling interests		**(483,457)**	(1,145,984)
		(7,632,634)	9,056,157
(Loss)/earnings per share attributable to owners of the Company during the period (expressed in RMB)			
Basic (loss)/earnings per share	24	**(0.598)**	1.171
Diluted (loss)/earnings per share	24	**(0.598)**	0.919

The notes on pages 53 to 86 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
(Loss)/profit for the period	**(7,632,634)**	9,056,157
Other comprehensive (loss)/income, net of tax		
Items that will not be reclassified subsequently to profit or loss:		
Fair value change on financial assets at fair value through other comprehensive income, net of tax	**(41,741)**	25,888
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences	**(169,293)**	496,686
Share of other comprehensive income of investments accounted for using the equity method	**(2,653)**	(27,421)
Other comprehensive (loss)/income for the period	**(213,687)**	495,153
Total comprehensive (loss)/income for the period	**(7,846,321)**	9,551,310
Total comprehensive (loss)/income attributable to:		
— Owners of the Company	**(7,483,192)**	10,706,576
— Non-controlling interests	**(363,129)**	(1,155,266)
Total comprehensive (loss)/income for the period	**(7,846,321)**	9,551,310

The notes on pages 53 to 86 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**As at 30 June 2026 RMB'000**	As at 31 December 2025 RMB'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	7	**2,012,089**	2,080,433
Right-of-use assets		**1,059,025**	1,163,210
Land use rights	7	**75,197**	77,904
Intangible assets	8	**177,828**	198,207
Goodwill		**526,648**	541,559
Investment properties	9	**12,567,851**	13,119,513
Interests in joint ventures	10	**10,657,361**	11,163,095
Interests in associates	11	**2,557,237**	2,748,745
Financial assets at fair value through other comprehensive income	12	**408,310**	469,147
Financial assets at fair value through profit or loss	13	**2,413,649**	2,458,311
Trade and other receivables and prepayments	14	**2,622,093**	4,695,970
Deferred income tax assets		**2,166,835**	2,313,970
Total non-current assets		**37,244,123**	41,030,064
Current assets			
Properties under development		**31,957,188**	34,308,718
Inventories, at cost		**876,077**	972,787
Land development cost recoverable		**586,620**	554,178
Completed properties held for sale		**18,031,119**	19,019,881
Financial assets at fair value through profit or loss	13	**11,643**	11,366
Trade and other receivables and prepayments	14	**48,650,180**	48,998,181
Contract assets		**83,550**	56,965
Restricted bank deposits		**4,969,555**	4,470,272
Cash and cash equivalents		**1,403,327**	1,552,758
Total current assets		**106,569,259**	109,945,106

	Notes	**As at 30 June 2026 RMB'000**	As at 31 December 2025 RMB'000
Current liabilities			
Borrowings	17	**24,630,911**	24,814,907
Lease liabilities		**108,526**	127,268
Trade and other payables	18	**53,329,990**	52,196,683
Contract liabilities		**17,665,053**	18,204,883
Income tax payable		**12,505,004**	12,601,376
Derivative financial instruments	19	**74,011**	238,000
Provisions	20	**13,648,881**	12,609,818
Total current liabilities		**121,962,376**	120,792,935
Non-current liabilities			
Borrowings	17	**25,759,673**	26,036,724
Lease liabilities		**1,209,610**	1,286,896
Trade and other payables	18	**19,887**	165,814
Deferred income tax liabilities		**737,588**	793,842
Total non-current liabilities		**27,726,758**	28,283,276
Net (liabilities)/assets		**(5,875,752)**	1,898,959
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	**28,204,780**	28,130,087
Perpetual securities		**1,038,891**	1,038,891
Other reserves		**(4,465,258)**	(4,131,243)
Accumulated losses		**(31,820,670)**	(24,671,493)
		(7,042,257)	366,242
Non-controlling interests		**1,166,505**	1,532,717
Total equity		**(5,875,752)**	1,898,959

The notes on pages 53 to 86 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company					Non-controlling interests	
	Share capital RMB'000	Perpetual securities RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000	Others RMB'000	Total equity RMB'000
Balance at 1 January 2026	28,130,087	1,038,891	(4,131,243)	(24,671,493)	366,242	1,532,717	1,898,959
Loss for the period	–	–	–	(7,149,177)	(7,149,177)	(483,457)	(7,632,634)
Fair value change on financial assets at fair value through other comprehensive income, net of tax	–	–	(41,741)	–	(41,741)	–	(41,741)
Currency translation differences	–	–	(289,621)	–	(289,621)	120,328	(169,293)
Share of other comprehensive income of investments accounted for using the equity method	–	–	(2,653)	–	(2,653)	–	(2,653)
Total comprehensive loss for the period	–	–	(334,015)	(7,149,177)	(7,483,192)	(363,129)	(7,846,321)
Transaction with owners of the Company							
Distribution relating to non-controlling interests	–	–	–	–	–	(4,584)	(4,584)
Capital injection from non-controlling interests	–	–	–	–	–	1,501	1,501
Total contributions by and distributions to owners of the Company	–	–	–	–	–	(3,083)	(3,083)
Issue of shares upon conversion of mandatory convertible bonds	74,693	–	–	–	74,693	–	74,693
Total transactions with owners of the Company	74,693	–	–	–	74,693	(3,083)	71,610
Balance at 30 June 2026	28,204,780	1,038,891	(4,465,258)	(31,820,670)	(7,042,257)	1,166,505	(5,875,752)

	Attributable to owners of the Company					Non-controlling interests		
	Share capital RMB'000	Perpetual securities RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000	Perpetual subordinate guaranteed capital securities RMB'000	Others RMB'000	Total equity RMB'000
Balance at 1 January 2025	27,329,232	–	(8,918,260)	(31,070,263)	(12,659,291)	4,837,315	5,359,819	(2,462,157)
Profit for the period	–	–	–	10,202,141	10,202,141	114,644	(1,260,628)	9,056,157
Fair value change on financial assets at fair value through other comprehensive income, net of tax	–	–	25,888	–	25,888	–	–	25,888
Currency translation differences	–	–	505,968	–	505,968	(9,282)	–	496,686
Share of other comprehensive income of investments accounted for using the equity method	–	–	(27,421)	–	(27,421)	–	–	(27,421)
Total comprehensive income/(loss) for the period	–	–	504,435	10,202,141	10,706,576	105,362	(1,260,628)	9,551,310
Transaction with owners of the Company								
Distribution relating to non-controlling interests	–	–	–	–	–	–	(452)	(452)
Total contributions by and distributions to owners of the Company	–	–	–	–	–	–	(452)	(452)
Disposal of financial assets measured at fair value through other comprehensive income	–	–	357,617	(357,617)	–	–	–	–
Issue of shares upon conversion of mandatory convertible bonds	664,890	–	–	–	664,890	–	–	664,890
Perpetual securities issued upon offshore debt restructuring	–	1,038,891	–	–	1,038,891	–	–	1,038,891
Cancellation of perpetual subordinated guaranteed capital securities upon offshore debt restructuring	–	–	4,440,418	–	4,440,418	(4,942,677)	–	(502,259)
Disposal of subsidiaries	–	–	–	–	–	–	(9,984)	(9,984)
Acquisition and disposal of partial interests in subsidiaries	–	–	(74,365)	–	(74,365)	–	20,913	(53,452)
Total transactions with owners of the Company	664,890	1,038,891	4,723,670	(357,617)	6,069,834	(4,942,677)	10,477	1,137,634
Balance at 30 June 2025	27,994,122	1,038,891	(3,690,155)	(21,225,739)	4,117,119	–	4,109,668	8,226,787

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
(Loss)/profit for the period	**(7,632,634)**	9,056,157
Adjustments in total	**7,667,587**	(9,303,126)
Profit/(loss) after adjustments	**34,953**	(246,969)
(Decrease)/increase on receipts in advance of pre-sale proceeds directly from property purchaser	**(539,830)**	3,169,583
Others	**1,014,085**	(748,978)
Cash flows from operating activities		
Cash generated from operations	**509,208**	2,173,636
Interest paid	**(186,427)**	(449,600)
Income tax paid	**(64,106)**	(124,298)
Net cash generated from operating activities	**258,675**	1,599,738
Cash flows from investing activities		
Advances to associates and joint ventures	**(885,755)**	(4,478,853)
Capital injection to associates and joint ventures	**–**	(50,065)
Capital reduction of associates and joint ventures	**23,845**	459,152
Dividends received from joint ventures and associates	**27,756**	584,918
Repayment of advances to associates and joint ventures	**774,018**	4,446,679
Others	**70,514**	(41,828)
Net cash generated from investing activities	**10,378**	920,003
Cash flows from financing activities		
Proceeds from borrowings	**254,319**	78,772
Repayments of borrowings	**(574,069)**	(2,428,669)
Others	**(95,522)**	(77,032)
Net cash used in financing activities	**(415,272)**	(2,426,929)
Net (decrease)/increase in cash and cash equivalents	**(146,219)**	92,812
Cash and cash equivalents at the beginning of the period	**1,552,758**	1,905,661
Exchange differences on cash and cash equivalents	**(3,212)**	(2,233)
Cash and cash equivalents at end of the period	**1,403,327**	1,996,240

The notes on pages 53 to 86 form an integral part of these interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2026

1. GENERAL INFORMATION

Sino-Ocean Group Holding Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in investment holding, property development and property investment in the People's Republic of China (the "PRC").

The Company is a limited liability company incorporated in Hong Kong on 12 March 2007. The address of its registered office is Suite 601, One Pacific Place, 88 Queensway, Hong Kong.

The interim condensed consolidated financial statements have not been audited and is presented in Renminbi ("RMB"), unless otherwise stated. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The interim condensed consolidated financial statements were approved for issue on 28 August 2026 by the board of directors of the Company (the "Board").

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, this interim condensed consolidated financial statement should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025, which have been prepared in accordance with HKFRS Accounting Standards.

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

Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company's auditor has reported on those financial statements. The auditor's report for the year ended 31 December 2025 was disclaimed; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. BASIS OF PREPARATION (Continued)

Going concern assumption

The Group recorded a loss of RMB7.63 billion for six months ended 30 June 2026 and, as of that date, the Group's current liabilities were in excess of current assets by approximately RMB15.39 billion. As disclosed in Note 17, the Group had total borrowings of approximately RMB50.39 billion, of which the current borrowings amounted to approximately RMB24.63 billion, while the Group had cash and cash equivalents of approximately RMB1.40 billion only.

As at 30 June 2026, the Group had not repaid borrowings (comprising bank borrowings and other borrowings but excluding bonds) in principal amount of approximately RMB13.64 billion in aggregate according to their scheduled repayment dates. The Group had not repaid onshore bonds with total principal amount of approximately RMB3.39 billion in aggregate according to their scheduled repayment dates. As of the approval date of the interim condensed consolidated financial statements, the Group is still in communication with the creditors on adjusting the repayment schedules of these debts.

In addition, the Group has been involved in various litigation cases for unpaid borrowings, outstanding construction and daily operations payables and other matters for which the Group has made provisions. Details are disclosed in Note 20.

In the current period, the real estate sector in the PRC remained volatile. This mainly includes the sustained downturn in PRC's real estate market and consumer sentiment, resulting in short-term liquidity pressures on the entire real estate sector.

The Group experienced tight internal funds and encountered a challenging financing environment for its construction projects. The uncertain timeline for recovery in the real estate sector remained material uncertainties for the Group. These factors have made it difficult for the Group to significantly improve the operating cash inflows or to refinance guaranteed notes, corporate bonds, and bank and other borrowings.

All these events or conditions indicate that multiple material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern.

2. BASIS OF PREPARATION (Continued)

Going concern assumption (Continued)

In view of these circumstances, the directors of the Company (the "Directors") have carefully considered the Group's cash flow forecast for the next twelve months from 30 June 2026 and have given due consideration to the matters that give rise to material doubt as to its ability to continue as a going concern, and accordingly, have proactively come up with certain plans and measures to ensure the Group will have sufficient cash resources to continue as a going concern and pay its debts when they fall due. Certain plans and measures have been taken or will be taken to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due which include, but not limited to, the following:

— In the second half of 2025, the restructuring plan in relation to certain onshore bonds ("Onshore Bonds") issued by Beijing Sino-Ocean Group Holding Limited ("Sino-Ocean Holding"), a wholly-owned subsidiary of the Company, has been considered and approved at the relevant meetings of bondholders, whereby the repayment arrangements in regard to the principal and interest of the Onshore Bonds were adjusted and extended with the last maturity date being September 2035 with the interest rates for both historical accrued and unpaid interest and future interest reduced to 1% per annum, and restructuring plan options including cash repurchase, equity economic income right, and debt settlement with assets are provided ("Onshore Debt Restructuring"). This plan not only significantly reduced the scale of onshore public debts, but also alleviated the Group's short-term debt repayment pressure.

  On 23 June 2026, the Group announced the specific details of its cash repurchase option for nine onshore bonds. On 11 August 2026, the Group announced the implementation results of the cash repurchase and completed the corresponding fund redemption. Subsequently, the Group will move forward to other restructuring plan options in accordance with the approved resolutions concerning the Onshore Debt Restructuring. Details of the Onshore Debt Restructuring are set out in Note 17(b);

— On 23 March 2026, one of the offshore creditors fully discharged all debts owed by the Group in exchange for the issuance of new notes and new mandatory convertible bonds. As a result, the Group's existing debt of approximately HKD0.40 billion was fully derecognized. Details of the offshore debt restructuring are set out in Note 17(a);

— The Group is actively in discussions with the other existing lenders to renew the Group's certain borrowings and/or not to demand immediate repayment until the Group has successfully completed the property construction projects and generated sufficient cash flows therefrom, and extension of loans of approximately RMB3.40 billion has been agreed for the six months ended 30 June 2026. These discussions have been constructive and focused on possible actions in light of current circumstances but do require time to formulate or implement due to ongoing changes in market conditions;

— The Group had newly drew down of approximately RMB0.25 billion for the six months ended 30 June 2026. The Group will continue to seek to obtain additional new sources of funding through all possible channels such as assets disposal;

— The Group has been proactive in seeking ways to resolve the outstanding litigations of the Group and continuing to communicate with the plaintiffs. The Group has completed the settlement arrangements with certain plaintiffs for the six months ended 30 June 2026. The Group is positive that it can reach an amicable resolution on the litigations which have not yet reached a definite outcome;

2. BASIS OF PREPARATION (Continued)

Going concern assumption (Continued)

— The Group will continue to maintain active dialogue to secure a continuing and normal business relationship with major constructors and suppliers, including agreement on the payment arrangements with them and to complete the construction progress by them as scheduled;

— The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables. Subject to the market sentiment, the Group will actively adjust sales and pre-sale activities to better respond to changing markets to achieve the latest budgeted sales and pre-sales volumes and amounts; and

— To preserve liquidity, the Group continues to enforce strict cost controls over administrative costs and non-essential capital expenditures. As a result of these measures, administrative expense for the first half of 2026 decreased by RMB86.81 million compared to the same period last year. Building on this, the Group is actively evaluating additional feasible measures to further reduce discretionary spending.

The Directors have reviewed the cash flow forecast and consider multiple material uncertainties exist as to whether the Group will be able to achieve the plans and measures as described above. Specifically, whether the Group will be able to continue as a going concern will depend on the following:

— Successful negotiation with existing lenders on the renewal of the Group's certain borrowings and not to demand immediate repayment of bank and other borrowings until the Group has successfully completed the construction projects and generated sufficient cash flows therefrom; the Group's ability to successfully obtain additional new financing as and when needed;

— The Group's ability to reach an amicable solution on the litigations which have not yet reached a definite outcome; and

— The Group's ability to maintain continuing and normal business relationship with major constructors and suppliers; to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables; to successfully implement its business strategy and cost control measures so as to improve the Group's working capital and cash flow position.

The Directors consider that, assuming the success of the above-mentioned assumptions, plans and measures, the Group will have sufficient working capital to finance its operations and to meet its obligations as and when they fall due for at least twelve months from 30 June 2026. Accordingly, the Directors are of the opinion that it is appropriate to prepare the interim condensed consolidated financial statements on a going concern basis.

Should the Group fail to achieve the intended effects resulting from the above-mentioned plans and measures on a timely basis, it may not be able to continue to operate as a going concern basis, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their net realisable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the interim condensed consolidated financial statements.

3. ACCOUNTING POLICIES

Amended standards adopted by the Group

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2025, as described in those annual financial statements, except for the adoption of amendments to standards as set out below.

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

These amendments had no effect and are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

The Group has not early adopted any new or amended standards and interpretations that have been published but are not yet effective for the financial period beginning on 1 January 2026.

4. ESTIMATES

The preparation of the interim condensed consolidated financial statements require management to make judgments, 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 the interim condensed consolidated financial statements, significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the Group's annual financial statements for the year ended 31 December 2025.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

The interim 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 annual financial statements for the year ended 31 December 2025.

There have been no changes in the risk management department since year end or in any risk management policies since the year end.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.2 Liquidity risk

Cash flow forecast is performed in the operating entities of the Group and aggregated by the finance department of the Group. The finance department of the Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecast process takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal statement of financial position ratio targets.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amount disclosed in the table is the contractual undiscounted cash flows.

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
At 30 June 2026					
Borrowings	**26,498,543**	**4,466,718**	**6,572,013**	**42,478,792**	**80,016,066**
Lease liabilities	**179,601**	**164,803**	**490,427**	**939,821**	**1,774,652**
Trade and other payables excluding statutory liabilities	**48,784,038**	**–**	**19,887**	**–**	**48,803,925**
Provisions for financial guarantee provided to related parties and third parties	**13,310,515**	**–**	**–**	**–**	**13,310,515**
	88,772,697	**4,631,521**	**7,082,327**	**43,418,613**	**143,905,158**
At 31 December 2025					
Borrowings	26,862,471	6,412,629	7,040,112	40,865,979	81,181,191
Lease liabilities	203,040	165,971	508,455	1,038,411	1,915,877
Trade and other payables excluding statutory liabilities	47,664,000	–	165,814	–	47,829,814
Provisions for financial guarantee provided to related parties and third parties	12,256,635	–	–	–	12,256,635
	86,986,146	6,578,600	7,714,381	41,904,390	143,183,517

The Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee for loans procured by the purchasers of the Group's properties (Note 26 (a)). Such guarantees terminate upon the earlier of (i) issuance of the real estate ownership certificate which will generally be available within an average period of two to three years upon the completion of guarantee registration; or (ii) the satisfaction of mortgaged loan by the purchasers of properties.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

— Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

— Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

— Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following tables present the Group's financial assets or liabilities that are measured at fair value at 30 June 2026 and 31 December 2025.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 30 June 2026				
Assets				
Financial assets at fair value through profit or loss (Note 13)	**11,643**	**20,748**	**2,392,901**	**2,425,292**
Financial assets at fair value through other comprehensive income (Note 12)	**31,533**	**–**	**376,777**	**408,310**
	43,176	**20,748**	**2,769,678**	**2,833,602**
Liabilities				
Derivative financial instruments (Note 19)	**–**	**–**	**74,011**	**74,011**
At 31 December 2025				
Assets				
Financial assets at fair value through profit or loss (Note 13)	11,366	90,641	2,367,670	2,469,677
Financial assets at fair value through other comprehensive income (Note 12)	32,792	–	436,355	469,147
	44,158	90,641	2,804,025	2,938,824
Liabilities				
Derivative financial instruments (Note 19)	–	–	238,000	238,000

There were no transfers between three levels during the period.

During the period, there were no significant changes in the business or economic circumstances that may affect the fair value of the Group's financial assets and financial liabilities.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.4 Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in Level 3 instruments for the six months ended 30 June 2026 and 2025.

	Financial assets at fair value through other comprehensive income and through profit or loss 2026 RMB'000	**Derivative financial instruments 2026 RMB'000**	Financial assets at fair value through other comprehensive income and through profit or loss 2025 RMB'000	Derivative financial instruments 2025 RMB'000
Financial assets in Level 3				
Opening balance	**2,804,025**	**238,000**	4,296,915	–
Additions	**126,823**	**7,480**	15,607	1,234,746
Increase due to acquisition of a subsidiary	**–**	**–**	390,853	–
Fair value change	**(23,615)**	**(83,846)**	(1,433,446)	–
Unclaimed mandatory convertible bonds	**–**	**(12,930)**	–	–
Conversion to share capital	**–**	**(74,693)**	–	(664,890)
Disposals	**(110,752)**	**–**	(245,286)	–
Currency translation differences	**(26,803)**	**–**	3,559	932
Closing balance	**2,769,678**	**74,011**	3,028,202	570,788

The finance department of the Group includes a team that performs the valuations of Level 3 financial instruments required for financial reporting purposes. The finance department of the Group reviews the valuations performed by the independent valuers for financial reporting purposes and reports directly to the senior management. Discussions of valuation processes and results are held between the management and valuers after each valuation by the independent qualified valuers, which is normally done once every six months, in line with the Group's interim and annual reporting dates.

The components of the Level 3 instruments mainly include investments in private investment funds and unlisted companies as well as mandatory convertible bonds issued by the Company. As these instruments are not traded in an active market, their fair values have been determined using various applicable valuation techniques, including discounted cash flows, comparable transactions approaches and option pricing model. Major assumptions used in the valuation include historical financial results, assumptions about future growth rates, estimate of discount rate and recent market transactions etc. The fair values of these instruments determined by the Group requires significant judgement, including the financial performance of the investee company, market value of comparable properties as well as discount rate, etc.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.5 Group's valuation processes

The Group's finance department includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including Level 3 fair values. This team reports directly to the senior management and external valuers will be engaged.

As part of the valuation process, any changes in Level 2 and Level 3 fair values and the reasons for the fair value movements are analysed between the senior management and the team.

5.6 Fair value of financial assets and liabilities measured at amortized cost

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables
- Restricted bank deposits
- Cash and cash equivalents
- Borrowings
- Trade and other payables
- Lease liabilities

6. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive directors of the Company (the "Executive Directors") who make strategic decisions.

The Executive Directors consider the business from both a geographic and product perspective. From the product perspective, the management considers the performance of property development, property management and property investment. Property development businesses are further segregated geographically.

Other operations as carried out by the Group mainly are senior living services and asset-light agent construction, etc. These are not included within the reportable operating segments, as they are not included in the reports provided to the Executive Directors. The results of these operations are included in the "All other segments" column.

The Executive Directors assess the performance of the operating segments based on a measure of operating profit. This measurement basis excludes the effects of other gains/losses from the operating segments. Finance costs and corporate finance income are not included in the result for each operating segment that is reviewed by the Executive Directors, as they are driven by activities of the central treasury function, which manages the cash position of the Group. The measure also excludes the effects of any share of results from interests in joint ventures and associates as well as fair value change on investment properties, corporate overheads, other losses-net and gains from debt restructuring. Other information provided to the Executive Directors, except as noted below, is measured in a manner consistent with that in the financial statements.

6. SEGMENT INFORMATION (Continued)

Total segment assets exclude corporate cash and cash equivalents, interests in joint ventures and associates, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss and deferred income tax assets, all of which are managed on a central basis. Total segment liabilities exclude borrowings, deferred income tax liabilities and derivative financial instruments, all of which are managed on a central basis as well. These are part of the reconciliation to statement of financial position assets and liabilities.

The segment information provided to the Executive Directors for the reportable segments is as follows:

	Property Development									
	Beijing Region RMB'000	Bohai Rim Region RMB'000	Eastern Region RMB'000	Southern Region RMB'000	Central Region RMB'000	Western Region RMB'000	Property investment RMB'000	Property management RMB'000	All other segments RMB'000	Total RMB'000
Six months ended 30 June 2026										
Total segment revenue	**252,550**	**2,957,767**	**(1,880)**	**528,971**	**305,417**	**73,849**	**140,509**	**1,290,673**	**1,439,860**	**6,987,716**
Inter-segment revenue	**(5,377)**	**(6,250)**	**–**	**–**	**–**	**–**	**(4,810)**	**(30,878)**	**(343,894)**	**(391,209)**
Revenue (from external customers)	**247,173**	**2,951,517**	**(1,880)**	**528,971**	**305,417**	**73,849**	**135,699**	**1,259,795**	**1,095,966**	**6,596,507**
Segment operating (loss)/profit	**(254,275)**	**(22,252)**	**(223,590)**	**(249,256)**	**73,483**	**33,755**	**65,514**	**(122,390)**	**(3,872,757)**	**(4,571,768)**
Depreciation and amortization	**(8,873)**	**(69)**	**(8)**	**(123)**	**(17)**	**(3)**	**(696)**	**(3,531)**	**(104,576)**	**(117,896)**
Six months ended 30 June 2025										
Total segment revenue	993,113	593,428	129,815	650,459	718,597	216,755	148,914	1,385,781	1,916,277	6,753,139
Inter-segment revenue	(2,256)	(252)	(3,945)	–	–	–	(5,374)	(38,236)	(500,007)	(550,070)
Revenue (from external customers)	990,857	593,176	125,870	650,459	718,597	216,755	143,540	1,347,545	1,416,270	6,203,069
Segment operating (loss)/profit	(513,271)	(837,045)	(2,209,312)	(2,066,719)	(534,849)	(659,228)	121,340	(44,779)	(8,425,358)	(15,169,221)
Depreciation and amortization	(9,069)	(94)	(102)	(346)	(132)	(26)	(211)	(25,412)	(170,765)	(206,157)

6. SEGMENT INFORMATION (Continued)

	Property Development									
	Beijing Region RMB'000	Bohai Rim Region RMB'000	Eastern Region RMB'000	Southern Region RMB'000	Central Region RMB'000	Western Region RMB'000	Property investment RMB'000	Property management RMB'000	All other segments RMB'000	Total RMB'000
As at 30 June 2026										
Total segment assets	**15,986,616**	**9,050,015**	**2,974,915**	**22,044,944**	**11,366,687**	**6,680,884**	**12,749,694**	**2,348,498**	**42,309,056**	**125,511,309**
Additions to non-current assets (other than financial instruments and deferred income tax assets)	**291**	**20**	**–**	**–**	**–**	**–**	**48,943**	**–**	**4,945**	**54,199**
Total segment liabilities	**6,807,535**	**8,588,390**	**5,725,222**	**22,124,055**	**6,373,551**	**4,361,681**	**1,491,293**	**1,195,956**	**41,819,268**	**98,486,951**
As at 31 December 2025										
Total segment assets	15,358,128	11,498,635	2,924,572	20,948,254	12,154,050	6,196,805	13,031,015	2,174,570	47,443,736	131,729,765
Additions to non-current assets (other than financial instruments and deferred income tax assets)	4,965	8	30	26,963	5	–	722,139	–	15,964	770,074
Total segment liabilities	7,261,434	10,118,447	4,719,812	20,465,719	5,749,425	3,807,651	1,564,714	1,191,864	42,313,672	97,192,738

A reconciliation of segment operating loss to (loss)/profit before income tax is provided as follows:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Segment operating loss	**(4,571,768)**	(15,169,221)
Corporate finance income	**46**	62
Corporate overheads	**(56,474)**	(66,672)
Gains from debt restructuring	**275,607**	31,756,397
Fair value change on investment properties (Note 9)	**(596,257)**	(643,676)
Other losses — net (Note 21)	**(248,014)**	(3,326,486)
Finance costs (Note 22)	**(1,667,695)**	(2,064,729)
Share of results of joint ventures	**(421,359)**	(1,173,565)
Share of results of associates	**(109,191)**	(337,339)
(Loss)/profit before income tax	**(7,395,105)**	8,974,771

6. SEGMENT INFORMATION (Continued)

Reportable segments' assets and liabilities are reconciled to total assets and liabilities as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Total segment assets	**125,511,309**	131,729,765
Corporate cash and cash equivalents	**87,038**	80,771
Interests in joint ventures (Note 10)	**10,657,361**	11,163,095
Interests in associates (Note 11)	**2,557,237**	2,748,745
Financial assets at fair value through other comprehensive income (Note 12)	**408,310**	469,147
Financial assets at fair value through profit or loss (Note 13)	**2,425,292**	2,469,677
Deferred income tax assets	**2,166,835**	2,313,970
Total assets per condensed consolidated statement of financial position	**143,813,382**	150,975,170
Total segment liabilities	**98,486,951**	97,192,738
Current borrowings (Note 17)	**24,630,911**	24,814,907
Non-current borrowings (Note 17)	**25,759,673**	26,036,724
Derivative financial instruments (Note 19)	**74,011**	238,000
Deferred income tax liabilities	**737,588**	793,842
Total liabilities per condensed consolidated statement of financial position	**149,689,134**	149,076,211

The Company was incorporated in Hong Kong, with its major subsidiaries domiciled in the PRC. Revenues from external customers of the Group are mainly derived in the PRC for the six months ended 30 June 2026 and 2025.

As at 30 June 2026, total non-current assets (other than financial instruments and deferred income tax assets) located in the Mainland China and Hong Kong amounted to approximately RMB29,632,697,000 and RMB539,000 (31 December 2025: RMB31,092,145,000 and RMB521,000), respectively.

For the six months ended 30 June 2026 and 2025, the Group does not have any single customer with the transaction value over 10% of the Group's total external sales.

7. PROPERTY, PLANT AND EQUIPMENT AND LAND USE RIGHTS

	Property, plant and equipment RMB'000	Land use rights RMB'000
Opening net book amount as at 1 January 2026	**2,080,433**	**77,904**
Additions	**41,452**	**–**
Transfer to investment properties	**(48,943)**	**–**
Depreciation	**(30,081)**	**(2,707)**
Disposals	**(30,772)**	**–**
Closing net book amount as at 30 June 2026	**2,012,089**	**75,197**
Opening net book amount as at 1 January 2025	3,324,732	179,062
Additions	34,279	–
Acquisition of subsidiaries	796	–
Transfer to completed properties held for sale	(84,942)	–
Depreciation	(92,409)	(5,087)
Disposals	(2,078)	–
Disposals of subsidiaries	(763)	(66,491)
Provision for impairment	(324,594)	–
Closing net book amount as at 30 June 2025	2,855,021	107,484

(a) Property, plant and equipment and land use rights pledged as collateral

As at 30 June 2026 and 31 December 2025, property, plant and equipment of the Group with carrying amount of approximately RMB901,398,000 and RMB886,185,000, respectively, were classified as restricted assets due to reasons such as being pledged as collateral for the Group's borrowings.

As at 30 June 2026 and 31 December 2025, the land use rights of the Group with carrying amount of approximately RMB54,340,000 and RMB54,423,000 were pledged as collateral for the Group's borrowings.

8. INTANGIBLE ASSETS

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Opening net book amount at beginning of the period	**198,207**	309,670
Additions	**–**	652
Amortization	**(20,379)**	(31,949)
Closing net book amount at end of the period	**177,828**	278,373

9. INVESTMENT PROPERTIES

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Opening net book amount at beginning of the period	**13,119,513**	13,204,011
Additions	**–**	107,910
Disposals	**(4,348)**	–
Transfer from property, plant and equipment	**48,943**	–
Transfer from completed properties held for sales	**–**	611,292
Currency translation differences	**–**	(149)
Fair value change recognised in profit or loss	**(596,257)**	(643,676)
Closing net book amount at end of the period	**12,567,851**	13,279,388

(a) Valuation techniques

Fair values of certain completed properties in Beijing, Tianjin, Ganzhou and Shuyang are generally derived using the income capitalization method. These valuation methods are based on the capitalization of the net income and reversionary income potential by adopting appropriate capitalization rates, which are derived from analysis of sale transactions and valuers' interpretation of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation have reference to recent lettings, within the subject properties and other comparable properties.

Fair values of certain completed properties in Beijing, Shenzhen and Wuhan are generally derived using the comparative method.

There were no changes to the valuation techniques during the period and there were no transfers between fair value hierarchy during the period.

(b) Investment properties pledged as collateral

As at 30 June 2026 and 31 December 2025, investment properties of the Group with carrying amount of approximately RMB12,296,202,000 and RMB12,843,516,000, respectively, which were classified as restricted assets due to reasons such as being pledged as collateral for the Group's borrowings.

10. INTERESTS IN JOINT VENTURES

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
At beginning of the period	**11,163,095**	13,315,357
Capital reduction	**(23,845)**	(35,375)
Dividend	**–**	(536,600)
Disposals	**(17,018)**	(35,616)
Increase due to acquisitions	**–**	421,907
Share of results and other comprehensive income of joint ventures		
— after adjustment for unrealized profit or loss from inter-company transactions between the Group and the joint ventures	**(437,323)**	(1,204,584)
Currency translation differences	**(27,548)**	(24,776)
At end of the period	**10,657,361**	11,900,313

(a) Restricted non-current assets

As at 30 June 2026 and 31 December 2025, interests in joint ventures with carrying amount of approximately RMB6,162,536,000 and RMB6,289,251,000, respectively, which were classified as restricted assets due to reasons such as being pledged as collateral for the Group's borrowings.

11. INTERESTS IN ASSOCIATES

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
At beginning of the period	**2,748,745**	3,951,093
Capital injection	**–**	50,065
Capital reduction	**–**	(423,777)
Dividend	**(27,756)**	(48,318)
Disposals	**–**	(409,782)
Share of results and other comprehensive income of associates		
— after adjustment for unrealized profit or loss from inter-company transactions between the Group and the associates	**(111,860)**	(349,107)
Currency translation differences	**(51,892)**	(16,045)
At end of the period	**2,557,237**	2,754,129

(a) Restricted non-current asset

As at 30 June 2026 and 31 December 2025, interests in associate with carrying amount of approximately RMB1,543,357,000 and RMB1,685,155,000, respectively, which were classified as restricted assets due to reasons such as being pledged as collateral for the Group's borrowings.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Listed securities (a)	**31,533**	32,792
Unlisted securities	**376,777**	436,355
	408,310	469,147
Less: Non-current portion	**(408,310)**	(469,147)
Current portion	**–**	–

(a) Investment in listed equity securities is stated at fair value based on the quoted price of the equity securities.

(b) Financial assets at fair value through other comprehensive income pledged as collateral

As at 30 June 2026 and 31 December 2025, financial assets at fair value through other comprehensive income with fair value of approximately RMB98,314,000 and RMB102,238,000, which were pledged as collateral for the Group's borrowings.

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss:

— debt investments that do not qualify for measurement at either amortized cost or fair value through other comprehensive income;

— equity investments that are held for trading; and

— equity investments for which the entity has not elected to recognise fair value change through other comprehensive income.

Financial assets mandatorily measured at fair value through profit or loss include the following:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Investment in fund and bond investments	**2,253,551**	2,297,935
Investment in other unlisted equity securities	**46,736**	46,736
Investment in listed equity securities	**5**	6
Derivative financial instruments	**125,000**	125,000
	2,425,292	2,469,677
Less: Non-current portion	**(2,413,649)**	(2,458,311)
Current portion	**11,643**	11,366

(b) Financial assets at fair value through profit or loss pledged as collateral

As at 30 June 2026 and 31 December 2025, financial assets at fair value through profit or loss with fair value of approximately RMB1,240,916,000 and RMB1,343,458,000, which were pledged as collateral for the Group's borrowings.

14. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Trade receivables (a)	**2,854,254**	3,151,222
Other receivables and prepayments (b)	**48,418,019**	50,542,929
	51,272,273	53,694,151
Less: non-current portion	**(2,622,093)**	(4,695,970)
Current portion	**48,650,180**	48,998,181

14. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

(a) Trade receivables

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Trade receivables	**5,535,291**	5,503,485
Less: provision for impairment of trade receivables	**(2,681,037)**	(2,352,263)
	2,854,254	3,151,222
Less: non-current portion	**–**	–
Current portion	**2,854,254**	3,151,222

Proceeds from services and sales rendered are to be received in accordance with the term of respective agreement, and the credit term is very short. An ageing analysis of gross trade receivables mainly based on invoice or bills issuance date at the respective statement of financial position dates is as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Within 6 months	**1,037,750**	1,492,778
Between 6 months to 1 year	**874,345**	815,852
Between 1 year to 2 years	**989,640**	1,615,939
Between 2 years to 3 years	**1,072,212**	767,627
Over 3 years	**1,561,344**	811,289
	5,535,291	5,503,485

As at 30 June 2026, trade receivables with carrying amount of approximately RMB133,044,000 (31 December 2025: RMB182,021,000) were pledged as collateral for the Group's borrowings.

Movements on the provision for impairment of trade receivables are as follows:

	Six months ended 30 June 2026 RMB'000	Year ended 31 December 2025 RMB'000
Opening amount at beginning of the period/year	**(2,352,263)**	(991,607)
Provision for receivable impairment	**(380,076)**	(1,400,556)
Derecognition from disposal of subsidiaries	**21,774**	39,900
Write-off	**29,528**	–
Closing amount at end of the period/year	**(2,681,037)**	(2,352,263)

14. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

(b) Other receivables and prepayments

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Entrusted loans due from joint ventures (i)	**168,020**	366,311
Entrusted loans due from associates (ii)	**–**	24,510
Entrusted loans due from third parties (iii)	**1,237,000**	1,269,530
Amounts due from joint ventures (v)	**25,456,764**	27,888,811
Amounts due from non-controlling interests (iv)	**5,116,445**	5,135,239
Amounts due from associates (v)	**12,930,945**	10,214,446
Amounts due from third parties (iii)	**13,742,410**	13,812,922
	58,651,584	58,711,769
Less: provision for impairment	**(26,329,204)**	(24,109,695)
	32,322,380	34,602,074
Receivables from government (vi)	**651,294**	653,419
Payment for the cooperation of potential properties development projects (vii)	**1,447,812**	1,447,812
Receivables from disposal of interest in subsidiaries	**3,194,502**	3,106,446
Receivables from disposal of interest in a joint venture	**27,137**	27,137
Other receivables	**1,796,983**	1,483,676
	7,117,728	6,718,490
Less: provision for impairment	**(1,466,708)**	(1,421,103)
	5,651,020	5,297,387
Tax prepayments	**5,948,988**	6,244,800
Other prepayments (viii)	**4,495,631**	4,398,668
	10,444,619	10,643,468
Total other receivables and prepayments	**48,418,019**	50,542,929
Less: non-current portion	**(2,622,093)**	(4,695,970)
Current portion	**45,795,926**	45,846,959

14. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

(b) Other receivables and prepayments (Continued)

(i) Entrusted loans due from joint ventures are unsecured, interest bearing from 2% to 4% (31 December 2025: from 2% to 12%) per annum. Balance of approximately RMB Nil (31 December 2025: RMB271,103,000) is repayable within one year. The remaining balances of approximately RMB168,020,000 (31 December 2025: RMB95,208,000) are repayable after one year and included in the non-current portion.

(ii) As at 31 December 2025, entrusted loans due from associates are unsecured, interest bearing 7% per annum. Balances of approximately RMB24,510,000 are repayable after one year and hence included in the non-current portion.

(iii) Entrusted loans and amounts due from third parties represent amounts paid to joint ventures and associates of the Group's joint ventures, associates and cooperation parties to support their development of real estate projects. As the Group has no direct equity interests in these companies to which the amounts paid are classified as entrusted loans and amounts due from third parties.

Entrusted loans due from a third party with balance of approximately RMB780,303,000 (31 December 2025: RMB782,603,000) are secured, interest bearing at 4% (31 December 2025: 4%) per annum. Unsecured entrusted loans bear interest from 3% to 20% (31 December 2025: from 3% to 9%) per annum.

Amounts due from third parties are unsecured, interest free, and repayable on demand.

As at 30 June 2026 and 31 December 2025, amounts due from third parties with carrying amount of approximately RMB557,752,000 and RMB816,165,000, respectively, which were pledged for the Group's borrowings.

(iv) Amounts due from non-controlling interests are unsecured and interest free. Balances of approximately RMB5,116,445,000 (31 December 2025: RMB5,135,239,000) are repayable within one year.

(v) Amounts due from joint ventures and associates are unsecured and interest free.

As at 30 June 2026, amounts due from joint ventures and associates of the Group with carrying amounts of approximately RMB2,505,823,000 (31 December 2025: 2,647,893,000) and RMB674,582,000 (31 December 2025: RMB670,352,000) were pledged for the Group's borrowings, respectively.

(vi) Receivables from government mainly represent payments made for land development cost, deposits paid to government in the activities of land purchasing, and funds to government for cooperation intention in real estate project development, which will be subsequently reimbursed by the government.

14. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

(b) Other receivables and prepayments (Continued)

(vii) Amounts mainly represent the payment for cooperation of potential properties development projects. As at 30 June 2026, such cooperation is still in negotiation stage. Balances of approximately RMB150,000,000 (31 December 2025: RMB150,000,000) are unsecured, interest bearing 8.8% (2025: 8.8%) per annum. The remaining balances of approximately RMB1,297,812,000 (31 December 2025: RMB1,297,812,000) are unsecured and interest free. Balances of approximately RMB1,447,812,000 (31 December 2025: RMB1,447,812,000) are repayable on demand.

(viii) As at 30 June 2026, included in prepayments of approximately RMB2,193,682,000 (31 December 2025: RMB2,197,396,000) represented an amount paid for redevelopment project of certain land parcels in the PRC designated to a subsidiary of the Company by the local PRC government. The demolition work of redevelopment project has been completed.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable mentioned above. The carrying amounts of the Group's trade and other receivables and prepayments are mainly denominated in RMB.

The carrying amounts of trade and other receivables and prepayments approximate their respective fair values as at 30 June 2026 and 31 December 2025.

Movements on the provision for impairment of other receivables are as follows:

	Six months ended 30 June 2026 RMB'000	Year ended 31 December 2025 RMB'000
Opening amount at beginning of the period/year	**(25,530,798)**	(21,137,947)
Provision for receivable impairment	**(2,460,285)**	(9,057,243)
Acquisition of subsidiaries	**–**	3,941,060
Write-off	**192,813**	–
Increase due to disposal of subsidiaries	**–**	(271,984)
Derecognition from disposal of subsidiaries	**2,358**	995,316
Closing amount at end of the period/year	**(27,795,912)**	(25,530,798)

15. SHARE CAPITAL

	Number of ordinary shares	Share capital HKD'000	Equivalent share capital RMB'000	Total RMB'000
Ordinary shares, issued and fully paid:				
Opening balance 1 January 2026	**11,819,836,942**	**31,285,125**	**28,130,087**	**28,130,087**
Issue of share upon conversion of mandatory convertible bonds	**845,162,294**	**85,540**	**74,693**	**74,693**
At 30 June 2026	**12,664,999,236**	**31,370,665**	**28,204,780**	**28,204,780**

	Number of ordinary shares	Share capital HKD'000	Equivalent share capital RMB'000	Total RMB'000
Ordinary shares, issued and fully paid:				
Opening balance 1 January 2025	7,616,095,657	30,413,634	27,329,232	27,329,232
Issue of share upon conversion of mandatory convertible bonds	3,468,531,088	802,181	664,890	664,890
At 30 June 2025	11,084,626,745	31,215,815	27,994,122	27,994,122

16. CAPITAL SECURITIES

On 21 September 2017, Sino-Ocean Land Treasure III Limited ("Sino-Ocean Land III"), a wholly owned subsidiary, issued perpetual subordinated guaranteed capital securities ("capital securities"), which are redeemable only at the issuer's discretion, with initial aggregate principal amount of approximately USD600,000,000.

The capital securities have no maturity date, and the payments of distribution of such capital securities can be deferred at the discretion of Sino-Ocean Land III. When Sino-Ocean Land III and the Company elects to declare dividends to their shareholders, Sino-Ocean Land III should make a distribution at an initial rate of 4.900% till 21 September 2023, and then at a fixed rate per annum equal to the sum of (i) the then-prevailing U.S. Treasury rate and (ii) the spread till 21 September 2027. Such capital securities are guaranteed by the Company.

The Group's offshore restructuring plan was implemented and effective on 27 March 2025, and accordingly, the aforementioned capital securities were derecognised. In conjunction with the offshore debt restructuring, the Company issued new perpetual securities on the same date, which are redeemable only at the issuer's discretion, with an initial aggregate principal amount of approximately USD1.21 billion.

17. BORROWINGS

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Non-current	**25,759,673**	26,036,724
Current	**24,630,911**	24,814,907
	50,390,584	50,851,631

Movements in borrowings are analysed as follows:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
At beginning of the period	**50,851,631**	98,372,536
New bank loans raised	**254,319**	78,772
Acquisition of subsidiaries	**–**	601,800
Repayment of bank loans	**(470,373)**	(921,289)
Repayment of other loans	**(103,696)**	(1,507,380)
Disposal of subsidiaries	**(228,830)**	(379,000)
Changes of carrying value of corporate bonds, notes and bank loans	**963,837**	394,603
Transfer from other payables	**–**	117,983
Debt restructuring — derecognition of original debts	**(605,937)**	(36,612,241)
Debt restructuring — recognition of new debts	**62,052**	7,031,190
Currency translation differences	**(332,419)**	(180,117)
At end of the period	**50,390,584**	66,996,857

(a) Offshore debt restructuring

Pursuant to the offshore debt restructuring which effective on 27 March 2025, the Company issued the new loans and new notes (the "New Debts"), the new mandatory convertible bonds (the "2025 MCB") and/or new perpetual securities with original principal amounts of USD2.25 billion, USD2.93 billion and USD1.21 billion respectively. Subsequent to the initial recognition on the date of issuance (i.e. 27 March 2025), the carrying amount of the debt component of the New Debts is measured at amortised cost; and the carrying amount of the derivative component of the 2025 MCB is measured at fair values.

As at 30 June 2026, the outstanding principal amounts of the New Debts and the 2025 MCB were USD2.20 billion (31 December 2025: USD2.25 billion), USD0.86 billion (31 December 2025: USD1.29 billion) respectively.

17. BORROWINGS (Continued)

(a) Offshore debt restructuring (Continued)

During the six months ended 30 June 2026, 9.5% holders of the 2025 MCB have exercised the options attached to the 2025 MCB to convert the respective 2025 MCB into 845,162,294 ordinary shares in total of the Company. As a result, the share capital of the Group increased by RMB74.69 million.

As at the conversion dates and at end of the reporting period, the Company remeasured the derivative components of the 2025 MCB at their fair values. As a result, the Group recognised changes in fair value on derivative financial instruments of RMB83.85 million in "other losses — net" during the six months ended 30 June 2026.

Effective on 23 March 2026, one of the offshore creditors fully discharged the debts amounting to approximately HKD400 million owed by the Group in exchange for the issuance of new notes with principal amount in approximately USD20.6 million and new mandatory convertible bonds ("2026 MCB") of approximately USD16.6 million. Consequently, the existing debt of approximately HKD400 million was fully derecognized. The following new debt instruments were recognized at their fair values on 23 March 2026, the effective date of the offshore debt restructuring:

(1) USD20.6 million new notes — fair values of debt component amounting to USD9.0 million; and

(2) USD16.6 million mandatory convertible bonds — fair value of derivative component amounting to USD1.1 million.

The fair values of these instruments recognised were within level 3 of fair value hierarchy.

Description	Fair value at the date of the modification USD	Valuation method	Significant unobservable inputs	Range of significant unobservable inputs
New notes	8,974,764	Discounted cash flow method under income approach	Discount rate	Range from 16.66% to 17.09%
2026 MCB	1,083,402	Binomial option pricing model	Expected volatility	64.89%
			Discount rate	18.53%

Relationships of unobservable inputs to fair value are as follows:

- The higher rate of discount rate, the lower fair value;
- The higher rate of expected volatility, the lower fair value.

As a result of the abovementioned, net gain on debt restructuring of approximately RMB0.29 billion was recognised in the interim condensed consolidated profit or loss for the six months ended 30 June 2026.

Subsequent to the initial recognition, the carrying amount of the debt component of the new notes is measured at amortised cost; and the carrying amount of the derivative component of the mandatory convertible bonds is measured at fair values.

17. BORROWINGS (Continued)

(b) Onshore debt restructuring

With effective from the approval of the Onshore Debt Restructuring Plan at the relevant meetings of bondholders in the second half of 2025, the repayment schedule of Onshore Bonds adjusted and extended with the last maturity date being September 2035 with the revised coupon interest rate at 1% per annum and the Onshore Debt Restructuring provides options including cash repurchase, equity economic income right, and debt settlement with assets.

Sino-Ocean Holding issued Onshore Bonds listed on the Shanghai Stock Exchange. The following table summarises the changes in key terms with the effective of the Onshore Debt in the second half of 2025.

Bond Number	Principal amounts RMB'000	Interest rate after restructuring per annum	Remaining maturity as at 30 June 2026
Listed onshore bonds, including			
122401.SH	1,500,000	1.0%	4.75–9.25 years
122498.SH	3,000,000	1.0%	4.75–9.25 years
143666.SH	1,495,400	1.0%	4.75–9.25 years
155255.SH	1,316,040	1.0%	4.75–9.25 years
155256.SH	1,196,400	1.0%	4.75–9.25 years
188102.SH	2,592,200	1.0%	4.75–9.25 years
188828.SH	1,950,000	1.0%	4.75–9.25 years
	13,050,040		
Other onshore bonds, including			
032200147	2,000,000	1.0%	4.75–9.25 years
032480459	2,742,000	1.0%	4.75–9.25 years
	4,742,000		

In August 2026, the Group announced the results of the implementation of the cash repurchase option and completed the corresponding fund redemption.

17. BORROWINGS (Continued)

(c) As at 30 June 2026 and 31 December 2025, bank borrowings amounted to approximately RMB21,938,187,000 and RMB22,875,364,000, respectively, which were secured by the pledge of investment properties, property, plant and equipment, land use rights, properties under development, completed properties held for sale, interests in an associate, trade receivables and equity interest in certain subsidiaries.

As at 30 June 2026 and 31 December 2025, borrowings from trust companies amounted to approximately RMB4,128,782,000 and RMB4,132,090,000, respectively, which were secured by the pledge of interests in a joint venture, other receivables, properties under development and completed properties held for sale. The equity of certain subsidiaries was also pledged.

As at 30 June 2026 and 31 December 2025, the asset-backed securitization amounted to approximately RMB4,109,000,000 and RMB4,109,000,000, respectively, which was secured by the pledge of property, plant and equipment, land use rights, investment properties and trade receivables of the Group.

As at 30 June 2026 and 31 December 2025, borrowings from non-controlling interests amounted to approximately RMB662,248,000 and RMB662,248,000, respectively, which were secured by the pledge of property under development.

As at 30 June 2026 and 31 December 2025, borrowings from associates and joint ventures amounted to approximately RMB2,637,000,000 and RMB2,637,000,000, respectively, which were secured by the pledge of the equity interest in a joint venture.

As at 30 June 2026 and 31 December 2025, borrowings from third parties amounted to approximately RMB3,273,658,000 and RMB3,399,527,000, respectively, which were secured by the pledge of investment properties, property, plant and equipment, land use rights, financial assets, properties under development, completed properties held for sale, other receivables and equity interest in certain subsidiaries and an associate.

(d) Interest expense on borrowings for the six months ended 30 June 2026 amounted to approximately RMB2,033,847,000 (Six months ended 30 June 2025: RMB2,716,194,000).

18. TRADE AND OTHER PAYABLES

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Trade payables (a)	**12,079,713**	11,993,239
Accrued expenses	**8,690,069**	9,378,182
Amounts due to joint ventures (b)	**9,622,441**	9,546,278
Amounts due to associates (b)	**1,457,540**	1,371,200
Amounts due to non-controlling interests (b)	**501,966**	510,247
Amounts due to government	**529,432**	529,544
Other taxes payable	**4,262,433**	4,256,457
Deposits received	**1,398,336**	1,478,879
Other payables	**14,807,947**	13,298,471
	53,349,877	52,362,497
Less: non-current portion	**(19,887)**	(165,814)
Current portion	**53,329,990**	52,196,683

The carrying amounts of trade payables and other payables approximate their fair values.

(a) An ageing analysis of the trade payables (including amounts due to related parties of trading in nature) mainly based on the date of invoice is as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Within 6 months	**540,725**	2,991,851
Between 6 months to 1 year	**1,477,902**	1,345,818
Between 1 year to 2 years	**3,109,412**	2,439,967
Between 2 years to 3 years	**2,090,838**	2,013,760
Over 3 years	**4,860,836**	3,201,843
	12,079,713	11,993,239

(b) Amounts due to joint ventures, associates and non-controlling interests are unsecured, interest free, and repayable on demand.

19. DERIVATIVE FINANCIAL INSTRUMENTS

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Financial liabilities		
Derivative component of the mandatory convertible bonds (i)	**74,011**	238,000

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair values. The change of fair value is recognised immediately in consolidated profit or loss. For information about the methods and assumptions used in determining the fair value of derivatives on initial recognition, refer to Note 17(a) to the interim condensed consolidated financial statements. The movement on the derivative financial instruments refer to Note 5.4 to the interim condensed consolidated financial statements.

(i) The Company issued mandatory convertible bonds to the offshore debt restructuring. The mandatory convertible bonds were recognised as derivative financial instruments at the effective date.

20. PROVISIONS

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Provisions for litigations (i)	**338,366**	353,183
Provisions for financial guarantee provided to related parties and third parties	**13,310,515**	12,256,635
	13,648,881	12,609,818

The movement on the provisions account is as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
At the beginning of the period/year	**12,609,818**	5,028,329
Addition — provisions for litigations	**109,775**	81,399
— provisions for financial guarantee provided to related parties and third parties	**1,181,327**	8,480,588
Less: financial guarantee and finalized litigations transferred to other payables	**(252,039)**	(980,498)
At the end of the period/year	**13,648,881**	12,609,818

(i) Up to the date of this report, various parties have filed litigations against the Group for the settlement of unpaid borrowings, outstanding construction and daily operations payables and other matters. The Directors have assessed the impact of the above litigations matters on the interim condensed consolidated financial statements for the period ended 30 June 2026 and provision for litigations amounted to approximately RMB338,366,000 was recognised. The Group is also actively communicating with relevant creditors and seeking various ways to resolve these litigations.

21. OTHER LOSSES — NET

	Six months ended 30 June	
	2026 **RMB'000**	2025 RMB'000
Fair value change of financial assets at fair value through profit or loss and derivative financial instruments	**115,309**	(1,422,241)
Exchange gains/(losses), net	**358,183**	(363,368)
Payment for the settlement of contracted obligations	**(3,515)**	(48,240)
(Losses)/gains on disposal of property, plant and equipment	**(4,758)**	356
(Losses)/gains on disposal of interests in subsidiaries	**(168,476)**	13,567
Losses on disposal of joint ventures and associates	**(13,999)**	(183,997)
Losses on deemed disposal of joint ventures and associates, net	**–**	(163,221)
Provision for litigations and other contingent liabilities	**(496,144)**	(422,183)
Impairment loss on property, plant and equipment (Note 7)	**–**	(324,594)
Impairment loss on goodwill	**(14,911)**	(409,008)
Other losses	**(19,703)**	(3,557)
	(248,014)	(3,326,486)

22. FINANCE COSTS

	Six months ended 30 June	
	2026 **RMB'000**	2025 RMB'000
Interest expense:		
— Bank borrowings	**675,533**	1,250,425
— Other borrowings	**1,358,314**	1,465,769
— Lease liabilities	**35,774**	48,469
	2,069,621	2,764,663
Less: interest capitalized at a capitalization rate of 8.23% (2025: 5.84%) per annum	**(401,926)**	(699,934)
	1,667,695	2,064,729

23. INCOME TAX EXPENSE/(CREDIT)

Majority of the Group entities are subjected to PRC enterprise income tax, which has been provided based on the statutory income tax rate of 25% of the assessable income of each of these Group entities for six months ended 30 June 2026 and 2025. Other Group entities are mainly subject to Hong Kong profits tax.

The amount of income tax expense/(credit) charged to the statement of profit or loss represents:

	Six months ended 30 June	
	2026 **RMB'000**	2025 RMB'000
Current income tax:		
— PRC enterprise income tax	**49,003**	116,121
— PRC land appreciation tax	**75,460**	80,572
Deferred income tax	**113,066**	(278,079)
	237,529	(81,386)

24. (LOSS)/EARNINGS PER SHARE

(a) Basic

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to owners of the Company, after deducting distributions related to perpetual securities, by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2026	2025
(Loss)/profit attributable to owners of the Company (RMB'000)	**(7,149,177)**	10,202,141
Distribution related to perpetual securities (RMB'000)	**(43,039)**	(22,827)
(Loss)/profit used to determine basic (loss)/earnings per share (RMB'000)	**(7,192,216)**	10,179,314
Weighted average number of ordinary shares in issue (thousands)	**12,027,108**	8,689,431
Basic (loss)/earnings per share (RMB per share)	**(0.598)**	1.171

(b) Diluted

For the six months ended 30 June 2026, diluted loss per share was the same as the basic loss per share as potential ordinary share arising from share options, mandatory convertible bonds and equity economic right were not treated as dilutive as the conversion to ordinary shares would not increase the loss per share (six months ended 30 June 2025: diluted earnings per share of RMB0.919 per share).

25. DIVIDENDS

The Board did not recommend the payment of interim dividend for the six months ended 30 June 2026 and 2025.

26. FINANCIAL GUARANTEES

(a) The Group had the following financial guarantees as 30 June 2026 and 31 December 2025:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Guarantees in respect of mortgage facilities for certain purchasers	**11,370,794**	10,627,232

As at 30 June 2026 and 31 December 2025, the Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends when the property purchasers obtain the "property title certificate" which is then pledged with the banks.

The Group has not recognised any liabilities in connection with the aforesaid financial guarantee contracts as the Directors are of the view that it is remote for the Group to suffer from any significant losses on these financial guarantee contracts.

(b) As at 30 June 2026, the Group provided guarantees amounted to approximately RMB67,824,178,000 (31 December 2025: RMB68,242,377,000) for borrowings of related parties and third parties. Properties under development and other assets owned by these parties are the primary collateral of such borrowings. The provision for financial guarantee provided to related parties and third parties amounted to approximately RMB13,310,515,000 (31 December 2025: RMB12,256,635,000).

27. COMMITMENTS

(a) Capital commitments

Capital commitments at the statement of financial position date but not yet incurred are as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Properties under development	**5,683,528**	7,012,818
Commitment of investments	**4,140,403**	4,140,403
Contracted but not provided for	**9,823,931**	11,153,221

(b) Operating lease rental receivables

The future aggregate minimum lease rental receivables under non-cancellable operating leases in respect of land and buildings are as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Within 1 year	**91,378**	152,912
Between 1 year to 5 years	**96,457**	108,516
Over 5 years	**23,855**	28,529
	211,690	289,957

28. RELATED PARTY TRANSACTIONS

Save as disclosed in elsewhere, the following is a summary of material related party balances and transactions entered into in the ordinary course of business between the Group and its related parties during the six months ended 30 June 2026 and 2025:

(a) Provision of services to

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
— Shareholders	**209**	274
— Joint ventures	**385,151**	566,084
— Associates	**14,244**	65,348
	399,604	631,706

Provision of services mainly represent construction service, the terms of which are entered into with related parties in accordance with the terms of agreement.

(b) Purchase of services from

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
— A shareholder	**3,861**	1,947
— Joint ventures	**246,719**	345,295
— Associates	**9,003**	28,859
	259,583	376,101

(c) Key management compensation

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Salaries and other short-term employee benefits	**10,905**	17,087
Post-employment benefits	**797**	919
Other long-term welfare	**24**	33
	11,726	18,039

28. RELATED PARTY TRANSACTIONS (Continued)

(d) Interest income

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
— Joint ventures	**1,507**	163,411
— Associates	**–**	863
	1,507	164,274

(e) Interest expense

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
— Joint ventures	**108,817**	93,619
— Associates	**–**	4,229
	108,817	97,848

(f) Entrusted loans due from related parties

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
— Joint ventures (Note 14(b))	**168,020**	366,311
— Associates (Note 14(b))	**–**	24,510
	168,020	390,821

(g) Amounts due from related parties

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
— Joint ventures (Note 14(b))	**25,456,764**	27,888,811
— Associates (Note 14(b))	**12,930,945**	10,214,446
	38,387,709	38,103,257

28. RELATED PARTY TRANSACTIONS (Continued)

(h) Borrowing from related parties

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
— Joint ventures	**3,839,375**	3,842,865

(i) Amounts due to related parties

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
— Joint ventures (Note 18)	**9,622,441**	9,546,278
— Associates (Note 18)	**1,457,540**	1,371,200
	11,079,981	10,917,478

(j) Investment in limited partners' share issued by an associate

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Fair value of investment in limited partners' share issued by an associate	**1,236,259**	1,220,407

(k) Investment in capital instrument issued by associates

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Fair value of interests in capital instrument issued by associates	**376,777**	436,355

28. RELATED PARTY TRANSACTIONS (Continued)

(l) Balances arising from sales and purchases of properties and services:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Trade receivables from related parties:		
— A shareholder	**799**	799
— Joint ventures	**1,781,587**	2,163,291
— Associates	**281,071**	270,832
	2,063,457	2,434,922
Advance to related parties:		
— A shareholder	**1,154**	1,132
— Joint ventures	**375,978**	310,773
— Associates	**117,960**	117,533
	495,092	429,438
Trade payables due to related parties:		
— A shareholder	**50**	122
— Joint ventures	**640,292**	609,552
— Associates	**16,644**	16,620
	656,986	626,294

29. EVENTS AFTER THE END OF THE REPORTING PERIOD

Save as the events disclosed under the "Note 2 Going concern assumption", there was no other significant subsequent event affecting the Group after the six-month period ended 30 June 2026 and up to the date of issuance of the interim condensed consolidated financial statements.

GLOSSARY

In this interim report, unless the context otherwise requires, the following expressions shall have the following meanings:

"2018 Option Scheme"	the share option scheme approved and adopted by the shareholders of the Company on 6 August 2018
"Audit Committee"	the audit committee of the Company
"BDO"	BDO Limited
"Board"	the board of directors of the Company
"CEO"	the chief executive officer of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Chairman"	the chairman of the Board
"China" or "PRC"	the People's Republic of China
"China Life Group"	China Life Insurance (Group) Company (中國人壽保險(集團)公司), a company established under the laws of the PRC, being the controlling shareholder of China Life Insurance, which in turn is a substantial shareholder of the Company
"China Life Insurance"	China Life Insurance Company Limited (中國人壽保險股份有限公司), a joint stock limited liability company incorporated under the laws of the PRC and listed on the Stock Exchange (Stock Code: 02628.HK) and the Shanghai Stock Exchange (Stock Code: 601628.SE) respectively, being a substantial shareholder of the Company
"Code of Conduct"	the code of conduct regarding Director's securities transactions adopted by the Company
"Company" or "Sino-Ocean Group"	Sino-Ocean Group Holding Limited (遠洋集團控股有限公司), a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 03377.HK)
"Company Secretary"	the company secretary of the Company
"Dajia Insurance Group"	Dajia Insurance Group Co., Ltd.* (大家保險集團有限責任公司), a company established under the laws of the PRC, being the controlling shareholder of Dajia Life Insurance, which in turn is a substantial shareholder of the Company
"Dajia Life Insurance"	Dajia Life Insurance Co., Ltd.* (大家人壽保險股份有限公司), a company established under the laws of the PRC, being a substantial shareholder of the Company
"Director(s)"	director(s) of the Company
"Executive Director(s)"	executive director(s) of the Company
"ESG"	environment, social and governance
"GFA"	gross floor area
"Group" or "we"	the Company and its subsidiaries
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong

"HKSAR" or "Hong Kong"	Hong Kong Special Administrative Region of the PRC
"INED(s)" or "Independent Non-executive Director(s)"	independent non-executive director(s) of the Company
"Latest Practicable Date"	11 September 2026, being the latest practicable date prior to the issue of this interim report
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"NED(s)" or "Non-executive Director(s)"	non-executive director(s) of the Company
"net gearing ratio"	total borrowings less total cash resources divided by total equity
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shanghai Stock Exchange"	The Shanghai Stock Exchange
"Share(s)"	ordinary share(s) of the Company with no nominal value
"Shareholder(s)"	shareholder(s) of the Company
"Sino-Ocean Holding"	Beijing Sino-Ocean Group Holding Limited (北京遠洋控股集團有限公司) (formerly known as Sino-Ocean Holding Group (China) Limited (遠洋控股集團(中國)有限公司)), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
"Sino-Ocean Service"	Sino-Ocean Service Holding Limited (遠洋服務控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 06677.HK), being a non-wholly owned subsidiary of the Company
"Sino-Ocean Service Group"	Sino-Ocean Service and its subsidiaries
"sq.m."	square metres
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"USD"	United States dollars, the lawful currency of the United States
"Xishuangbanna"	Xishuangbanna Dai Autonomous Prefecture
"YoY"	year-on-year
"%"	per cent

Note:

In this interim report, the English names of the entities marked with "*" are translations of their Chinese names, and are included herein for identification purposes only. If there is any inconsistency between the Chinese names and their English translations, the Chinese names shall prevail.

遠洋集團控股有限公司
SINO-OCEAN GROUP HOLDING LIMITED

香港地址: 香港金鐘道88號太古廣場一座601
Hong Kong Address: Suite 601, One Pacific Place, 88 Queensway, Hong Kong
電話: Tel: +852 2899 2880

北京地址: 北京市朝陽區東四環中路56號遠洋國際中心A座32層
Beijing Address: 32nd Floor, Tower A, Ocean International Center, 56 Dongsihuanzhonglu, Chaoyang District, Beijing
電話: Tel: +8610 5929 3377

www.sinooceangroup.com

遠洋集團官方微信
Sino-Ocean Group Official WeChat

MIX
Paper | Supporting responsible forestry
FSC® C120915
FSC
www.fsc.org