



CHEN XING

Chen Xing Development Holdings Limited

辰興發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code: 2286 股份代號：2286

2026

INTERIM REPORT

中期報告

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信達天下



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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Bai Xuankui (*Chairman*)
Mr. Bai Wukui
Mr. Bai Guohua
Mr. Dong Shiguang

Independent Non-executive Directors

Mr. Tian Hua
Mr. Qiu Yongqing
Ms. Gao Jianhua

COMPANY SECRETARY

Ms. Lee Angel Pui Shan
(resigned with effect from 27 March 2026)
Ms. Au Wing Han
(appointed with effect from 27 March 2026)

AUTHORIZED REPRESENTATIVES

Mr. Bai Guohua
Ms. Lee Angel Pui Shan
(resigned with effect from 27 March 2026)
Ms. Au Wing Han
(appointed with effect from 27 March 2026)

AUDIT COMMITTEE

Mr. Tian Hua (*Chairman*)
Mr. Qiu Yongqing
Ms. Gao Jianhua

REMUNERATION COMMITTEE

Mr. Tian Hua (*Chairman*)
Ms. Gao Jianhua
Mr. Bai Xuankui

NOMINATION COMMITTEE

Mr. Bai Xuankui (*Chairman*)
Mr. Qiu Yongqing
Ms. Gao Jianhua

AUDITOR

BDO Limited
Certified Public Accountant
25th Floor, Wing On Centre
111 Connaught Road
Central, Hong Kong

LEGAL ADVISORS

As to Hong Kong law
Jingtian & Gongcheng LLP

As to PRC law
Shanxi Dingzheng Law Office

CORPORATE INFORMATION

REGISTERED OFFICE

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PRINCIPAL BANKERS

Industrial and Commercial Bank of China Limited
China Merchants Bank Co. Ltd.
China Construction Bank Corporation
Bank of China Limited
Bank of Shanxi Co., Ltd.

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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PLACE OF LISTING

The Stock Exchange of Hong Kong Limited
(the "Stock Exchange")

STOCK CODE

2286

COMPANY WEBSITE

www.chen-xing.cn

FINANCIAL HIGHLIGHTS

The board (the “**Board**”) of directors (the “**Directors**”) of Chen Xing Development Holdings Limited (the “**Company**”) together with its subsidiaries (collectively, the “**Group**”) hereby announces the unaudited interim results of the Group for the six months ended 30 June 2026 (the “**Reporting Period**”) together with the comparative figures for the same period in 2025. The Group’s interim results have not yet been audited, but have been reviewed by the Company’s audit committee (the “**Audit Committee**”).

- Contracted sales of the Group for the Reporting Period amounted to approximately RMB64.6 million and the corresponding contracted gross floor area (“**GFA**”) amounted to approximately 8,713 sq.m., representing an increase of approximately 15.8% and approximately 10.9% comparing with the same period last year, respectively;
- Revenue of the Group for the Reporting Period amounted to approximately RMB40.8 million, of which approximately RMB39.4 million was revenue from property development;
- Gross profit of the Group for the Reporting Period amounted to approximately RMB11.4 million, of which approximately RMB9.9 million was gross profit from property development;
- Net loss of the Group for the Reporting Period amounted to approximately RMB100.6 million, of which approximately RMB100.7 million was net loss attributable to owners of the parent of the Company;
- Total GFA of land bank of the Group amounted to 2,111,554 sq.m. and the average cost of land bank was approximately RMB881.7 per sq.m. as at the end of the Reporting Period;
- Contracted average sales price (the “**Average Sales Price**”) of the Group for the Reporting Period was approximately RMB7,414.2 per sq.m.;
- Basic loss per share of the Company for the Reporting Period was approximately RMB0.17; and
- The Board resolved not to declare any interim dividend for the six months ended 30 June 2026.

CHAIRMAN'S STATEMENT

Dear Shareholders,

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

REVIEW OF RESULTS FOR THE FIRST HALF YEAR OF 2026

In the first half of 2026, China's real estate policy regulation remained easing. The government placed the focus of regulation on "stabilising the market and preventing risks", and further intensified targeted housing purchase support efforts including cross-regional use of housing provident funds and transaction tax and fee reductions on the basis of existing policies including purchasing existing commodity housing, reconstructing urban villages and supporting the construction of "high quality housing". Local governments adopted more flexible city-specific policies, unlocking reasonable housing demand through differentiated measures including optimisation of purchase restrictions, lowering down payment ratios and adjustments to mortgage rate premiums. China's real-estate market remained in a bottom-forming adjustment phase. The year-on-year decline in the sales area and amount of commodity housing nationwide further decreased, and market activity improved as compared with the same period last year. However, the industry stayed in a volatile recovery phase lacking a solid foundation for a full-scale rebound. Meanwhile, differentiation pattern among different cities remained prominent. Core cities registered faster recovery. In particular, first-tier and strong second-tier cities saw continued improvement in transactions of new and second-hand housing with clear signs of price stabilisation. However, third-tier and fourth-tier cities faced substantial destocking pressure with weak market momentum and persistent downward pressure on housing prices.

In terms of the land market, the supply and demand scale of residential land across the country continued to decrease in the first half of 2026. Nevertheless, high-quality land parcels in core cities remained highly sought-after, with the premium rate picking up in certain hot-spot cities. Local governments further optimised land-supply timelines and land-auction rules, and stabilised enterprise expectations by flexibly setting transfer conditions and lowering participation thresholds for land bidding, etc. Real-estate enterprises maintained prudent and rational investment strategies, with land-acquisition focus further concentrated on core land parcels in first-tier and strong second-tier cities. In contrast, land transactions in third-tier and fourth-tier cities were mostly concluded at reserve price, reflecting stark regional divergence between hot and cold markets.

CHAIRMAN'S STATEMENT

In respect of financial financing, real estate financial policies remained moderately easing. Banks ramped up credit support for compliant and high-quality real estate enterprises, while the bond financing environment improved. Certain leading real estate enterprises saw gradual restoration of financing channels and optimised debt structures. However, credit stratification across the industry remained evident. As industry consolidation continued to deepen, divergence among real estate enterprises remained unchanged. State-owned and central enterprises, as well as leading private real estate enterprises further consolidated their advantages in terms of resource access and market sales. By contrast, small and medium-sized real estate enterprises still faced substantial liquidity pressure due to slow sales proceeds collection, high financing thresholds etc. Certain regional small and medium-sized real estate enterprises continued to exit or pursue business transformation through project transfer, mergers and reorganizations, etc.

In the first half of 2026, the Company's overall sales performance fell short of targeted expectations. Given that its business layout was mainly concentrated in third and fourth-tier cities, the available sales inventory value was limited. In addition, lagging market recovery in project locations and the impact of sustained regulatory policies in certain regions, the pace of sales and destocking was slow. Faced with ongoing industry adjustments and market uncertainties, the Board and management of the Company continuously enhanced strategic adaptability and dynamically optimised operating strategies. By revitalising existing assets, optimising debt structure and sourcing high-quality new projects, etc., the Company proactively responded to market changes and made every effort to safeguard stable and sustainable operation of the Company.

During the Reporting Period, the Group's contracted sales amounted to approximately RMB64.6 million, representing an increase of approximately 15.8% as compared with the same period last year; the Group's total contracted GFA amounted to approximately 8,713 sq.m., representing an increase of approximately 10.9% as compared with the same period last year.

During the Reporting Period, the Group recorded a revenue of approximately RMB40.8 million, representing a decrease of approximately 51.1% as compared with the same period of last year, of which approximately RMB39.4 million was revenue from property development, representing a decrease of approximately 51.9% as compared with the same period of last year. The net loss attributable to owners of the parent of the Company was approximately RMB100.7 million, representing an increase of approximately 10.9% as compared with the same period of last year.

During the Reporting Period, the Group's land bank was approximately 2,111,554 sq.m.

CHAIRMAN'S STATEMENT

PROSPECTS FOR SECOND HALF OF 2026

As China's real estate market enters a new phase of in-depth adjustment, the easing policy stance will be maintained to achieve the stable and healthy development of the real estate market and effects of previously introduced systems will continue to unfold. With the moderate recovery of the economy, market confidence will gradually improve, but the in-depth adjustment of the industry will persist. From the perspective of overall market, it is expected that in the second half of 2026, driven by the dual effects of continuous policy easing, improved establishment of systems and dynamic adjustments of supply and demand, the real estate market will continue its trend of differentiated recovery. On one hand, core cities, supported by strong industrial support and population agglomeration effects, will lead stabilisation and market recovery; on the other hand, third-tier and fourth-tier cities will see prolonged market adjustments due to high inventory pressure and population outflow. Meanwhile, the industry concentration will further increase. Leading real estate enterprises will continue to expand their market share by virtue of their financing and operational advantages. In contrast, small and medium-sized real estate enterprises will face further compressed living space amid weak collection of receivables from sales and restricted financing, accelerating the pace of mergers, acquisitions and consolidation in the industry.

From the perspective of long-term development, the construction of "high-quality housing" has been determined as the core of building a new development model for the real estate industry. As housing consumption continues to upgrade, the demand for housing for home upgrades is gradually replacing rigid demand as the dominant force in the market, driving the industry to transform toward quality and refinement. The market potential of high-quality residential properties and assets in core locations has become increasingly prominent. With consumers' growing demands for living quality and the government's standards for "high-quality housing" construction, the real estate market will enter an era of quality competition. Real estate enterprises with superior product capabilities will gain significant competitive advantages. Meanwhile, the rental market will occupy an increasingly important position in the real estate market. The supply of rental housing will continue to increase, and the market scale will expand steadily. Long-term rental apartments and indemnificatory rental housing will become key components of the rental market.

Based on the pre-judgment on the current situation and future development trends of China's real estate market, in the second half of 2026, the Company will continue to proactively optimize its business strategy in line with the direction of industry adjustment, seize the window period in the market of housing for home upgrades, and accelerate its transformation pace. It will respond to industry changes through product upgrading and seize new growth opportunities. While enhancing product quality and service standards, the Company will proactively develop new business areas and strive to establish a new enterprise management model to adapt to market changes and industry development trends, so as to improve its risk prevention and control capabilities and seek survival and development in the new market environment.

CHAIRMAN'S STATEMENT

The Company will continue to be guided by the development of “high-quality housing,” focusing on the development of high-end housing for home upgrades. With the core development philosophy of returning to the essence of residence, it will increase investment in product research and development, green buildings, and smart homes. The Company will comprehensively enhance product design, construction quality, intelligence level, and green and low-carbon standards to meet the “high-quality housing” criteria and consumers’ demand for a high-quality living experience, and explore emerging areas such as all-age-friendly communities and resilient cities to expand the industry’s development space. By creating high-end projects of housing for home upgrades, the Company will expand its development space in the market and the industry. In terms of team building, the Company will also develop professional core teams and outstanding management teams. In the industry adjustment, it will extensively recruit outstanding talents who align with the requirements of industry development and match the Company’s business philosophy, so as to meet the talent needs for the Company’s operation and development.

ACKNOWLEDGEMENT

Finally, I would like to express my sincerest gratitude on behalf of the Board to the management and staff of the Company for their hard work. At the same time, I would also like to thank the investors, customers and partners for their great support and trust in the Group.

Bai Xuankui

Chairman

Shanxi, the PRC
28 August 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the Reporting Period, the Group's contracted sales amounted to approximately RMB64.6 million, representing an increase of approximately 15.8% as compared with the same period of last year. During the Reporting Period, the Group's revenue amounted to approximately RMB40.8 million, representing a decrease of approximately 51.1% as compared to the same period of last year, among which, revenue derived from property development was approximately RMB39.4 million, representing a decrease of approximately 51.9% as compared with the same period of last year. During the Reporting Period, the Group had gross profit of approximately RMB11.4 million, net loss of approximately RMB100.6 million, of which net loss attributable to owners of the parent of the Company was approximately RMB100.7 million.

CONTRACTED SALES

The Group's contracted sales for the six months ended 30 June 2026 and 2025 were approximately RMB64.6 million and RMB55.8 million, respectively, representing an increase of approximately 15.8%. The total contracted GFA for the six months ended 30 June 2026 and 2025 were approximately 8,713 sq.m. and 7,858 sq.m., respectively, representing an increase of approximately 10.9%. By geographical location, the Group's contracted sales from Jinzhong, Taiyuan, Mianyang and Haikou were approximately RMB21.4 million, RMB21.2 million, RMB11.5 million and RMB10.5 million, respectively, representing approximately 33.1%, 32.8%, 17.8% and 16.3% of the Group's total contracted sales, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

The table below sets forth the Group's contracted sales for the six months ended 30 June 2026 by geographical location:

	Contracted Sales for the six months ended 30 June 2026 (RMB million)	Contracted Sales for the six months ended 30 June 2025 (RMB million)	Contracted GFA for the six months ended 30 June 2026 (sq.m.)	Contracted GFA for the six months ended 30 June 2025 (sq.m.)	Average Contracted Sales Price for the six months ended 30 June 2026 (RMB/sq.m.)	Average Contracted Sales Price for the six months ended 30 June 2025 (RMB/sq.m.)
Jinzhong						
Chenxing Yijun (辰興頤郡)	21.4	1.4	3,506	465	4,789.9	2,942.5
Taiyuan						
Yosemite Valley Town – Taiyuan (龍城優山美郡) (Phase I)	10.4	1.4	1,072	154	9,663.2	8,965.7
Yosemite Valley Town – Taiyuan (龍城優山美郡) (Phase II)	0.3	3.2	45	521	7,188.4	6,062.8
Yosemite Valley Town – Taiyuan (龍城優山美郡) (Phase III)	10.5	4.1	1,327	1,056	7,897.2	3,903.2
Mianyang						
Elite Gardens (天御)	0.1	0.1	23	23	2,606.4	2,823.6
Chang Xing Star Gardens (長興星城)	2.0	0.3	296	197	6,608.5	1,321.9
Chang Xing Jinhutingyuan (長興金湖庭院)	9.4	15.6	1,187	1,837	7,892.0	8,487.4
Hainan						
Chenxing Shangpinhui (辰興尚品匯)	7.3	1.9	889	184	8,199.1	10,530.7
Jiangdong Shangyuan (江東上院)	3.2	27.8	368	3,421	8,730.8	8,123.5
Total	64.6	55.8	8,713	7,858	7,414.2	7,101.0

Note:

Contracted sales, total contracted GFA and average contracted sales price in the above table also include car parking spaces sold, if applicable.

MANAGEMENT DISCUSSION AND ANALYSIS

PROPERTY PROJECTS

The Group's property projects are divided into the following three categories depending on their development stages: completed properties, properties under development and properties held for future development. As some of the projects are developed successively in several phases, a single project may involve different development phases like completed, under development and held for future development.

As at 30 June 2026, the Group had a completed total GFA of approximately 3,364,119 sq.m. and a land bank with a total GFA of approximately 2,111,554 sq.m., comprising (i) a total GFA of approximately 249,094 sq.m. which is completed but unsold; (ii) a total GFA of approximately 886,621 sq.m. which is under development; and (iii) a total planned GFA of approximately 975,839 sq.m. held for future development.

The Group selectively retains the ownership of substantially all self-developed commercial properties with strategic values to generate sustainable and stable revenue. As at 30 June 2026, the Group had investment properties with a total GFA of approximately 21,613 sq.m.

PROPERTY PORTFOLIO SUMMARY

Intended use ⁽¹⁾	Total GFA completed (sq.m.)	GFA under development (sq.m.)	Total GFA held for future development (sq.m.)
Mid-rise	875,887	—	253,455
High-rise	1,258,097	217,042	177,444
Townhouses	78,453	118,896	171,482
Multi-story garden apartments	576,743	124,427	16,771
Retail outlets	249,744	106,908	74,162
SOHO apartments	6,931	15,984	—
Hotels	10,845	96,034	18,980
Parking spaces	300,804	187,821	245,693
Ancillary facilities ⁽²⁾	6,615	19,509	17,852
Total GFA	3,364,119	886,621	975,839
Attributable GFA⁽³⁾	3,303,762	886,621	874,841

Notes:

(1) Includes the portion of GFA held by the Group as public facilities (not saleable or leaseable).

(2) Includes primarily public facilities which are not saleable or leaseable.

(3) Comprises the total GFA attributable to the Group based on the Group's actual interest in the relevant projects or project phases.

MANAGEMENT DISCUSSION AND ANALYSIS

COMPLETED PROJECTS

The following table sets forth a summary of information on the Group's completed projects and corresponding project phases, if any, as at 30 June 2026:

Project	Location	Project type	Actual completion date	Site area (sq.m.)	Completed GFA (sq.m.)	Saleable/ Leaseable GFA remaining unsold (sq.m.)	GFA held for investment (sq.m.)	GFA sold (sq.m.)	Other GFA ⁽¹⁾ (sq.m.)	Ownership interest ⁽²⁾ (%)
Jinzhong										
1. East Lake Mall (東湖井)	Jinzhong City, Shanxi Province (山西省晉中市)	Retail outlets	July 2000	1,330	17,886	—	10,610	7,276	—	100.00
2. Grand International Mall & Apartments (君豪國際)	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/ Commercial	June 2007	7,465	65,544	9,081	8,241	48,222	—	100.00
3. Blossom Gardens (錦綉新城)	Jinzhong City, Shanxi Province (山西省晉中市)	Residential	April 2007	5,261	39,080	—	—	39,080	—	100.00
4. Xin Xing International Cultural Town (新興國際文教城)										
Phase I	Jinzhong City, Shanxi Province (山西省晉中市)	Residential	December 2005	5,600	24,602	—	—	24,602	—	100.00
Phase II	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/ Commercial	April 2012	17,968	93,061	—	—	92,910	151	100.00
Phase III	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/ Commercial	December 2009	255,918	545,047	2,327	—	542,720	—	100.00
Phase IV	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/ Commercial	July 2016	30,987	71,103	747	—	70,356	—	100.00
Phase V	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/ Commercial	July 2016	22,578	50,438	3,266	—	46,137	1,035	100.00
5. Upper East Gardens (上東庭院)										
Phase I	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/ Commercial	November 2006	19,361	47,926	—	—	47,926	—	100.00
Phase II	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/ Commercial	December 2011	24,343	75,889	—	—	75,889	—	100.00

MANAGEMENT DISCUSSION AND ANALYSIS

Project	Location	Project type	Actual completion date	Site area (sq.m.)	Completed GFA (sq.m.)	Saleable/ Leaseable GFA		GFA held for investment (sq.m.)	GFA sold (sq.m.)	Other GFA ⁽¹⁾ (sq.m.)	Ownership interest ⁽²⁾ (%)
						remaining unsold (sq.m.)					
6. Riverside Gardens — Zuoquan (左權濱河嘉園)	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/Commercial	December 2007	73,035	98,545	—	—	—	97,990	555	100.00
7. SOLO Apartments (尚座公寓)	Jinzhong City, Shanxi Province (山西省晉中市)	Commercial/Complex	September 2009	2,411	9,783	257	—	—	9,526	—	100.00
8. Riverside Gardens — Stage I	Heshun (和順濱河小區) Jinzhong City, Shanxi Province (山西省晉中市)	Residential	June 2008	60,100	62,508	—	—	—	62,168	340	100.00
Stage II	Jinzhong City, Shanxi Province (山西省晉中市)	Residential	October 2012	5,898	51,217	—	—	—	51,217	—	100.00
9. Mandarin Gardens — Taigu (太谷文華庭院)	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/Commercial	May 2011	30,690	51,525	—	—	—	51,525	—	100.00
10. Shuncheng Street Underground Space (順城街地下空間)	Jinzhong City, Shanxi Province (山西省晉中市)	Retail outlets	August 2015	—	897	—	—	—	897	—	100.00
11. Chenxing Yijun (辰興頤郡)											
Stage I (portion)	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/Commercial	April 2025	50,748	117,098	83,843	—	—	32,459	796	100.00
Taiyuan											
1. Yosemite Valley Town — Taiyuan (龍城優山美郡)											
Southern District, Phase I	Taiyuan City, Shanxi Province (山西省太原市)	Residential/Commercial	December 2014	117,128	406,165	12,718	—	—	393,447	—	100.00
Northern District, Phase I	Taiyuan City, Shanxi Province (山西省太原市)	Residential/Commercial	November 2016	108,005	397,867	11,155	—	—	316,333	70,379	100.00
Phase II (portion)	Taiyuan City, Shanxi Province (山西省太原市)	Residential/Commercial	June 2020	86,318	246,891	11,077	—	—	235,814	—	100.00

MANAGEMENT DISCUSSION AND ANALYSIS

Project	Location	Project type	Actual completion date	Site area (sq.m.)	Completed GFA (sq.m.)	Saleable/ Leaseable GFA remaining unsold (sq.m.)	GFA held for investment (sq.m.)	GFA sold (sq.m.)	Other GFA ⁽¹⁾ (sq.m.)	Ownership interest ⁽²⁾ (%)
Mianyang										
1. Yosemite Valley Town (優山美郡)	Mianyang City, Sichuan Province (四川省綿陽市)	Residential/ Commercial	May 2012	74,124	126,322	4,912	—	119,565	1,845	100.00
2. Elite Gardens (天禦)	Mianyang City, Sichuan Province (四川省綿陽市)	Residential/ Commercial	September 2014	68,529	116,815	664	—	115,464	687	100.00
3. Star Gardens (星城) Phase I	Mianyang City, Sichuan Province (四川省綿陽市)	Residential/ Commercial	June 2017	68,150	288,450	408	—	286,721	1,321	100.00
Phase II	Mianyang City, Sichuan Province (四川省綿陽市)	Residential/ Commercial	November 2020	36,158	122,271	48	—	121,292	931	100.00
4. Jinhutingyuan (金湖庭院) Phase I	Mianyang City, Sichuan Province (四川省綿陽市)	Residential/ Commercial	June 2024	62,672	150,893	22,295	—	128,598	—	60.00
Haikou										
1. Shangpinhui (尚品匯)	Haikou City, Hainan Province (海南省海口市)	Commercial	April 2024	43,795	86,296	86,296	—	—	—	100.00
Total				1,278,572	3,364,119	249,094	18,851	3,018,134	78,040	
Attributable GFA⁽³⁾				1,253,503	3,303,762	240,176	18,851	2,966,695	78,040	

Notes:

(1) Includes the GFA held by the Group as public facilities (not saleable or leaseable).

(2) Calculated based on the Group's actual ownership interests in the respective project companies.

(3) Comprises the total GFA attributable to the Group based on the Group's actual interests in the relevant projects or project phases.

MANAGEMENT DISCUSSION AND ANALYSIS

PROPERTIES UNDER DEVELOPMENT AND PROPERTIES HELD FOR FUTURE DEVELOPMENT

The following table sets forth a summary of information on the Group's projects under development and corresponding project stages, if any, and properties held for future development as at 30 June 2026:

Project	Location	Project type	Site area (sq.m.)	Actual/ estimated completion date	GFA under development (sq.m.)	Saleable/ leasable GFA (sq.m.)	Pre-sold GFA (sq.m.)	Planned GFA (sq.m.)	GFA with land use right certificate not yet obtained (sq.m.)	Ownership interest ⁽¹⁾ (%)
Jinzhong										
1. Chenxing Yijun (辰興頤郡)			146,538		13,506	11,057	—	356,400	—	100.00
Stage I (portion)	Jinzhong City, Shanxi Province (山西省晉中市)	Commercial	5,853	December 2026	13,506	11,057	—	—	—	100.00
Stage II	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/ Commercial	37,462	December 2027	—	—	—	99,500	—	100.00
Stage III	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/ Commercial	85,669	December 2027	—	—	—	209,300	—	100.00
Stage IV	Jinzhong City, Shanxi Province (山西省晉中市)	Residential/ Commercial	17,554	December 2027	—	—	—	47,600	—	100.00
2. Shiguang Zhicheng (時光之城)	Jinzhong City, Shanxi Province (山西省晉中市)	Commercial	28,296	September 2027	112,638	53,880	—	—	—	100.00
3. Jinxiu SOHO (錦綉中心)	Jinzhong City, Shanxi Province (山西省晉中市)	Commercial	3,461	May 2027	20,506	—	—	—	—	100.00
Taiyuan										
1. Yosemite Valley Town (龍城優山美郡)			107,038		349,196	324,928	276,411	—	—	100.00
Phase II (portion)	Taiyuan City, Shanxi Province (山西省太原市)	Residential/ Commercial	24,917	September 2026	129,448	118,086	89,796	—	—	100.00
Phase III	Taiyuan City, Shanxi Province (山西省太原市)	Residential/ Commercial	60,273	November 2026	207,129	206,842	186,615	—	—	100.00
Phase IV	Taiyuan City, Shanxi Province (山西省太原市)	Primary school	21,848	September 2026	12,619	—	—	—	—	100.00

MANAGEMENT DISCUSSION AND ANALYSIS

Project	Location	Project type	Site area (sq.m.)	Actual/ estimated completion date	GFA under development (sq.m.)	Saleable/ leasable GFA (sq.m.)	Pre-sold GFA (sq.m.)	Planned GFA (sq.m.)	GFA with land use right certificate not yet obtained (sq.m.)	Ownership interest ⁽¹⁾ (%)
2. Longcheng Jiuyuan (龍城玖院)			139,169		123,266	—	—	140,205	—	100.00
Phase I	Taiyuan City, Shanxi Province (山西省太原市)	Residential/ Commercial	64,604	December 2026	123,266	—	—	—	—	100.00
Phase II	Taiyuan City, Shanxi Province (山西省太原市)	Residential/ Commercial	74,565	December 2027	—	—	—	140,205	—	100.00
Haikou										
1. Jiangdong Shangyuan (江東上院)	Haikou City, Hainan Province (海南省海口市)	Residential/ Commercial	57,446	September 2026	56,425	10,844	6,492	17,240	—	100.00
Wuzhishan										
1. Yijun (頤郡)			92,522		136,422	34,185	—	—	—	100.00
Phase I	Wuzhishan City, Hainan Province (海南省 五指山市)	Commercial	28,745	September 2026	48,013	23,451	—	—	—	100.00
Phase II	Wuzhishan City, Hainan Province (海南省 五指山市)	Residential	23,827	November 2026	35,274	—	—	—	—	100.00
Phase III	Wuzhishan City, Hainan Province (海南省 五指山市)	Residential	18,244	May 2027	26,666	10,734	—	—	—	100.00
Phase IV	Wuzhishan City, Hainan Province (海南省 五指山市)	Residential	21,706	May 2027	26,469	—	—	—	—	100.00

MANAGEMENT DISCUSSION AND ANALYSIS

Project	Location	Project type	Site area <i>(sq. m.)</i>	Actual/ estimated completion date	GFA under development <i>(sq. m.)</i>	Saleable/ leasable GFA <i>(sq. m.)</i>	Pre-sold GFA <i>(sq. m.)</i>	Planned GFA <i>(sq. m.)</i>	GFA with land use right certificate not yet obtained <i>(sq. m.)</i>	Ownership interest ⁽¹⁾ <i>(%)</i>
Xishuangbanna										
1. Chenxing International Health City (辰興國際健康城)			223,826		74,662	—	—	209,498	—	100.00
Stage I	Xishuangbanna Dai Autonomous Prefecture, Yunnan Province (雲南省西雙版納 傣族自治州)	Residential/ Commercial	42,958	December 2026	20,540	—	—	36,818	—	100.00
Stage II	Xishuangbanna Dai Autonomous Prefecture, Yunnan Province (雲南省西雙版納 傣族自治州)	Residential	50,367	December 2026	54,122	—	—	—	—	100.00
Stage III	Xishuangbanna Dai Autonomous Prefecture, Yunnan Province (雲南省西雙版納 傣族自治州)	Residential	67,177	December 2027	—	—	—	70,237	—	100.00
Stage IV	Xishuangbanna Dai Autonomous Prefecture, Yunnan Province (雲南省西雙版納 傣族自治州)	Residential/ Commercial	63,324	December 2028	—	—	—	102,443	—	100.00
Mianyang										
1. Jinhutingyuan (金湖庭院)			91,695		—	—	—	252,496	—	60.00
Phase II	Mianyang City, Sichuan Province (四川省綿陽市)	Residential/ Commercial	91,695	September 2027	—	—	—	252,496	—	60.00
Total			889,991		886,621	434,894	282,903	975,839	—	
Attributable GFA⁽²⁾					886,621	434,894	282,903	874,841	—	

MANAGEMENT DISCUSSION AND ANALYSIS

Notes:

(1) Calculated based on the Group's actual ownership interests in the respective project companies.

(2) Comprises the total GFA attributable to the Group based on the Group's actual interests in the relevant projects or project phases.

The table below sets forth a summary of information on the Group's investment properties as at 30 June 2026:

Project	Type of property	Total GFA held for investment (sq.m.)	Effective leased GFA (sq.m.)	Occupancy rate (%)	Rental income for the six months ended 30 June	
					2026 (RMB million)	2025
Grand International Mall & Apartments (君豪國際)	Retail outlets	8,241	—	—	0.1	0.1
East Lake Mall (東湖井)	Retail outlets	10,610	272	2.6	—	—
Office Building of West Yingbin Street (迎賓西街辦公樓)	Retail outlets	2,762	2,762	100.0	1.3	1.3
Total		21,613	3,034	—	1.4	1.4

The table below sets forth a summary of the Group's land bank as at 30 June 2026 by geographical location:

	Completed	Under development	Future development	Total land bank ⁽¹⁾	Percentage of total land bank	Average land cost
	Leasable GFA remaining unsold (sq.m.)	GFA under development (sq.m.)	Planned GFA (sq.m.)	Total GFA (sq.m.)	(%)	(RMB/sq.m.)
Jinzhong	99,521	146,650	356,400	602,571	28.5	798.3
Taiyuan	34,950	472,462	140,205	647,617	30.6	668.2
Mianyang	28,327	—	252,496	280,823	13.3	1,085.8
Haikou	86,296	56,425	17,240	159,961	7.6	2,344.8
Wuzhishan	—	136,422	—	136,422	6.5	1,145.2
Xishuangbanna	—	74,662	209,498	284,160	13.5	987.3
Total	249,094	886,621	975,839	2,111,554	100.0	881.7

MANAGEMENT DISCUSSION AND ANALYSIS

Note:

(1) Land bank equals the sum of (i) saleable/leasable GFA remaining unsold, (ii) total GFA under development and (iii) total planned GFA held for future development.

The table below sets forth a summary of the Group's land bank as at 30 June 2026 by type of property:

	Completed	Under development	Future development	Total land bank ⁽¹⁾	Percentage of total land bank
	Leasable GFA remaining unsold [sq.m.]	GFA under development [sq.m.]	Planned GFA [sq.m.]	Total GFA [sq.m.]	[%]
Mid-rise	58,853	—	253,455	312,308	14.8
High-rise	12,562	217,042	177,444	407,048	19.3
Townhouses	7,462	118,896	171,482	297,840	14.1
Multi-story garden apartments	3,280	124,427	16,771	144,478	6.8
Available-for-sale office/commercial properties	85,327	106,908	74,162	266,397	12.6
SOHO apartments	58	15,984	—	16,042	0.7
Hotels	10,845	96,034	18,980	125,859	6.0
Parking spaces	70,707	187,821	245,693	504,221	23.9
Ancillary facilities ⁽²⁾	—	19,509	17,852	37,361	1.8
Total	249,094	886,621	975,839	2,111,554	100.0

Notes:

(1) Land bank equals the sum of (i) saleable/leasable GFA remaining unsold, (ii) total GFA under development and (iii) total planned GFA held for future development.

(2) Includes primarily public facilities which are not saleable.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

During the Reporting Period, the Group's revenue amounted to approximately RMB40.8 million, representing a decrease of approximately 51.1% as compared with approximately RMB83.3 million for the corresponding period of last year. The decrease was mainly due to the decrease in the carry-forward of revenue of Chenxing Yijun and the Phase I project of Jinhutingyuan (金湖庭院) during the Reporting Period.

During the Reporting Period, the Group's revenue from property development amounted to approximately RMB39.4 million, representing a decrease of approximately 51.9% as compared with the corresponding period of last year. The decrease was mainly due to the decrease in the carry-forward of revenue of Chenxing Yijun and the Phase I project of Jinhutingyuan (金湖庭院) during the Reporting Period.

Sales and Services Cost

The Group's sales and services cost decreased by approximately 41.1% from approximately RMB49.9 million for the six months ended 30 June 2025 to approximately RMB29.4 million for the six months ended 30 June 2026, which was mainly due to the substantial decrease in cost of sales as a result of the substantial decrease in revenue during the Reporting Period.

Gross Profit

During the Reporting Period, the Group's gross profit was approximately RMB11.4 million, representing a decrease of approximately 65.9% from approximately RMB33.4 million for the six months ended 30 June 2025. The Group's gross profit margin during the Reporting Period was approximately 27.9%, as compared with approximately 40.1% for the corresponding period of last year. The decrease was mainly due to changes in the major projects with recognised revenue from sales of properties and differences in gross profit margin among different projects during the Reporting Period.

During the Reporting Period, the Group's gross profit on property development amounted to approximately RMB9.9 million, representing a decrease of approximately 68.9% as compared with approximately RMB32.0 million for the six months ended 30 June 2025. The decrease was mainly due to the substantial decrease in revenue during the Reporting Period.

During the Reporting Period, the Group's gross profit margin of property development was approximately 25.3%, while the gross profit margin from property development was approximately 39.0% for the six months ended 30 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Other Income and Gains

The Group's other income and gains amounted to approximately RMB1.9 million during the Reporting Period, representing a decrease of approximately 40.5% as compared with approximately RMB3.2 million for the six months ended 30 June 2025. The decrease was mainly due to the decrease in other rental income during the Reporting Period.

Net Loss Attributable to Owners of the Parent of the Company

During the Reporting Period, the net loss attributable to owners of the parent of the Company was approximately RMB100.7 million, representing an increase of approximately 10.9% from approximately RMB90.8 million for the six months ended 30 June 2025. The increase in the net loss attributable to owners of the parent of the Company was mainly due to the decrease in gross profit of sales and increase in estimated liabilities during the Reporting Period.

Selling and Distribution Expenses

The Group's selling and distribution expenses decreased by approximately 44.1% from approximately RMB9.8 million for the six months ended 30 June 2025 to approximately RMB5.5 million for the Reporting Period, and the decrease was primarily due to a substantial decrease in sales agent fees and handling fees as a result of the decrease in revenue from sales of properties during the Reporting Period.

Administrative Expenses

The Group's administrative expenses decreased by approximately 9.0% from approximately RMB20.4 million for the six months ended 30 June 2025 to approximately RMB18.6 million for the Reporting Period, and the decrease was primarily due to a decrease in office and travelling expenses during the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance Costs

The Group's finance costs decreased by approximately 34.4% from approximately RMB80.9 million for the six months ended 30 June 2025 to approximately RMB53.1 million for the Reporting Period, primarily due to the capitalisation of interests for the commenced portion of Longcheng Jiuyuan Project during the Reporting Period.

Income Tax Expense

The Group's income tax expenses decreased by approximately 96.7% from approximately RMB10.7 million for the six months ended 30 June 2025 to approximately RMB0.4 million for the Reporting Period, and the decrease was primarily due to the corporate income tax refund received by Chenxing Yazhi Company and a decrease in deferred tax as compared with the last year during the Reporting Period.

Total Comprehensive Loss for the Period

As a result of the foregoing, the Group's total comprehensive loss for the period increased by approximately 26.7% from approximately RMB87.2 million for the six months ended 30 June 2025 to approximately RMB110.5 million.

Cash Position

As at 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB69.4 million, representing a decrease of approximately 33.9% as compared with approximately RMB105.0 million as at 31 December 2025.

Net Operating Cash Flow

As at 30 June 2026, the Group recorded a positive operating cash flow of approximately RMB7.7 million as compared with a positive operating cash flow of approximately RMB53.5 million as at 30 June 2025.

Borrowings

As at 30 June 2026, the Group had outstanding bank and other borrowings and borrowings from related parties of approximately RMB2,604.8 million and RMB176.3 million, respectively, while the Group had outstanding bank and other borrowings and borrowings from related parties of approximately RMB2,712.1 million and RMB180.3 million as at 30 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Pledged Assets

Certain of the Group's borrowings were secured by properties under development, investment properties, as well as property, plant and equipment, or a combination of the above items. As at 30 June 2026, the assets pledged to secure certain borrowings granted to the Group amounted to approximately RMB1,670.3 million, while the assets pledged to secure certain borrowings granted to the Group amounted to approximately RMB1,661.0 million as at 31 December 2025.

Financial Guarantees and Contingent Liabilities

In line with the market practice, the Group has entered into agreements of arrangements with various banks for the provision of mortgage financing to its customers. The Group does not conduct any independent credit checks on customers, but relies on the credit checks conducted by mortgagee banks. As with other PRC property developers, the banks usually require the Group to guarantee its customers' obligations to repay the mortgage loans on the properties. The guarantee period normally lasts until the bank receives the strata-title building ownership certificate (分戶產權證) from the customer as security of the mortgage loan granted. As at 30 June 2026, the Group's outstanding guarantees in respect of the mortgages of its customers amounted to approximately RMB702.0 million, the Group's outstanding guarantees in respect of the mortgages of its customers amounted to approximately RMB839.0 million as at 31 December 2025.

The Group had no significant contingent liabilities as at 30 June 2026.

Gearing Ratio

As at the end of the Reporting Period, based on the Group's total debt of approximately RMB2,604.8 million and total equity of approximately RMB842.9 million, the gearing ratio of the Group was approximately 309.1% (31 December 2025: approximately 274.6%). Gearing ratio is calculated by dividing total debt over total equity, and total debt includes interest-bearing bank and other borrowings. The increase in gearing ratio was mainly due to the decrease in total equity as a result of losses for the period during the Reporting Period.

Foreign Currency Risk

The Group operates primarily in the PRC and most of its revenues and expenses are settled in RMB. The Group is exposed to foreign currency risks because its bank balances are denominated in HK dollar and the value of which will fluctuate with exchange rate fluctuations. The exchange rate between RMB and HK dollar may fluctuate as a result of various factors, such as changes in China's political and economic conditions. The Board expects that the fluctuation of the RMB exchange rate will not have a material adverse effect on the Group. The Group does not have a hedging policy in relation to the foreign currency risk.

MANAGEMENT DISCUSSION AND ANALYSIS

Material Acquisitions and Disposal and Material Investments

Save as disclosed in this report, the Group did not have any other material acquisition and disposal and material investments during the Reporting Period.

Other Significant Matters during the Reporting Period

As of the date of this report, the Group did not have any other significant matters during the Reporting Period.

Significant Events after the Reporting Period

As of the date of this report, the Group did not have any significant events after the Reporting Period.

Future Plans for Material Investments or Capital Assets

The Company will continue to invest in property development projects and acquire suitable land parcels in selected cities as appropriate. Internal resources and bank borrowings are expected to be sufficient to meet the necessary needs. Save as disclosed in the prospectus and above, the Group has no future plans of material investment as at the date of this report.

Employees and Remuneration Policies

As at the end of the Reporting Period, the Group had 201 employees. During the Reporting Period, the Group had incurred the employee costs of approximately RMB9.0 million. Remuneration for the employees generally includes salary and performance-based quarterly bonuses. As required by applicable PRC laws and regulations, the Group participates in various employee benefit plans operated by the municipal and provincial governments, including housing provident funds, pension, medical, occupational injury and unemployment benefit plans.

INTERIM DIVIDEND

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

CORPORATE GOVERNANCE PRACTICE

CORPORATE GOVERNANCE PRACTICE

The Company is always committed to maintaining high standards of corporate governance with a view to assuring the conduct of management of the Company and protecting the interests of all shareholders. The Company is fully aware that transparency and accountability in corporate governance are crucially important to the shareholders. The Board considers that sound corporate governance maximizes the shareholders' interest.

The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules (the "**Listing Rules**") Governing the Listing of Securities on the Stock Exchange as its own code of corporate governance. During the Reporting Period, the Company had complied with all applicable code provisions under the CG Code.

To ensure that the Company complies with the CG Code, the Company will constantly review and strengthen its corporate governance practices and enhance its internal control through the assistance of its legal advisors as to PRC and Hong Kong laws.

The Board consists of four executive Directors and three independent non-executive Directors. The Board is responsible for the operation and coordination of the development of the Company and monitoring the Company's business, strategic decisions and performance, and has full and timely access to all relevant information in relation to the Company's businesses and affairs, while the day-to-day management is delegated to the management of the Company. The independent non-executive Directors possess professional qualifications and related management experience in the areas of financial accounting, corporate governance, etc. and contribute to the Board with their professional opinions.

Mr. Bai Xuankui ("**Chairman Bai**") is an executive Director and the chairman of the Board. He is responsible for the management of the Board and the overall strategic planning, business development and corporate governance functions. The Company believes that Chairman Bai's servicing as Director and chairman of the Board since its establishment is conducive to the Company's formulating a correct development strategy. Regarding business operations, the Company's senior management, which comprises experienced and high caliber individuals from various sectors, will ensure decisions made by the Board be thoroughly implemented.

CORPORATE GOVERNANCE PRACTICE

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct for securities transactions by Directors. Having made specific enquiries with all Directors, each of them has confirmed that he/she has complied with the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sales of treasury shares).

As at the end of the Reporting Period, the Company did not hold any treasury shares.

SUFFICIENCY OF PUBLIC FLOAT

As of the date of this report, based on information publicly available to the Company and to the knowledge of the Directors, the Company has maintained the prescribed amount of public float as required by the Stock Exchange.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the CG Code. The Audit Committee consists of three independent non-executive Directors, namely Mr. Tian Hua, Mr. Qiu Yongqing and Ms. Gao Jianhua. The Audit Committee is chaired by Mr. Tian Hua.

The Audit Committee has reviewed, with the management and the Board, the accounting principles and policies adopted by the Company, as well as relevant laws and regulations, and discussed risk management, internal control and financial reporting matters of the Group, including the review of the interim results and interim report for the six months ended 30 June 2026. The Audit Committee considered that the interim results are in compliance with the applicable accounting principles and policies, laws and regulations, and the Company has made appropriate disclosures thereof.

CORPORATE GOVERNANCE PRACTICE

DISCLOSURE OF INTERESTS

Interests and/or Short Positions of Directors and Chief Executive in Shares, Underlying Shares and Debentures of the Company or any of its Associated Corporations

As at 30 June 2026, the interests and/or short positions of the following Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or required to be entered into the register mentioned under Section 352 of the SFO, or required to be notified to the Company and the Stock Exchange pursuant to the Model Code:

Long Positions in the Shares of the Company

Name of Director/ chief executive	Capacity/Nature of interest	Number of shares held	Percentage of shareholdings ^(Note 1)
Mr. Bai Xuankui [" Mr. Bai "] ^(Note 2)	Settlor of a discretionary trust	346,944,000	57.82%
Mr. Bai Wukui ^(Note 3)	Interest of a controlled corporation	64,945,000	10.82%
Mr. Bai Guohua ^(Note 4)	Beneficiary of a discretionary trust	346,944,000	57.82%
Mr. Dong Shiguang [" Mr. Dong "] ^(Note 5)	Interest of a controlled corporation	10,827,740	1.80%

Notes:

- As at 30 June 2026, the total number of issued shares of the Company was 599,999,989 shares.
- The shares were held by White Dynasty Global Holdings Limited ("**White Dynasty BVI**") in the capacity of a legal beneficial owners, which was a corporate controlling shareholder of the Company, and White Dynasty BVI was owned by White Empire (PTC) Limited ("**White Empire BVI**") in the capacity of a legal beneficial owner. White Empire BVI was the trustee of the family trust established for the benefit of Mr. Bai Guohua, Ms. Cheng Guilian ("**Mrs. Bai**"), and other beneficiaries to be nominated by the trustee from time to time. Since Mr. Bai was the settlor of the Family Trust, Mr. Bai was deemed to be interested in the shares held by White Dynasty BVI under the SFO.
- The shares were held by White Legend Global Holdings Limited ("**White Legend BVI**") in the capacity of a legal beneficial owner. White Legend BVI was wholly-owned by Mr. Bai Wukui in the capacity of a legal beneficial owner. Since Mr. Bai Wukui held the entire issued share capital of White Legend BVI, Mr. Bai Wukui was deemed to be interested in the shares held by White Legend BVI under the SFO.
- The shares were held by White Dynasty BVI in the capacity of a legal beneficial owner. Since (i) Mr. Bai Guohua was a beneficiary of the Family Trust; and (ii) Mr. Bai Guohua was a person acting in accordance with the instructions from Mr. Bai, the settlor of the Family Trust, at all times, hence Mr. Bai Guohua was deemed to be interested in the shares held by White Dynasty BVI under the SFO.
- The shares were held by Honesty Priority Global Holdings Limited ("**Honesty Priority BVI**") in the capacity of a legal beneficial owner. Since Mr. Dong owned 34.87% shares in Honesty Priority BVI, Mr. Dong was deemed to be interested in the shares held by Honesty Priority BVI under the SFO.

CORPORATE GOVERNANCE PRACTICE

Long Positions in the Shares of Associated Corporations of the Company

Name of Director/ chief executive	Name of associated corporation	Capacity/Nature of interest	Number of shares held	Percentage of shareholdings
Mr. Bai	White Dynasty BVI ^(Note 1)	Settlor of a discretionary trust	10,000	100%
Mr. Bai	White Empire BVI ^(Note 1)	Settlor of a discretionary trust		100%
Mr. Bai Guohua	White Dynasty BVI ^(Note 1)	Beneficiary of a discretionary trust	10,000	100%
Mr. Bai Guohua	White Empire BVI ^(Note 1)	Beneficiary of a discretionary trust		100%

Note:

- White Dynasty BVI was a corporate controlling shareholder of the Company and was wholly-owned by White Empire BVI in the capacity of a legal beneficial owner. White Empire BVI was a company limited by guarantee incorporated in the British Virgin Islands and the trustee of the Family Trust which was held for the benefits of Mr. Bai Guohua, Mrs. Bai and other beneficiaries to be nominated by the trustee from time to time, and Mr. Bai was the settlor of the Family Trust.

As at 30 June 2026, save as disclosed above, none of the Directors or chief executive of the Company had any interest and/or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or required to be recorded in the register mentioned under Section 352 of the SFO or required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Interests and/or Short Positions in the Shares and Underlying Shares of the Company Held by Substantial Shareholders

As at 30 June 2026, to the best knowledge of the Company and the Directors, the following persons (other than Directors or chief executive of the Company) had interests and/or short positions in the shares and underlying shares of the Company, which were required to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or required to be entered into the register mentioned under Section 336 of the SFO:

Name of Shareholder	Capacity/Nature of interest	Number of shares held	Percentage of shareholdings ^(Note 1)
White Dynasty BVI ^(Note 2)	Beneficial owner	346,944,000	57.82%
White Empire BVI ^(Note 2)	Interest of a controlled corporation	346,944,000	57.82%
White Legend BVI ^(Note 3)	Beneficial owner	64,945,000	10.82%
Mrs. Bai ^(Note 4)	Beneficiary of a discretionary trust	346,944,000	57.82%
Ms. Gan Xuelin ^(Note 5)	Interest of spouse	64,945,000	10.82%
Hwabao Trust Co., Ltd.	Trustee	62,160,000	10.36%

CORPORATE GOVERNANCE PRACTICE

Notes:

1. As at 30 June 2026, the Company had a total number of 599,999,989 shares in issue.
2. White Dynasty BVI was wholly-owned by White Empire BVI, hence White Empire BVI was deemed to be interested in the shares owned by White Dynasty BVI under the SFO. White Empire BVI was the trustee for the Family Trust established for the benefit of Mr. Bai Guohua, Mrs. Bai and other beneficiaries to be nominated by the trustee from time to time. Mr. Bai was the settlor of the Family Trust.
3. White Legend BVI was wholly-owned by Mr. Bai Wukui in the capacity of a legal beneficial owner. Since Mr. Bai Wukui had a controlling interest in White Legend BVI, Mr. Bai Wukui was deemed to be interested in the shares held by White Legend BVI under the SFO.
4. Mrs. Bai was the wife of Mr. Bai. Since Mrs. Bai was a beneficiary of the Family Trust, Mrs. Bai was deemed to be interested in the shares held by White Dynasty BVI under the SFO.
5. Ms. Gan Xuelin was the wife of Mr. Bai Wukui. Since Mr. Bai Wukui was deemed to be interested in the shares held by White Legend BVI under the SFO, therefore, Ms. Gan Xuelin was deemed to be interested in the shares held by White Legend BVI.

As at 30 June 2026, save as disclosed above, the Company was not aware of any other persons (other than Directors and chief executive of the Company) who had interests and/or short positions in the shares and underlying shares of the Company, which were required to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or required to be entered into the register mentioned under Section 336 of the SFO.

CHANGE IN THE INFORMATION OF THE DIRECTORS

Since the publication of 2025 annual report of the Company, there is no change in the information of the Directors required to be disclosed under Rule 13.51B(1) of the Listing Rules.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	For the six months ended 30 June	
		2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
REVENUE	5	40,788	83,335
Cost of sales		(29,403)	(49,923)
Gross profit		11,385	33,412
Other income and gains	5	1,925	3,235
Selling and distribution expenses		(5,484)	(9,803)
Administrative expenses		(18,573)	(20,416)
Reversal of provision for expected credit losses on financial assets, net		82	1,428
Other expenses		(36,836)	(1,059)
Finance costs		(53,072)	(80,918)
Share of profits/(losses) of: Joint ventures		282	(416)
LOSSES BEFORE TAX	6	(100,291)	(74,537)
Income tax expense	7	(357)	(10,698)
LOSSES FOR THE PERIOD		(100,648)	(85,235)
Attributable to:			
Owners of the parent	9	(100,700)	(90,788)
Non-controlling interests		52	5,553
		(100,648)	(85,235)
LOSSES PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	9	RMB(0.17)	RMB(0.15)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
LOSS FOR THE PERIOD	(100,648)	[85,235]
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(1,575)	[671]
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	(1,575)	[671]
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	(10,981)	[1,738]
Income tax effect	2,745	435
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	(8,236)	[1,303]
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	(9,811)	[1,974]
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(110,459)	[87,209]
Attributable to:		
Owners of the parent	(110,511)	[92,762]
Non-controlling interests	52	5,553
	(110,459)	[87,209]

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	48,243	45,251
Investment properties		90,000	90,000
Right-of-use assets		985	1,007
Properties under development	11	244,064	243,870
Investment in joint ventures		9,544	9,262
Equity investments designated at fair value through other comprehensive income	12	47,943	58,925
Deferred tax assets		278,204	277,424
Land development cost recoverable		1,631,166	1,632,693
Total non-current assets		2,350,149	2,358,432
CURRENT ASSETS			
Properties under development	11	4,252,204	4,189,017
Completed properties held for sale	13	1,473,486	1,501,595
Inventories		26,426	25,702
Trade receivables	14	2,645	2,345
Prepayments, other receivables and other current assets		363,182	387,692
Tax recoverable		66,059	65,800
Pledged deposits	15	2,691	2,705
Restricted cash	15	3,336	4,497
Cash and cash equivalents	15	69,420	104,959
Total current assets		6,259,449	6,284,312

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
CURRENT LIABILITIES			
Trade and bills payables	16	741,099	884,872
Other payables and accruals		1,290,172	1,200,420
Contract liabilities		2,931,730	2,788,418
Interest-bearing bank and other borrowings	17	235,022	2,575,796
Tax payable		90,023	89,098
Total current liabilities		5,288,046	7,538,604
NET CURRENT ASSETS/(LIABILITIES)		971,403	(1,254,292)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,321,552	1,104,140
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	17	2,369,771	41,900
Deferred tax liabilities		45,530	45,530
Other payables		63,400	63,400
Total non-current liabilities		2,478,701	150,830
NET ASSETS		842,851	953,310
EQUITY			
Equity attributable to owners of the parent			
Share capital		4,855	4,855
Reserves		677,094	787,605
		681,949	792,460
Non-controlling interests		160,902	160,850
TOTAL EQUITY		842,851	953,310

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the parent										Total equity RMB'000
	Share capital RMB'000	Share premium account RMB'000	Capital reserve RMB'000	Statutory surplus reserve RMB'000	Asset revaluation reserve RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	
At 1 January 2026 (audited)	4,855	344,141	102,552	188,656	23,331	(72,533)	17,347	184,111	792,460	160,850	953,310
Profit for the period	—	—	—	—	—	—	—	(100,700)	(100,700)	52	(100,648)
Other comprehensive income for the period:											
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	—	—	—	—	—	(8,236)	—	—	(8,236)	—	(8,236)
Exchange differences on translation of foreign operations	—	—	—	—	—	—	(1,575)	—	(1,575)	—	(1,575)
Total comprehensive income for the period	—	—	—	—	—	(8,236)	(1,575)	(100,700)	(110,511)	52	(110,459)
At 30 June 2026 (unaudited)	4,855	344,141*	102,552*	188,656*	23,331*	(80,769)*	15,772*	83,411*	681,949	160,902	842,851

* These reserve accounts comprise the consolidated reserves of RMB677,094,000 at 30 June 2026 in the condensed consolidated statement of financial position.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the parent										Total equity RMB'000
	Share capital RMB'000	Share premium account RMB'000	Capital reserve RMB'000	Statutory surplus reserve RMB'000	Asset revaluation reserve RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non- controlling interests RMB'000	
At 1 January 2025 (audited)	4,855	344,141	102,552	188,656	23,331	(71,223)	18,416	459,334	1,070,062	157,956	1,228,018
Profit for the period	—	—	—	—	—	—	—	(90,788)	(90,788)	5,553	(85,235)
Other comprehensive income for the period:											
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	—	—	—	—	—	(1,303)	—	—	(1,303)	—	(1,303)
Exchange differences on translation of foreign operations	—	—	—	—	—	—	(671)	—	(671)	—	(671)
Total comprehensive income for the period	—	—	—	—	—	(1,303)	(671)	(90,788)	(92,762)	5,553	(87,209)
At 30 June 2025 (unaudited)	4,855	344,141	102,552	188,656	23,331	(72,526)	17,745	368,546	977,300	163,509	1,140,809

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	(100,291)	(74,537)
Adjustments for:		
Depreciation of property, plant and equipment	2,430	2,509
Depreciation of right-of-use assets	22	22
Amortisation of intangible assets	—	—
Loss on disposal of items of property, plant and equipment	—	—
Other interest income from financial assets at fair value through profit or loss	—	—
Deemed investment income from disposal of subsidiaries	—	—
Share of profits of joint ventures and associates	(282)	416
Finance costs	53,072	80,918
Interest income	(10)	(46)
	(45,059)	9,282
(Increase) in properties under development	(30,878)	(58,773)
Decrease in completed properties held for sale	28,109	64,691
(Increase)/decrease in inventories	(919)	5,512
(Increase)/decrease in trade receivables	(300)	122
Decrease/(increase) in prepayments, other receivables and other assets	26,024	(20,164)
Decrease in pledged deposit	13	632
Decrease in restricted bank balance	1,162	3,135
(Decrease) in trade and bills payables	(143,772)	(40,034)
Increase in other payables and accruals	27,724	185,816
(Increase)/decrease in contract liabilities	143,312	(87,955)
Cash generated from operations	5,416	62,264
Tax paid	2,288	(8,773)
Net cash flows from operating activities	7,704	53,491

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	(5,421)	(1,819)
Loss on disposal of items of property, plant and equipment	—	22
Purchase of intangible assets	—	—
Purchases of financial assets at fair value through profit or loss	—	—
Proceeds from disposal of financial assets at fair value through profit or loss	—	—
Proceeds from disposal of an associate	—	—
Income from financial assets at fair value through profit or loss	—	—
Proceeds from disposal of subsidiaries	—	—
Interest received	10	46
Net cash flows used in investing activities	(5,411)	(1,751)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank and other loans	4,000	147,669
Repayment of bank loans	(12,903)	(168,165)
Principal portion of lease payments	—	—
Interest paid	(27,354)	(13,716)
Net cash flows used in financing activities	(36,257)	(34,212)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(33,964)	17,528
Cash and cash equivalents at beginning of period	104,959	107,654
Effect of foreign exchange rate changes, net	(1,575)	(671)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	69,420	124,511
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	75,447	136,672
Less: Pledged deposits	2,691	9,640
Restricted cash	3,336	2,521
	69,420	124,511

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 3 November 2014. The registered office of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands, and the head office and principal place of business of the Company is located at 18 Anning Street, Yuci District, Jinzhong City, Shanxi Province, the People's Republic of China (the "**PRC**").

The Company is an investment holding company and its subsidiaries are principally engaged in property development with focus on development projects of residential and commercial properties.

2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standards ("**HKAS**") 34 "Interim Financial Reporting". The unaudited interim condensed consolidated financial statements do not include all the 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.

The unaudited interim condensed consolidated financial statements have been prepared under the historical cost convention, except for investment properties, wealth management products and equity investment which have been measured at fair value. These unaudited interim condensed consolidated financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the annual financial statements for that financial year of the Group but is derived from those financial statements. BDO Limited, the auditor of the Company, has reported on those financial statements on 27 March 2026. The auditor's opinion was not modified but included a reference to a matter to which the auditor drew attention for material uncertainty related to going concern. The unaudited condensed consolidated interim financial information has not been audited, but has been reviewed by the Audit Committee.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies and basis adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual financial statements for the year ended 31 December 2025, except for the adoption of the following new and revised HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-Dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11

The application of the revised HKFRS accounting standards in the Reporting Period has had no material financial impact on the Group's financial performance and position for the current and prior period and/or the disclosures set out in these interim condensed consolidated financial statements.

The adoption of these new and revised standards has had no material financial impact on the Group's interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on its products and services and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resources allocation and performance assessment.

No geographical information is presented as the Group's revenue from the external customers is derived solely from its operation in Mainland China and no non-current assets of the Group are located outside Mainland China.

No information about major customers is presented as no single customer individually contributed to over 10% of the Group's revenue for the six months ended 30 June 2026 and 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
<i>Revenue from contracts with customers</i>	39,352	81,898
<i>Revenue from other sources</i>		
Property leasing income	1,436	1,437
	40,788	83,335

Revenue from contracts with customers

(a) Disaggregated revenue information

	For the six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Type of goods or services		
Sales of properties	39,352	81,898
Total revenue from contracts with customers	39,352	81,898
Timing of revenue recognition		
Goods transferred at a point in time	39,352	81,898

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. REVENUE, OTHER INCOME AND GAINS *(continued)*

Revenue from contracts with customers *(continued)*

(a) Disaggregated revenue information *(continued)*

	For the six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Other income		
Bank interest income	10	46
Gross rental income	573	2,402
Others	1,342	787
	1,925	3,235

6. LOSSES BEFORE TAX

The Group's losses before tax is arrived at after charging:

	For the six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Cost of properties sold	29,403	49,923
Depreciation of property, plant and equipment	2,430	2,509
Depreciation of right-of-use assets	22	22
Employee benefit expense (excluding directors' and chief executives' remuneration):		
Wages and salaries	6,262	5,820
Pension scheme contributions	722	775
Staff welfare expense	819	873
Total employee benefit expense (excluding directors' and chief executives' remuneration)	7,803	7,468

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

7. INCOME TAX (CREDIT)/EXPENSE

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The major components of the Group's income tax expense are as follows:

	For the six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Current tax:		
Income tax (credit)/expense	(2,075)	6,067
Land appreciation tax	466	683
Deferred tax	1,966	3,948
Total tax charge for the period	357	10,698

8. DIVIDENDS

The Board did not declare any interim dividend for the six months ended 30 June 2026 (the six months ended 30 June 2025: Nil).

9. LOSSES PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic losses per share attributable to ordinary equity holders of the parent is based on the following data:

	For the six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Losses:		
Losses attributable to ordinary equity holders of the parent, used in the basic losses per share calculation	(100,700)	(90,788)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9. LOSSES PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT *(continued)*

	For the six months ended 30 June	
	2026 '000 (unaudited)	2025 '000 (unaudited)
Shares:		
Weighted average number of ordinary shares for the purpose of the basic losses per share calculation	600,000	600,000

The Group had no potentially dilutive ordinary shares during the six months ended 30 June 2026 and 2025.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets with a cost of RMB5,421,341 (the six months ended 30 June 2025: RMB1,819,369).

During the six months ended 30 June 2026, the Group did not dispose of assets (the six months ended 30 June 2025: RMB704,318).

11. PROPERTIES UNDER DEVELOPMENT

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Carrying amount at end of period/year	4,496,268	4,432,887
Less: Current portion	(4,252,204)	(4,189,017)
Non-current portion	244,064	243,870

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

11. PROPERTIES UNDER DEVELOPMENT *(continued)*

Properties under development expected to be recovered:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Within one year	1,481,257	1,458,755
After one year	3,015,011	2,974,132
	4,496,268	4,432,887

At 30 June 2026, certain of the Group's properties under development with a carrying value of approximately RMB916,302,000 (31 December 2025: RMB906,769,000) were pledged to secure bank loans granted to the Group (note 17).

12. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Listed equity investment, at fair value	47,943	58,925

The above equity investment was irrevocably designated at fair value through other comprehensive income as the Group considers this investment to be strategic in nature.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

13. COMPLETED PROPERTIES HELD FOR SALE

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Carrying amount at beginning of period/year	1,501,595	1,045,640
Transfer from properties under development	1,294	625,408
Transfer to cost of properties sold	(29,403)	(98,947)
Impairment during the period/year	—	(70,506)
Carrying amount at end of period/year	1,473,486	1,501,595

The aggregated carrying value of certain of the Group's completed properties held for sale as at 30 June 2026 was approximately RMB734,023,000 (31 December 2025: RMB732,882,000) (note 17).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the Reporting Period, based on the invoice date and net of loss allowance, is as follows:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Within 3 months	—	—
3 to 6 months	—	—
Over 6 months	2,645	2,345
	2,645	2,345

15. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Total cash and bank balances, including pledged deposits	75,447	112,161
Less: Pledged deposits	(2,691)	(2,705)
Restricted cash	(3,336)	(4,497)
Cash and cash equivalents	69,420	104,959

Cash at bank earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

16. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables at the end of the Reporting Period, based on the payment due dates, is as follows:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Less than 1 year	96,450	128,718
1 to 2 years	127,646	57,228
2 to 3 years	51,496	141,027
3 to 4 years	130,446	231,870
4 to 5 years	180,999	211,522
Over 5 years	154,062	114,507
	741,099	884,872

17. INTEREST-BEARING BANK BORROWINGS AND OTHER BORROWINGS

	30 June 2026			31 December 2025		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current						
Bank loans – secured	3.00–7.20	2026–2027	235,022	3.00–7.20	2026	2,425,196
Bank loans – unsecured	—	—	—	3.85–4.00	2026	150,600
			235,022			2,575,796

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

17. INTEREST-BEARING BANK BORROWINGS AND OTHER BORROWINGS *(continued)*

	30 June 2026			31 December 2025		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Non-current						
Bank loans — secured	3.00–7.00	2027–2031	2,178,271	—	—	—
Bank loans — unsecured	3.85–4.00	2027–2029	149,600	—	—	—
Other borrowings — unsecured	3.85–15.00	2027–2028	41,900	3.85–15.00	2027–2028	41,900
			2,369,771			41,900
			2,604,793			2,617,696

Notes:

As at 30 June 2026, the Group's bank and other borrowings are secured by:

- (i) mortgages over the Group's property under development, which had a net carrying value at the end of the reporting period of approximately RMB916,302,000 [31 December 2025: RMB906,769,000] (Note 11);
- (ii) mortgages over the Group's completed properties held for sale, which had a net carrying value at the end of the reporting period of approximately RMB734,023,000 [31 December 2025: RMB732,882,000] (Note 13);
- (iii) mortgages over the Group's property, plant and equipment, which had a net carrying value at the end of the reporting period of approximately RMB19,977,000 [31 December 2025: RMB21,033,000]; and
- (iv) the guarantees provided by the Company, the subsidiary of the Group, the director of the Company and the Company's controlling shareholder.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

18. COMMITMENTS

The Group had the following capital commitments at the end of the Reporting Period:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Contracted, but not provided for:		
Property development activities	1,037,860	1,141,202
Capital contribution payable to joint ventures	2,450	2,450
	1,040,310	1,143,652

19. CONTINGENT LIABILITIES

As at 30 June 2026 and 31 December 2025, contingent liabilities not provided for in the interim condensed consolidated financial statements were as follows:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Guarantees given to banks in respect of mortgage facilities granted to the purchasers of the Group's properties	701,978	839,049

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

19. CONTINGENT LIABILITIES *(continued)*

The Group provided guarantees in respect of mortgage facilities granted by certain banks to the purchasers of the Group's completed properties held for sale. Pursuant to the terms of the guarantee arrangements, in case of default on mortgage payments by the purchasers, the Group is responsible to repay the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to those banks. The Group is then entitled to take over the legal titles of the related properties. The Group's guarantee period commences from the date of grant of the relevant mortgage loan and ends at the execution of individual purchaser's collateral agreement.

The Group did not incur any material losses during the Reporting Period in respect of the guarantees provided for mortgage facilities granted to the purchasers of the Group's completed properties held for sale. The Directors considered that in case of default on payments, the net realisable value of the related properties would be sufficient to repay the outstanding mortgage loans together with any accrued interest and penalty, and therefore no provision has been made in connection with the guarantees.

20. RELATED PARTY TRANSACTIONS

Details of the Group's principal related parties are as follows:

Name	Relationship
Mr. Bai Xuankui	Director, the ultimate controlling shareholder
Mr. Bai Guohua	Director, the ultimate controlling shareholder
Mr. Bai Wukui	Director, the ultimate controlling shareholder
Mr. Dong Shiguang	Director
Mr. Bai Aijing	The nephew of Mr. Bai Xuankui
Ms. Bai Lihua	The daughter of Mr. Bai Xuankui
Shanxi Wanjia Property Management Co., Ltd. [" Shanxi Wanjia "]	Company controlled by the daughter of Mr. Bai Xuankui
Shanxi Wanzhong Heating Co., Ltd. [" Shanxi Wanzhong "]	Company controlled by the daughter of Mr. Bai Xuankui
Shanxi Greentown Property Service Co., Ltd. [" Shanxi Greentown Property "]	A joint venture company

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

20. RELATED PARTY TRANSACTIONS *(continued)*

- (a) In addition to the transactions detailed elsewhere in these interim condensed consolidated financial statements, the Group had the following transactions with related parties during the Reporting Period:

	For the six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Property management service from:		
Shanxi Greentown Property	261	776
Shanxi Wanjia	573	16
	834	792
Interest expense from:		
Shanghai Xuanyu	8,829	7,896
Shanxi Wanzhong	1,951	1,951
Bai Xuankui	4,160	4,161
Bai Wukui	117	123
Bai Lidong	115	120
Shanxi Wanjia	82	1,244
	15,254	15,495

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

20. RELATED PARTY TRANSACTIONS *(continued)*

(b) Other transactions with related parties:

Mr. Bai Xuankui has guaranteed certain of the Group's bank loans up to RMB2,522,993,000 (31 December 2025: RMB2,535,696,000) as at the end of the Reporting Period (note 17).

Mr. Bai Wukui has guaranteed certain of the Group's bank loans up to RMB216,125,000 (31 December 2025: RMB219,348,000) as at the end of the Reporting Period (note 17).

(c) Outstanding balances with related parties:

The Group had the following balances with its related parties during the Reporting Period:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Due from joint ventures	1,382	1,382
Due from related parties	1,100	1,100
Due to related parties	190,816	195,081
Due to directors	63,490	63,494
Due to joint ventures	5,556	5,593

(d) Compensation of key management personnel of the Group:

	For the six months ended 30 June 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Short term employee benefits	939	927
Pension scheme contributions	58	40
Total compensation paid to key management personnel	997	967

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

21. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2026

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Equity investments designated at fair value through other comprehensive income	47,943	—	—	47,943

As at 31 December 2025

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Equity investments designated at fair value through other comprehensive income	58,925	—	—	58,925



CHEN XING

