



JY GRANDMARK HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2231



2026

Interim Report



Company Profile

JY Grandmark Holdings Limited (stock code: 2231) was listed on the Stock Exchange on 5 December 2019.

JY Grandmark is a property developer, operator and property management service provider based in the PRC. It runs four principal businesses, namely (i) property development and sales, (ii) hotel operations, (iii) property management and (iv) commercial property investment, with business presence in Guangdong, Hainan, Yunnan, Jiangsu and Hunan provinces. As at 30 June 2026, the total gross floor area of the Group's land reserves reached approximately 3.49 million sq.m.

The Group positions itself as an "Eco-friendly and People-oriented Property Developer" (生態人文地產發展商). It develops homes and communities that it considers to be truly liveable for buyers by leveraging the natural resources, unique landscapes and features as well as rich culture of its selected project sites.



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Corporate Information

Board of Directors

Non-executive Directors

Mr. SHEK Lai Him, Abraham (*Chairman*)

Executive Directors

Mr. LIU Huaxi (*Vice-Chairman*)
(resigned on 30 June 2026)

Ms. ZHENG Catherine Wei Hong
(resigned on 30 June 2026)

Mr. WU Jinhong (*Vice-Chairman*)
(appointed on 1 July 2026)

Ms. YU Jiafeng

Independent Non-executive Directors

Mr. MA Ching Nam

Mr. LEONG Chong

Mr. WU William Wai Leung

Audit Committee

Mr. WU William Wai Leung (*Chairman*)

Mr. MA Ching Nam

Mr. LEONG Chong

Remuneration Committee

Mr. LEONG Chong (*Chairman*)

Mr. MA Ching Nam

Mr. WU William Wai Leung

Mr. LIU Huaxi (resigned on 30 June 2026)

Mr. WU Jinhong (appointed on 1 July 2026)

Nomination Committee

Mr. MA Ching Nam (*Chairman*)

Mr. LEONG Chong

Mr. WU William Wai Leung

Mr. LIU Huaxi (resigned on 30 June 2026)

Ms. YU Jiafeng

Mr. WU Jinhong (appointed on 1 July 2026)

Legal Advisers

As to Hong Kong law:

Iu, Lai & Li Solicitors & Notaries

As to PRC law:

Jingtian & Gongcheng

As to Cayman Islands law:

Conyers Dill & Pearman

Principal Share Registrar and Transfer Office

Conyers Trust Company (Cayman) Limited

Cricket Square, Hutchins Drive

PO Box 2681

Grand Cayman, KY1-1111

Cayman Islands

Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited

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17th Floor, Hopewell Centre

183 Queen's Road East Wanchai

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Registered Office

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Cayman Islands



Principal Place of Business in Hong Kong

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The Bay Hub, 17 Kai Cheung Road
Kowloon Bay, Kowloon
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Principal Place of Business and Head Office in the PRC

X1301-C4884, No. 106 (Self-named Building 1)
Fengze East Road
Nansha District, Guangzhou City
Guangdong Province, the PRC

Auditor

McMillan Woods (Hong Kong) CPA Limited
Certified Public Accountants and Registered Public
Interest Entity Auditor

Company Secretary

Ms. WAI Ching Sum

Authorised Representatives

Mr. LIU Huaxi (resigned on 30 June 2026)
Mr. WU Jinhong (appointed on 1 July 2026)
Ms. WAI Ching Sum

Principal Banks

Hang Seng Bank Limited
Chong Hing Bank Limited
The Bank of East Asia, Limited
Industrial and Commercial Bank of China,
Guangdong Branch

Company's Website

www.jygrandmark.com

Listing Information

Equity Securities

The Company's ordinary shares (stock code: 2231) are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**")

Financial Calendar

Announcement of 2026 interim results 27 August 2026



Chairman's Statement



Dear Shareholders,

On behalf of JY Grandmark Holdings Limited (“**JY Grandmark**” or the “**Company**”) and its subsidiaries (together with the Company, the “**Group**”), I wish to present the consolidated results review and prospects of the Group for the six months ended 30 June 2026 (the “**Period under Review**”) to the shareholders of the Company (the “**Shareholders**”).

Domestic Real Estate Market Review

In the first half of 2026, China's real estate market continued its deep adjustment trajectory. Although the central and local governments have successively introduced loosening regulatory policies in an effort to stabilise market expectations, the industry as a whole remains in a bottoming-out process. Core first-tier cities demonstrated a certain degree of resilience and signs of recovery. However, in most non-core regions and third- and fourth-tier cities, the momentum for sales recovery remained weak, constrained by factors such as high inventory levels, sluggish demand, and slow restoration of homebuyer confidence. The overall market exhibited pronounced structural divergence. Meanwhile, systemic liquidity pressures across the industry have yet to be fundamentally alleviated, and property developers generally face severe operational challenges.

Results Review

Against the backdrop of the aforementioned macroeconomic and industry conditions, the Group's operations continued to face considerable pressure. During the Period under Review, the aggregated contracted sales of the Group, including those of the Group's joint venture and associates, was approximately RMB35.0 million, representing a decrease of 83.4% as compared to RMB210.4 million for the six months ended 30 June 2025.

During the Period under Review, the Group's recognised revenue was RMB124.2 million, representing a decrease of 70.8% as compared to RMB425.2 million in the corresponding period of 2025. Loss for the Period under Review was RMB250.0 million, as compared to loss for the six months ended 30 June 2025 of RMB190.6 million.

In the face of adversity, the Board and the management remained committed to their roles, responded with composure and consistently placed the protection of all stakeholders' interests at the core. The Group strictly adhered to the guiding principles of "stabilising operation, ensuring delivery, controlling risks and enhancing synergy" to make every effort to sustain its operations.

The Group prioritised project completion and delivery, and successfully delivered a gross floor area of approximately 11,823 square metres during the Period under Review, thereby earnestly fulfilling its responsibilities to customers and effectively safeguarding its brand reputation.

The Group actively explored diversified sales channels and strategies, and strived to accelerate the destocking of existing properties with an aim to improve operating cash flows. In addition, in order to properly address the squeeze and impact on operational headroom caused by liquidity risks and funding pressures, the Group has continued to step up efforts to revitalise its own assets and improve the Company's cash flow through the monetisation of non-core assets. On 14 April 2026, the Group disposed of Guangzhou Zhuodu Property Management Co., Ltd.* (廣州卓都物業管理有限公司, hereinafter "**Guangzhou Zhuodu**") at a consideration of RMB650,000. The Group used the proceeds from the disposal as general working capital. The primary

considerations for this disposal were cash preservation and realisation, strategic focus, compliance and risk mitigation, as well as capital optimisation. Such factors are particularly relevant during the profound industry adjustment period.

In the face of sustained liquidity pressures, the Group's management and the Board have maintained a proactive and responsible stance, making the resolution of debt risks their top priority at present. During the Period under Review, the Group has continuously and proactively engaged in in-depth and constructive negotiations with various financial institutions, creditors, and professional advisors, striving to develop a fair and feasible overall debt restructuring plan that balances the interests of all parties. Currently, relevant negotiations are progressing in an orderly manner. We hope to reach a consensus on the key terms of the restructuring plan in the near term and will announce the latest developments to the market and stakeholders in due course. The Group will continue to act in utmost good faith to seek a fundamental resolution to its financial difficulties and safeguard the Group's ability to continue as a going concern.

The Group comprehensively implemented cost control measures, reduced non-essential expenditures, and continuously optimised organisational structures and project management processes, with an aim to improve overall operational efficiency.

Future Prospects

Looking ahead to the second half of 2026, the market environment remains fraught with challenges and uncertainties. The Group will continue to adhere to the core principles of "stabilising operation, ensuring delivery, and resolving risks". While advancing debt restructuring with full commitment, the Group will also prudently manage existing projects, accelerate the destocking of existing properties, and actively explore possibilities for asset revitalisation. We are fully aware that only by successfully resolving the current crisis can we lay the foundation for the Group's future development. The entire Group will unite as one, tackle difficulties with the greatest determination and pragmatic actions, and strive to create and preserve long-term value for all stakeholders.

Appreciation

Finally, on behalf of the Board, I hereby express my sincere gratitude to all shareholders for their continued trust and support during these challenging times. I also wish to express my heartfelt appreciation to all employees for their hard work, dedication and perseverance, as well as to our customers, business partners, financial institutions and government authorities at all levels for their consistent understanding and assistance. While the path forward presents significant challenges, we will spare no effort to tide over difficulties together.

Shek Lai Him, Abraham

Chairman of the Board

Hong Kong, 27 August 2026

Management Discussion and Analysis

Business and Financial Review

Overall performance

During the Period under Review, the aggregated contracted sales of the Group, including those of the Group's joint venture and associates, was approximately RMB35.0 million, representing a decrease of 83.4% as compared to RMB210.4 million for the six months ended 30 June 2025. The corresponding contracted gross floor area ("GFA") was approximately 5,200 square metres ("sq. m."), representing a decrease of 90.0% as compared to approximately 52,000 sq.m. for the six months ended 30 June 2025.

During the Period under Review, the Group's recognised revenue was RMB124.2 million, representing a decrease of 70.8% as compared to RMB425.2million in the corresponding period of 2025. The operating loss was RMB105.5 million, as compared to operating loss of RMB117.8 million in the first half of 2025. Loss for the Period under Review was RMB250.0 million, as compared to loss for the six months ended 30 June 2025 of RMB190.6 million.

Revenue

Our revenue represents consolidated revenue from (i) property development and sales; (ii) hotel operations; (iii) property management; and (iv) commercial property investment which are all derived in the PRC. During the Period under Review, revenue of the Group amounted to RMB124.2 million (first half of 2025: RMB425.2 million), representing a decrease of 70.8%.

Property development and sales

We focus on the development of quality residential properties with comfortable and convenient living environment. During the Period under Review, revenue from property development and sales business of the Group recorded a decrease of 75.0%, from RMB384.3 million in the first half of 2025 to RMB97.0 million in the same period of 2026, accounting for 78.1% of the Group's total revenue during the Period under Review. Revenue decreased mainly due to a drop in delivered GFA, partially offset by an increase in average selling price. During the first half of 2026, the recognised average selling price was RMB8,116 per sq.m. (first half of 2025: RMB4,918 per sq.m.).

The following table sets forth the breakdown of our revenue from property development and sales by geographical location for the six months ended 30 June 2026 and 2025.

City	Six months ended 30 June 2026				Six months ended 30 June 2025			
	Recognised revenue	% of total revenue	Total GFA delivered	Recognised average selling price	Recognised revenue	% of total revenue	Total GFA delivered	Recognised average selling price
	from sales of properties	from sales of properties			from sales of properties	from sales of properties		
	RMB'000	%	sq.m.	RMB/sq.m.	RMB'000	%	sq.m.	RMB/sq.m.
Guangzhou	73,707	76.0	7,417	9,938	101,541	26.4	6,985	14,537
Zhaoqing	1,839	1.9	400	4,598	2,617	0.7	555	4,719
Qingyuan	10,197	10.5	2,969	3,434	58,802	15.3	14,926	3,940
Lingao	1,374	1.4	145	9,476	4,162	1.1	651	6,394
Tengchong	3,315	3.4	354	9,364	6,952	1.8	623	11,152
Zhuzhou	23	0.1	13	1,769	139,185	36.2	48,441	2,873
Nanjing	5,503	5.7	525	10,482	69,620	18.1	5,674	12,271
Other revenue/(loss) (Note)	1,056	1.0	N/A	N/A	1,430	0.4	N/A	N/A
Total/overall	97,014	100.0	11,823	8,116	384,309	100.0	77,855	4,918

Note: Other revenue/(loss) represented service income (or loss) from property development and management.

Hotel operations

Apart from property development and sales, we also operate Just Stay Resort and Just Stay Inn, under our hotel operations business. During the Period under Review, revenue from hotel operations of the Group amounted to RMB12.2 million, representing a significant decrease by 29.5% from RMB17.3 million in the same period of 2025. The downward trend was mainly due to the lower occupancy rates and average room rates.

Property management

We also derived income from our property management services provided to purchasers of the residential properties. During the Period under Review, revenue from property management services of the Group reached RMB14.9 million, representing a decrease of 35.5% as compared with RMB23.1 million in the same period of 2025. Property management income decreased during the period as a result of the disposal of Guangzhou Zhuodu and its subsidiaries.

Commercial property investment

During the Period under Review, revenue from commercial property investment of the Group amounted to RMB0.1 million, with a year-on-year decrease of 40.0% as compared with RMB0.5 million for the same period of 2025. The decrease was mainly attributable to the reduction in leased area during the period.

Cost of sales

Cost of sales of the Group primarily represents costs of properties sold which are directly associated with the Group's property development activities, as well as costs incurred in relation to other businesses. During the Period under Review, cost of sales of the Group amounted to RMB123.0 million, representing a decrease of 68.8% as compared with RMB394.7 million in the first half of 2025. The decrease was due to less GFA sold by the Group in the first half of 2026.

Gross profit and gross profit margin before impairment losses on completed properties held for sale and properties under development

During the Period under Review, the Group's gross profit before impairment losses on completed properties held for sale and properties under development amounted to RMB1.2 million, representing a decrease of 96.1% as compared with RMB30.5 million in the corresponding period of 2025. The Group's gross profit margin before impairment losses on completed properties held for sale and properties under development decreased to 1.0% from 7.2% for the same period of 2025.

During the Period under Review, the Group's gross profit margin before impairment losses on completed properties held for sale and properties under development from our property development and sales decreased to 2.4% from 6.4% in the first half of 2025. The average selling price during the Period under Review was higher than that of the previous period. However, unit costs increased correspondingly and the gross profit margin decreased as a result.

Analysing based on the gross profit margin before impairment losses on completed properties held for sale and properties under development by city, top three cities ranked by revenue, namely Guangzhou, Qingyuan, Nanjing, attained an average gross profit margin before impairment losses on completed properties held for sale and properties under development of 3.6%, and the revenue of these three cities accounted for 92.1% of our total revenue from property development and sales during the Period under Review.

Net impairment losses on completed properties held for sale and properties under development

During the Period under Review, net impairment losses on completed properties held for sale and properties under development amounting to RMB60.1 million (first half of 2025: RMB73.7 million) was provided for in accordance with the remeasurement of net realisable value of the property projects based on the prevailing selling prices as well as other related market conditions.

Selling and marketing expenses

Our selling and marketing expenses consist primarily of commission fees, advertising costs, employee benefit expenses and other miscellaneous expenses. During the Period under Review, selling and marketing expenses of the Group amounted to RMB12.0 million, representing a decrease of 59.2% as compared with RMB29.4 million in the same period of 2025. The downward trend was mainly attributable to the decrease in commission fees recognised by RMB15.6 million year-on-year, as a result of the decrease in recognised revenue from property development and sales. We have capitalised the commission fees incurred as contract costs and subsequently recognised the amounts as expenses when the related revenue are recognised. Excluding commission fees, other selling and marketing expenses during the Period under Review decreased by 32.6% year-on-year, mainly attributable to the efforts on cost control measures over marketing activities throughout the period.

Administrative expenses

Administrative expenses primarily comprised of employee benefit expenses, depreciation and amortisation of property, plant and equipment, intangible assets and right-of-use assets, tax and other levies, entertainment expenses for our business, office and travelling expenses and other miscellaneous expenses. During the Period under Review, the Group's administrative expenses amounted to RMB19.8 million, representing a decrease of 3.9% as compared with RMB20.6 million in the corresponding period of 2025. The decrease was also resulted from continuous cost control measures imposed.

Other gain/(losses) – net

During the Period under Review, our other gain – net primarily consisted of fair value gains or losses on investment properties, gains or losses on disposals of property, plant and equipment, interest on financial assets at fair value through profit or loss and net foreign exchange gains or losses. The Group's other gains/(losses) – net change from gains of RMB31.6 million in the first half of 2025 to losses of RMB5.1 million in the same period of 2026, mainly affected by exchange rate fluctuations.

Finance costs – net

Finance costs – net comprised mainly interest expense on borrowings and leases net of capitalised interest expense, net exchange gains or losses on foreign currency borrowings and interest income from bank deposits. The Group's finance costs – net increased by 196.7% from RMB45.5 million in the first half of 2025 to RMB135.0 million in the same period of 2026, mainly due to the suspension of certain projects, which resulted in borrowing interest not meeting the criteria for capitalisation.

Share of profit of investments accounted for using the equity method

During the Period under Review, the Group disposed of a joint-venture company accounted for using the equity method, and the profit from investments accounted for the equity method was nil.

Income tax (expense)/credit

Income tax (expense)/credit included corporate income tax and land appreciation tax (“LAT”). During the Period under Review, corporate income tax recorded a tax expense of RMB0.07 million (first half of 2025: tax expense of RMB25.0 million), mainly due to the increase in loss before income tax during the first half of 2026. LAT expense amounted to RMB9.4 million (first half of 2025: RMB2.6 million).

Loss for the period

As a result of the aforementioned, the Group recorded a net loss of RMB250.0 million for the six months ended 30 June 2026, as compared to loss of RMB190.6 million for the six months ended 30 June 2025. Loss attributable to owners of the Company amounted to RMB206.8 million, as compared to loss attributable to owners of the Company amounted to RMB142.6 million for the six months ended 30 June 2025.

Basic and diluted loss per share for the Period under Review was RMB0.13, as compared to basic and diluted loss per share of RMB0.09 in the first half of 2025.

Liquidity, Financial and Capital Resources

The Group funded and is expected to continue to fund its operations principally from cash generated from its operations, borrowings from financial institutions and proceeds from issuance of senior notes.

Cash positions and fund available

As at 30 June 2026, the total cash and bank balances of the Group were RMB61.6 million (31 December 2025: RMB72.3 million), of which RMB13.2 million (31 December 2025: RMB20.7million) was cash and cash equivalents and RMB48.4 million (31 December 2025: RMB51.6 million) was restricted cash.

As at 30 June 2026, the Group had placed at designated bank accounts the pre-sale proceeds of properties received of RMB36.3 million (31 December 2025: RMB36.6 million) as the guarantee deposits for the constructions of related properties.

As at 30 June 2026, the Group's undrawn banking facilities was nil (31 December 2025: RMB302.5 million).

Borrowings

As at 30 June 2026, the total interest-bearing borrowings and senior notes of the Group were RMB3,490.7 million (31 December 2025: RMB3,448.2 million), out of which RMB3,336.9 million (31 December 2025: RMB3,411.1 million) was included in current liabilities of the Group.

(a) As at 30 June 2026, borrowings with principal amounts of RMB2,906 million and interests payable of RMB369 million were overdue (the “**Defaulted Borrowings**”). The aggregate principal amount of the aforesaid Defaulted Borrowings of RMB2,906 million would be immediately repayable if requested by the relevant lenders.

(b) On 7 January 2025, the Company issued the new senior notes with nominal interest rate 9.5% due 6 January 2026 in an aggregate principal amount of US\$174,332,581. The issuance of the new senior notes included an exchange offer of the senior notes due on 9 January 2025 amounting to US\$159,284,612 and capitalised interest accrued and unpaid. The principal amount and the accrued and unpaid interest totalling US\$199,174,974 has become due and payable. The Company has not made payment as at 30 June 2026. The Company is currently actively negotiating with the holders of the senior notes with a view to reaching amicable resolutions. As at 30 June 2026, none of the holders of the senior notes have exercised their rights to demand immediate repayment or otherwise take enforcement actions against the Group pursuant to the terms of the senior notes.

- (c) As at 30 June 2026, the Group's borrowings were denominated in following currencies:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
RMB	1,601,504	1,560,552
HK\$	533,913	542,017
US\$	1,355,281	1,345,627
	3,490,698	3,448,196

- (d) As at 30 June 2026, bank and other borrowings totalling RMB2,030.0 million (31 December 2025: RMB1,992 million) of the Group were secured by the pledge of the following assets together with the Group's shares of certain subsidiaries as collaterals:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Lands	10,275	10,547
Property, plant and equipment	115,274	121,920
Properties under development	1,028,210	944,128
Completed properties held for sale	977,705	990,623
Restricted cash	—	57
	2,131,464	2,067,275

Cost of borrowings

During the Period under Review, total cost of borrowings of the Group amounted to RMB123.7 million, representing an increase of 3.4% from RMB119.6 million in the same period of 2025. The weighted average effective interest rate was 7.97% per annum during the Period under Review (first half of 2025: 7.65% per annum).

Net gearing ratio

As at 30 June 2026, net gearing ratio* was at 719.3% (31 December 2025: 525.19%).

* Net gearing ratio represents the ratio of net debts (total borrowings net of cash and cash equivalents and restricted cash) divided by total equity as at the end of the reporting period.

Contingent liabilities

- (a) The Group has arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. 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.

As at 30 June 2026, the outstanding guarantees were RMB1,231.8 million (31 December 2025: RMB1,326.2 million). Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible for repaying 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 mortgages.

The Group considers that in case of default in payments by purchasers, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty and therefore no provision has been made in the financial statements for the guarantees.

- (b) As at 30 June 2026, the Group had provided guarantees for borrowings of the Group's joint venture amounting to RMB349.3 million (31 December 2025: RMB349.3 million), with a provision amounting to RMB35.9 million (31 December 2025: RMB35.9 million) being made in the financial statements for the guarantee.

Commitments

As at 30 June 2026, the commitments of the Group for property development expenditure amounted to RMB11.4 million (31 December 2025: RMB19.9 million).

Currency risks

The Group's businesses are principally conducted in Renminbi ("**RMB**"). The monetary assets and liabilities of the Group's subsidiaries in the PRC are mainly denominated in RMB and the foreign exchange risk is immaterial. The non-PRC subsidiaries' functional currency is Hong Kong Dollar ("**HK\$**"). As at 30 June 2026 and 31 December 2025, major non-HK\$ assets and liabilities of the non-PRC subsidiaries are cash and cash equivalents, restricted cash, other receivables, borrowings and other payables, which are denominated in RMB or United States Dollar ("**US\$**"). Fluctuation of the exchange rate of HK\$ against RMB or US\$ could affect the Group's results of operations.

The Group has not entered into any forward exchange contracts to hedge its exposure to foreign exchange risk. However, management of the Group monitors foreign exchange risk exposure and will consider hedging significant foreign exchange risk exposure should the need arise.

Future Plans for Material Investments and Capital Assets

As at 30 June 2026, the Group did not have plan for material investments and capital assets.

Significant Investments, Material Acquisitions and Disposals

On 14 April 2026, Guangzhou Yinong Enterprise Co., Ltd.* (廣州意濃實業有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter "**Guangzhou Yinong**"), Guangzhou Yimei Property Management Co., Ltd.* (廣州怡美物業管理有限公司, hereinafter "**Guangzhou Yimei**") and Guangzhou Zhuodu entered into an equity transfer agreement, pursuant to which Guangzhou Yinong agreed to sell, and Guangzhou Yimei agreed to acquire, 100% of the equity interest in Guangzhou Zhuodu at a consideration of RMB650,000. The completion took place on 14 April 2026. For details, please refer to the announcement of the Company dated 14 April 2026.

Save as disclosed above, the Group did not hold significant investments, or conduct material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2026.

Land Reserves

LAND RESERVES AS OF 30 JUNE 2026

I. Land reserves calculated by cities

As at 30 June 2026, the Group had a total of 35 property projects in 10 cities. 34 of these properties were developed and owned by the Group, and 1 was developed by the Group's joint venture and associates. As at 30 June 2026, the Group had a land reserves of approximately 3.49 million sq.m. on an attributable basis.

The total GFA of the Group's land reserves includes (i) the total GFA of property completed, (ii) the total GFA of property under development and (iii) the total GFA for future development.

The following table sets forth the land reserves details of the Group by region as at 30 June 2026.

		Completed		Under development	Future development	Aggregate GFA		Total land reserves (sq.m.)	
		No. of project	No. of project	No. of project	No. of project	Saleable/leasable/unsold/not leased (sq.m.)	(including non-saleable/non-leasable GFA) (sq.m.)		
									Estimated aggregate GFA for future development (sq.m.)
Location	No. of project	No. of project	No. of project	No. of project	(sq.m.)	(sq.m.)	(sq.m.)		
Guangdong									
Conghua	3	3			33,151	–	–	33,151	
Zhongshan	1	1			24,819	–	–	24,819	
Qingyuan	6	2	2	2	98,616	217,973	804,275	1,120,864	
Zhaoqing	2	1	1		56,996	159,081	–	216,077	
Zengcheng	2		2		20,574	77,611	–	98,185	
Hainan									
Lingshui	5	5			286	–	–	286	
Lingao	3	1	1	1	8,146	21,137	143,237	172,520	
Yunnan									
Tengchong	8	2	1	5	8,261	86,765	1,079,170	1,174,196	
Jiangsu									
Liuhe	1	1			8,985	–	–	8,985	
Hunan									
Zhuzhou	4	1	2	1	17,729	145,824	474,826	638,379	
Total	35	17	9	9	277,563	708,391	2,501,508	3,487,462	

II. Land reserves calculated by project

No.	Project	Interest of the Group	Province	Location	Property type	Site area x Group interest (note 1) (sq.m.)	Completed	Under development	Future development	Total estimated GFA (note 2)	Whether land use right certificate is obtained	Construction completion time/estimated completion time
							Saleable/leasable GFA x unsold/not leased x Group interest (sq.m.)	Aggregate GFA (including non-saleable/non-leasable GFA) x Group interest (sq.m.)	Estimated aggregate GFA for future development x Group interest (sq.m.)			
1	JY Lychee Town Phase I	100%	Guangdong	JY Lychee Town Garden, Xuanxing Village, Wenquan Town, Conghua District, Guangzhou City, Guangdong Province, the PRC	Residential	70,385	3,802	–	–	3,802	Yes	2015.12
2	JY Lychee Town Phase II	100%	Guangdong	JY Lychee Town Garden, Xuanxing Village, Wenquan Town, Conghua District, Guangzhou City, Guangdong Province, the PRC	Residential	70,385	28,786	–	–	28,786	Yes	2018.10
3	JY Hot Spring Villas	100%	Guangdong	No. 288 Yuquan Avenue, Liangkou Town, Conghua District, Guangzhou City, Guangdong Province, the PRC	Hotel rooms	131,091	563	–	–	563	Yes	2016.10
4	JY Clearwater Bay No.3 Phase I	100%	Hainan	Qingshui Bay Scenic Area, Yingzhou Town, Lingshui County, Hainan Province, the PRC	Residential	83,375	220	–	–	220	Yes	2015.12
5	JY Clearwater Bay No.3 Phase II	100%	Hainan	Qingshui Bay Scenic Area, Yingzhou Town, Lingshui County, Hainan Province, the PRC	Residential	67,770	66	–	–	66	Yes	2016.12
6	JY Clearwater Bay No.3 Phase III	100%	Hainan	Qingshui Bay Scenic Area, Yingzhou Town, Lingshui County, Hainan Province, the PRC	Residential	121,631	–	–	–	–	Yes	2018.07
7	JY Clearwater Bay No.3 Phase VI	100%	Hainan	Qingshui Bay Scenic Area, Yingzhou Town, Lingshui County, Hainan Province, the PRC	Residential	58,823	–	–	–	–	Yes	2019.06
8	JY Clearwater Bay No.3 Phase VII	100%	Hainan	Qingshui Bay Scenic Area, Yingzhou Town, Lingshui County, Hainan Province, the PRC	Residential	48,471	–	–	–	–	Yes	2019.06
9	JY Yarra New Street (previously known as Zhongshan Yueheng Project)	50%	Guangdong	Yarra City Commercial Street, Southern District, Zhongshan City, Guangdong Province, the PRC	Shop		24,819	–	–	24,819	Yes	–
10	JY Grand Garden Phase I	100%	Guangdong	JY Grand Garden, West of Yingzhou Avenue, Yingcheng Town, Yingde City, Qingyuan City, Guangdong Province, the PRC	Residential	67,812	86,746	–	–	86,746	Yes	2020.12

No.	Project	Interest of the Group	Province	Location	Property type	Completed	Under development	Future development	Aggregate GFA	Estimated aggregate GFA for future development	Total estimated GFA	Whether land use right certificate is obtained	Construction completion time/estimated construction completion time
						Site area x Group interest (note 1) (sq.m.)	Saleable/leasable GFA unsold/not leased x Group interest (sq.m.)	(including non-saleable/non-leasable GFA) x Group interest (sq.m.)			(note 2) (sq.m.)		
11	JY Gaoligong Town Phase I	100%	Yunnan	JY Gaoligong Town, Qushi Town, Tengchong County, Baoshan City, Yunnan Province, the PRC	Residential	252,047	4,356	–	–	4,356		Yes	2019.12
12	JY Gaoligong Town Phase II	100%	Yunnan	JY Gaoligong Town, Qushi Town, Tengchong County, Baoshan City, Yunnan Province, the PRC	Residential	252,047	3,905	–	113,842	117,747		Yes	2020.12
13	JY Mountain Lake Gulf Phase I (100# Lot)	100%	Hunan	79 Jincheng East Road, Hetang District, Zhuzhou City, Hunan Province, the PRC	Residential	101,175	17,729	–	–	17,729		Yes	2020.12
14	JY Egret Bay Phase I (previously known as JY Well-being Valley Phase I (06# Lot))	100%	Hainan	Ganlang Village, Nanbao Town, Lingao County, Hainan Province, the PRC	Residential	28,779	8,146	–	–	8,146		Yes	2020.12
15	JY Egret Bay Phase II (previously known as JY Well-being Valley Phase II (07# Lot))	100%	Hainan	Ganlang Village, Nanbao Town, Lingao County, Hainan Province, the PRC	Residential	59,717	–	21,137	80,093	101,230		Yes	2027.12
16	JY Well-being Valley Phase III (04# Lot)	100%	Hainan	Ganlang Village, Nanbao Town, Lingao County, Hainan Province, the PRC	Residential	51,513	–	–	63,144	63,144		Yes	2028.12
17	JY Grand Garden Phase II	100%	Guangdong	JY Grand Garden, West of Yingzhou Avenue, Yingcheng Town, Yingde City, Qingyuan City, Guangdong Province, the PRC	Residential	67,812	11,870	55,594	–	67,464		Yes	2021.06
18	JY Grand Garden Phase III	100%	Guangdong	Lot B, North of Guangbi Road, East of Yingzhou Avenue, Yingde City, Qingyuan City, Guangdong Province, the PRC	Residential	26,340	–	76,378	88,512	164,890		Yes	2027.12
19	JY Canglong Bay Project	80%	Guangdong	Lot B, North of Jiaoyu Road, East of Hongyun Avenue, Yinghong Town, Yingde City, Qingyuan City, Guangdong Province, the PRC	Residential	60,230	–	86,001	132,349	218,350		Yes	2027.12
20	JY Yonghua Shijia Project	100%	Guangdong	North of Lingnan Road, East of Hongyun Avenue, Yinghong Town, Yingde City, Qingyuan City, Guangdong Province, the PRC	Residential	60,877	–	–	182,630	182,630		Yes	2028.12

Land Reserves

No.	Project	Interest of the Group	Province	Location	Property type	Site area x Group interest (note 1) (sq.m.)	Completed	Under development	Future development	Total estimated GFA (note 2) (sq.m.)	Whether land use right certificate is obtained	Construction completion time/estimated completion time
							Saleable/leasable GFA x Group interest (sq.m.)	Aggregate GFA (including non-saleable/non-leasable GFA) x Group interest (sq.m.)	Estimated aggregate GFA for future development x Group interest (sq.m.)			
21	JY Yingde Jinxiong Project	100%	Guangdong	West of Baojing Road, South of Yingzhou Avenue, Yingcheng District, Yingde City, Qingyuan City, Guangdong Province, the PRC	Urban redevelopment: Commercial and residential property to be redeveloped	160,314	–	–	400,784	400,784	Yes	2028.12
22	JY Gaoligong Town Phase III	100%	Yunnan	JY Gaoligong Town, Qushi Town, Tengchong County, Baoshan City, Yunnan Province, the PRC	Residential	252,047	–	–	68,893	68,893	Yes	2028.06
23	JY Mountain Lake Gulf Phase II (100# Lot)	100%	Hunan	79 Jincheng East Road, Hetang District, Zhuzhou City, Hunan Province, the PRC	Residential	101,175	–	–	236,787	236,787	Yes	2027.12
24	JY Mountain Lake Gulf Phase III (111# Lot)	100%	Hunan	North of Intersection of Jincheng East Road and Jinda Road, Zhuzhou City, Hunan Province, the PRC	Residential	85,260	–	91,512	183,129	274,641	Yes	2028.12
25	Jing Ye Square (previously known as JY Mountain Lake Gulf Phase IV (99# Lot))	100%	Hunan	299 Hetang Avenue, Hetang District, Zhuzhou City, Hunan Province, the PRC	Commercial	22,754	–	54,312	54,910	109,222	Yes	2027.12
26	Zhaoqing International Technology and Innovation Centre (Zone A)	100%	Guangdong	North of Zongbu 3rd Road, South of Zongbu 2nd Road, North of Yongli Avenue, West of Yingbin Road, New Area, Dinghu District, Zhaoqing City, Guangdong Province, the PRC	Business and commercial	26,446	–	159,081	–	159,081	Yes	2028.12
27	JY Uniworld (previously known as Zhaoqing International Technology and Innovation Centre (Zone B))	100%	Guangdong	17 Yongli Avenue, New Area, Dinghu District, Zhaoqing City, Guangdong Province, the PRC	Residential and commercial	40,335	56,996	–	–	56,996	Yes	2020.10
28	JY Jiangshan Shili Zone A	100%	Yunnan	JY Jiangshan Shili, Qushi Town, Tengchong County, Baoshan City, Yunnan Province, the PRC	Residential	96,922	–	86,765	181,078	267,843	Yes	2026.12
29	JY Jiangshan Shili Zone B	100%	Yunnan	JY Jiangshan Shili, Qushi Town, Tengchong County, Baoshan City, Yunnan Province, the PRC	Residential	48,559	–	–	145,677	145,677	Yes	2027.12
30	JY Jiangshan Shili Zone C	100%	Yunnan	JY Jiangshan Shili, Qushi Town, Tengchong County, Baoshan City, Yunnan Province, the PRC	Residential	30,724	–	–	92,172	92,172	Yes	2028.12

No.	Project	Interest of the Group	Province	Location	Property type	Site area x Group interest (note 1) (sq.m.)	Completed	Under development	Future development	Total estimated GFA (note 2) (sq.m.)	Whether land use right certificate is obtained	Construction completion time/estimated construction completion time
							Saleable/leasable GFA unsold/not leased x Group interest (sq.m.)	Aggregate GFA (including non-saleable/non-leasable GFA) x Group interest (sq.m.)	Estimated aggregate GFA for future development x Group interest (sq.m.)			
31	JY Jiangshan Shili Zone D	100%	Yunnan	JY Jiangshan Shili, Qushi Town, Tengchong County, Baoshan City, Yunnan Province, the PRC	Residential	67,072	–	–	201,216	201,216	Yes	2029.06
32	Jinke JY Grand Garden	51%	Guangdong	Kengbei Village, Zhongxin Town, Zengcheng District, Guangzhou City, Guangdong Province, the PRC	Residential	16,376	7,895	30,857	–	38,752	Yes	2023.11
33	JY Uniworld (previously known as Zengcheng Shitan Project)	100%	Guangdong	West of Xincheng Avenue, Shitan Town, Zengcheng District, Guangzhou City, Guangdong Province, the PRC	Residential	26,938	12,679	46,754	–	59,433	Yes	2024.03
34	JY Logan Jiuyun Mansion (previously known as Nanjing Liuhe Project)	26%	Jiangsu	Lot at South of Qinyuan Road, East of Yanan Road, Xiongzhou Street, Liuhe District, Nanjing City, Jiangsu Province, the PRC	Residential	13,002	8,985	–	–	8,985	Yes	2024.01
35	JY Yunshan Xigu	100%	Yunnan	JY Yunshan Xigu, Qushi Town, Tengchong County, Baoshan City, Yunnan Province, the PRC	Residential	132,971	–	–	276,292	276,292	Yes	2028.12
						2,057,709	277,563	708,391	2,501,508	3,487,462		

Notes:

- 1 Relevant land use certificate was granted to the entire land parcel and breakdown of site area for each phase was not available.
- 2 The total GFA of the Group's land reserves includes (i) the total GFA of property completed, (ii) the total GFA of property under development and (iii) the total GFA for future development. For projects held by non-wholly-owned subsidiaries, joint ventures and associates of the Group, the above-mentioned GFA is adjusted by the equity interest of the Group in the respective project.
- 3 The relevant GFA does not include the GFA for resettlement purpose.

Corporate Governance and Other Information

Compliance with the Corporate Governance Code

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The Company has adopted the corporate governance code (the “**Corporate Governance Code**”) contained in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as its own code on corporate governance. To the best knowledge of the Directors, the Company has complied with all applicable code provisions under the Corporate Governance Code during the six months ended 30 June 2026.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its code of conduct regarding the securities transactions by the Directors. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code during the six months ended 30 June 2026.

Directors’ and Chief Executive’s Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations

As at 30 June 2026, so far as known to the Directors and chief executive of the Company, none of the Directors or the chief executive of the Company had interests and/or short positions in any share, underlying share and debenture of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**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 (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required to be and/or were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders’ and Other Persons’ Interests and Short Positions in the Shares and Underlying Shares

As at 30 June 2026, the following persons or corporations (other than the Directors and chief executive of the Company) who had interests and/or short positions in the shares or underlying shares of the Company which would be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO were as follows:

Name of Shareholder	Nature of interest	Number of ordinary shares held or interest in the Company	Approximate percentage of issued share capital of the Company ⁽⁵⁾
Mr. CHAN Sze Ming Michael	Founder of a discretionary trust	1,102,793,000 ⁽³⁾	66.99%
IQ EQ (BVI) Limited	Trustee of a discretionary trust	1,102,793,000 ⁽³⁾	66.99%
Sze Ming Limited ⁽²⁾	Beneficial owner	1,102,793,000 ⁽³⁾	66.99%
Ms. SHUM Wing Yin	Interest of spouse	1,102,793,000 ⁽³⁾	66.99%
The Bank of East Asia, Limited	Person having a security interest in shares	196,922,000	11.96%

Notes:

1. All interests stated are long positions.
2. Sze Ming Limited has been in liquidation since 26 May 2026, by order of the BVI Court.
3. These Shares are held by Sze Ming Limited. The entire issued capital of Sze Ming Limited is held by IQ EQ (BVI) Limited as trustee of The Phoenix Trust (previous named Chan S.M. Michael Family Trust), a discretionary trust with Mr. CHAN Sze Ming Michael as settlor and established in accordance with the laws of the BVI. There are certain discretionary beneficiaries including siblings and descendants of Mr. CHAN Sze Ming Michael and descendants of his siblings. Mr. CHAN Sze Ming Michael is taken to be interested in these Shares held by Sze Ming Limited pursuant to the SFO.
4. Ms. SHUM Wing Yin is the spouse of Mr. CHAN Sze Ming Michael, and is deemed to be interested in the ordinary shares of the Company which are interested by Mr. CHAN Sze Ming Michael under the SFO.
5. The calculation is based on the total number of issued ordinary shares of 1,646,173,000 shares of the Company as at 30 June 2026.

Save as disclosed above, as at 30 June 2026, so far as known to the Directors and chief executive of the Company, there was no person or corporation (other than the Directors and chief executives of the Company) who had any interests or short positions in the shares or underlying shares of the Company which would be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of SFO, or which were recorded in the register required to be kept under Section 336 of SFO.

Employees and Remuneration Policies

As at 30 June 2026, the Group had a total of 222 employees (30 June 2025: 507 employees). For the Period under Review, the Group has recognised staff costs of RMB21.6 million (first half of 2025: RMB36.6 million). The Group has provided employees with salaries, bonuses and benefits that, in its opinion, were competitive with market standards and regularly reviewed the remuneration policies based on employees' contributions and industry standards. The Company maintains a share option scheme for the purpose of providing incentives and rewards to the participants for their contribution to the Group. The Group has also contributed to medical insurance, pension insurance, maternity insurance, unemployment insurance, work-related injury insurance and housing provident funds for our employees and paid relevant insurance premiums. In addition, the Group is committed to cultivating all-level skilled employees. The Group has provided training programs based on the positions and expertise of our employees to enhance their understanding and apprehension of the property industry and related fields. Besides internal training, the Group has also engaged external experts to provide training courses for its employees from time to time. Details of the share option scheme of the Company are set out in the section headed "Share Option Scheme" below. The Group regularly reviews and determines the remuneration and compensation package of the Directors and senior management by reference to, among other things, market level of salaries paid by comparable companies, the respective responsibilities of the Directors and the performance of the Group.

Under the applicable PRC laws and regulations, the Group is subject to social insurance contribution plans.

Share Option Scheme

On 13 November 2019, a share option scheme with terms complying with then Chapter 17 of the Listing Rules was conditionally approved and adopted by the then shareholder of the Company (the **"Share Option Scheme"**).

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners and services providers of the Group and to promote the success of the business of the Group. Details of the principal terms of the Share Option Scheme are set out in the prospectus of the Company dated 25 November 2019.

The number of options available for grant under the Share Option Scheme as at both 1 January 2026 and 30 June 2026 is 160,000,000.

Detail of the Share Option(s) Granted

As at 1 January 2026 and 30 June 2026, there was no outstanding options. During the six months ended 30 June 2026, no options has been granted, exercised, vested, lapsed or cancelled, and no shares of the Company has been issued pursuant to the Share Option Scheme. Accordingly, no shares of the Company may be issued in respect of options granted under the Share Option Scheme during the six months ended 30 June 2026. The number of shares of the Company that may be issued in respect of options and awards granted under all schemes of the Company during the six months ended 30 June 2026 divided by the weighted average number of shares of the Company in issue (excluding treasury shares) for the six months ended 30 June 2026 is nil.

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2026.

Changes in Member of Board of Director's and Chief Executive's Particulars Under Rule 13.51B(1) of the Listing Rules

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in information of Directors since 1 January 2026 up to the date of this interim report is set out below:

- Mr. SHEK Lai Him, Abraham, GBS, SBS, JP resigned as the independent non-executive director of Alliance International Education Leasing Holdings Limited (stock code: 1563) on 30 April 2026.
- Mr. SHEK Lai Him, Abraham, GBS, SBS, JP retired as the independent non-executive director of Regal Portfolio Management Limited (the manager of Regal Real Estate Investment Trust (stock code: 1881)) on 19 May 2026.
- Mr. WU William Wai Leung resigned as the independent non-executive director of True Partner Capital Holdings Limited (8657.HK) on 29 May 2026.
- Mr. SHEK Lai Him, Abraham, GBS, SBS, JP retired as the independent non-executive director of ITC Properties Group Limited (stock code: 199) on 21 August 2026.

Continuing Disclosure Obligation under Rule 13.21 of the Listing Rules

- (i) On 29 December 2022, the Company as borrower, Hang Seng Bank Limited as agent (the “**Agent**”) and certain other financial institutions as lenders, among others, entered into a facility agreement (the “**Facility Agreement**”) in relation to a term loan facility in the aggregate principal amount of HK\$517,470,000 (the “**Facility**”) for a term of 36 months from the date of the Facility Agreement subject to the terms and conditions as set out therein. Pursuant to the Facility Agreement, if (a) the family trust of Mr. CHAN Sze Ming Michael ceases to beneficially own directly or indirectly more than 50% of the issued shares in or control the Company; or (b) Mr. CHAN Sze Ming Michael ceases to remain or continue to act as chairman and executive director of the Company or to maintain control over the management and business of the Company and its subsidiaries, (i) the Company shall promptly notify the Agent upon becoming aware of that event; (ii) a lender shall not be obliged to fund the utilization; and (iii) the Facility will be immediately and automatically cancelled and all outstanding loans together with accrued interest and all other amounts accrued or outstanding under the finance documents will become immediately due and payable within ten days of demand by the Agent. The outstanding principal amount of HK\$478,659,750 under the Facility forms part of the Defaulted Borrowings as at 30 June 2026 mentioned above.
- (ii) The 9.5% senior notes due 2026 (the “**Senior Notes**”) in the aggregate principal amount of US\$174,332,581 issued by the Company matured on 6 January 2026. The principal amount and the accrued and unpaid interest totalling US\$199,174,974 became due and payable. The Company has not made payment as at 30 June 2026. The Company is currently actively negotiating with the holders of the Senior Notes with a view to reaching amicable resolutions. As at 30 June 2026, none of the holders of the Senior Notes have exercised their rights to demand immediate repayment or otherwise take enforcement actions against the Group pursuant to the terms of the Senior Notes.
- (iii) The Defaulted Borrowings mentioned above also included, among others:
- (a) A loan with an outstanding principal amount of approximately RMB56.22 million granted by Bank of China, Zhaoqing Branch* (中國銀行肇慶支行, hereinafter the “**Zhaoqing Lender**”) to Zhaoqing Jingyue Technology Development Co., Ltd.* (肇慶市景悅科技發展有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Zhaoqing Jingyue**”). Court proceedings have been initiated by the Zhaoqing Lender against Zhaoqing Jingyue for recovering the outstanding indebtedness. A final judgment has been issued against Zhaoqing Jingyue (with the Company and one of its indirect whollyowned subsidiaries being jointly liable), with a judgment amount of approximately RMB56.68 million. The Zhaoqing Lender has filed for enforcement of the judgement.
- (b) A loan with an outstanding principal amount of approximately RMB580 million granted by Ping An Bank Co., Ltd. Guangzhou Branch (the “**Guangzhou Lender**”) to Guangzhou Jingyu Real Estate Development Co., Ltd.* (廣州景譽房地產開發有限公司, an indirect non-wholly owned subsidiary of the Company, hereinafter “**Guangzhou Jingyu**”). Jingye Mingbang Holdings (Guangzhou) Co., Limited* (景業名邦控股(廣州)有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Guangzhou Jingye**”) provided guarantee in favour of the Guangzhou Lender for the repayment obligations of the above loan up to the principal amount of RMB510 million (together with relevant interests and liabilities). The Guangzhou Lender has initiated court proceedings against Guangzhou Jingyu and Guangzhou Jingye for the recovery of the outstanding indebtedness. A first-instance judgment has been issued against Guangzhou Jingyu and Guangzhou Jingye with a total amount of approximately RMB604.72 million. Guangzhou Jingyu and Guangzhou Jingye have filed appeals against the judgment.

- (c) A loan with an outstanding principal amount of approximately RMB111.10 million granted by Guangzhou Bank Co., Ltd. Zengcheng Branch* (廣州銀行股份有限公司增城支行, hereinafter the “**Zengcheng Lender**”) to Guangzhou Jingsheng Real Estate Development Co., Ltd.* (廣州景盛房地產發展有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Guangzhou Jingsheng**”). Guangzhou Yinong Enterprise Co., Ltd.* (廣州意濃實業有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Guangzhou Yinong**”) provided guarantee in favour of the Zengcheng Lender for the repayment obligations of the above loan. The Zengcheng Lender has initiated court proceedings against Guangzhou Jingsheng and Guangzhou Yinong for the recovery of the outstanding indebtedness.
- (d) A loan with an outstanding principal amount of approximately RMB24.60 million granted by Bank of China Limited, Qingyuan Branch* (中國銀行股份有限公司清遠分行, hereinafter the “**Qingyuan Lender**”) to Yingde Shanhuju Real Estate Development Co., Ltd.* (英德市山湖居房地產開發有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Shanhuju**”). The Company, Guangzhou Yinong, Yingde Jinkun Enterprise Investment Co., Ltd.* (英德市錦坤實業投資有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Yingde Jinkun**”) and Yingde Jingye Real Estate Co., Ltd.* (英德景業房地產有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Yingde Jingye**”) provided guarantee in favour of the Qingyuan Lender for the repayment obligations of the above loan. As Shanhuju failed to fulfill its repayment obligations, the Qingyuan Lender has filed an application for arbitration with the Guangzhou Arbitration Commission, seeking to hold Shanhuju, the Company, Guangzhou Yinong, Yingde Jinkun and Yingde Jingye jointly and severally liable.
- (e) A loan with an outstanding principal amount of approximately RMB51.82 million granted by the Qingyuan Lender to Shanhuju. The Company, Guangzhou Yinong and Yingde Sangyuan Agriculture Development Co., Ltd.* (英德桑緣農業發展有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Yingde Sangyuan**”) provided guarantee in favour of the Qingyuan Lender for the repayment obligations of the above loan. As Shanhuju failed to fulfill its repayment obligations, the Qingyuan Lender has filed an application for arbitration with the Guangzhou Arbitration Commission, seeking to hold Shanhuju, the Company, Guangzhou Yinong and Yingde Sangyuan jointly and severally liable.

- (f) A loan with an outstanding principal amount of approximately RMB56.996 million granted by Industrial and Commercial Bank of China Limited, Guangzhou Tianhe Smart City Sub-branch* (中國工商銀行股份有限公司廣州天河智慧城支行, hereinafter the “**Tianhe Lender**”) to Guangzhou Xinfang Enterprise Co., Ltd.* (廣州新芳實業有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Guangzhou Xinfang**”). Guangzhou Zhuo Si Dao B&B Management Co., Ltd.* (廣州卓思道民宿管理有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Zhuo Si Dao B&B**”), the Company, Guangzhou Shunbang Investment Co., Ltd.* (廣州市舜邦投資有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Guangzhou Shunbang**”), Guangzhou Yinong, Guangzhou Jingye Real Estate Development Co., Ltd.* (廣州市景業房地產開發有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Guangzhou Jingye Real Estate**”), Hainan Jingye Real Estate Development Co., Ltd.* (海南景業房地產開發有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Hainan Jingye**”), Guangzhou Jingye and others provided guarantee in favour of the Tianhe Lender for the repayment obligations of the above loan. Guangzhou Chongyu Investment Co., Ltd.* (廣州崇譽投資有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Guangzhou Chongyu**”) provided pledge guarantee in favour of the Tianhe Lender for the repayment obligations of the above loan. Jingye Holdings (HK) Limited (an indirect wholly-owned subsidiary of the Company, hereinafter “**Jingye HK**”), Guangzhou Zhuosidao Hotel Management Co., Ltd.* (廣州卓思道酒店管理有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Guangzhou Zhuosidao**”), Shunbang Corporate Management (Guangzhou) Co., Ltd.* (舜邦商務管理(廣州)有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Shunbang Corporate**”) and Zhongshan Jingya Decoration Engineering Co., Ltd.* (中山市景雅裝飾工程有限公司, an indirect wholly-owned subsidiary of the Company, hereinafter “**Zhongshan Jingya**”), being direct or indirect shareholders, shall be jointly and severally liable for the payment obligations of the above loan. As Guangzhou Xinfang failed to fulfill its repayment obligations, the Tianhe Lender filed a lawsuit with the Guangzhou Intermediate People’s Court, seeking to hold Zhuo Si Dao B&B, the Company, Guangzhou Shunbang, Guangzhou Yinong, Guangzhou Jingye Real Estate, Guangzhou Chongyu, Hainan Jingye, Guangzhou Jingye, Guangzhou Zhuosidao, Shunbang Corporate, Zhongshan Jingya, Jingye HK and others jointly and severally liable.

Events after the Period under Review

There are no significant events affecting the Group which have occurred after the six months ended 30 June 2026 and up to the date of this interim report.

Public Float

Rule 8.08 of the Listing Rules requires there to be an open market in the securities for which listing is sought and a sufficient public float of an issuer’s listed securities to be maintained. This normally means that at least 25% of the issuer’s total issued share capital must at all times be held by the public. Based on the information that is publicly available to the Company and to the knowledge of the Directors as at the date of this interim report, the Company has maintained a sufficient public float as required under the Listing Rules.

Interim Dividend

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

Audit Committee

The Audit Committee was established on 13 November 2019 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the applicable Corporate Governance Code. The primary duties of the Audit Committee include (but without limitation): (i) be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor; (ii) monitor the integrity of the Company's financial statements, annual reports, accounts, interim reports and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them; (iii) oversee the Company's financial reporting system, risk management and internal control systems; and (iv) develop and review the Company's policies and practices on corporate governance and make recommendations to the Board. For the six months ended 30 June 2026, the Audit Committee consists of three independent non-executive Directors, namely, Mr. WU William Wai Leung (chairman of the Audit Committee who possesses the appropriate professional qualification or accounting or related financial management expertise), Mr. MA Ching Nam and Mr. LEONG Chong. The written terms of reference of the Audit Committee have been made available on the Company's website at www.jygrandmark.com and on the website of the Stock Exchange at www.hkexnews.hk.

The Audit Committee has considered and reviewed the interim results of the Group for the six months ended 30 June 2026 and this interim report before recommendation to the Board for approval. It has, in conjunction with the external auditor of the Company, McMillan Woods (Hong Kong) CPA Limited, reviewed the interim condensed financial statements for the six months ended 30 June 2026. The accounting information given in this interim report has not been audited.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026 (all amounts in Renminbi ("RMB") thousands unless otherwise stated)

	Notes	Six months ended 30 June	
		2026 Unaudited RMB'000	2025 Unaudited RMB'000
Revenue	5	124,160	425,164
Cost of sales		(122,969)	(394,700)
Gross profit before net provision for completed properties held for sale and properties under development		1,191	30,464
Net provision for completed properties held for sale and properties under development		(60,050)	(73,653)
Gross loss after net provision for completed properties held for sale and properties under development		(58,859)	(43,189)
Selling and marketing expenses		(11,985)	(29,368)
Administrative expenses		(19,793)	(20,619)
Loss allowance on financial instruments	9	(10,336)	(64,112)
Other income	6	547	8,109
Other expenses		–	(191)
Other (losses)/gains, net	7	(5,079)	31,593
Operating loss		(105,505)	(117,777)
Finance costs	8	(135,037)	(45,651)
Finance income	8	17	201
Finance costs, net	8	(135,020)	(45,450)
Share of results of associates	13	–	236
		(135,020)	(45,214)
Loss before income tax	9	(240,525)	(162,991)
Income tax expenses	10	(9,482)	(27,606)
Loss for the period		(250,007)	(190,597)
Other comprehensive income for the period			
Item that may be reclassified subsequently to profit or loss:			
– Exchange differences on translation of foreign operations		83,955	28,112
Total comprehensive loss for the period		(166,052)	(162,485)
Loss for the period attributable to:			
Owners of the Company		(206,800)	(142,604)
Non-controlling interests		(43,207)	(47,993)
		(250,007)	(190,597)
Total comprehensive loss for the period attributable to:			
Owners of the Company		(122,845)	(114,492)
Non-controlling interests		(43,207)	(47,993)
		(166,052)	(162,485)
Loss per share			
– Basic and diluted (RMB)	11	(0.13)	(0.09)

Condensed Consolidated Statement of Financial Position

As at 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

		As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
	Notes		
ASSETS			
Non-current assets			
Property, plant and equipment	14	160,751	169,314
Right-of-use assets	14	74,267	75,523
Investment properties	14	30,100	30,100
Intangible assets	14	354	786
Interests in associates	13	–	585
Interest in a joint venture		–	–
Other receivables	17	5,171	5,437
Deferred income tax assets		259,247	260,323
		529,890	542,068
Current assets			
Inventories		943	1,029
Contract costs	5(c)(i)	60,743	62,950
Properties under development	15	2,704,263	2,704,461
Completed properties held for sale	16	1,678,754	1,839,734
Trade and other receivables and prepayments	17	752,551	778,211
Prepaid taxes		213,616	212,650
Restricted cash	18	48,369	51,646
Cash and cash equivalents	19	13,226	20,671
		5,472,465	5,671,352
Total assets		6,002,355	6,213,420
CAPITAL AND RESERVES			
Share capital	20	14,746	14,746
Other reserves	21	1,317,594	1,233,639
Accumulated losses		(2,123,332)	(1,916,532)
Equity attributable to owners of the Company		(790,992)	(668,147)
Non-controlling interests		1,267,731	1,310,938
Total equity		476,739	642,791

Condensed Consolidated Statement of Financial Position

As at 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

		As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
	Notes		
LIABILITIES			
Non-current liabilities			
Bank and other borrowings	22	153,766	37,058
Lease liabilities		56,359	56,734
Deferred income tax liabilities		336,265	336,265
		546,390	430,057
Current liabilities			
Trade and other payables	23	1,121,746	1,137,779
Bank and other borrowings	22	3,336,932	3,411,138
Contract liabilities	5(c)(ii)	115,843	197,671
Lease liabilities		13,184	11,407
Current income tax liabilities		391,521	382,577
		4,979,226	5,140,572
Total liabilities		5,525,616	5,570,629
Total equity and liabilities		6,002,355	6,213,420
Net current assets		493,239	530,780
Total assets less current liabilities		1,023,129	1,072,848

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

	Attributable to owners of the Company				Non-controlling interests	Total
	Share capital	Other reserves	Accumulated losses	Sub-total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Six months ended 30 June 2026 (Unaudited)						
At 1 January 2026	14,746	1,233,639	(1,916,532)	(668,147)	1,310,938	642,791
Loss for the period	–	–	(206,800)	(206,800)	(43,207)	(250,007)
Other comprehensive income	–	83,955	–	83,955	–	83,955
Total comprehensive income/(loss) for the period	–	83,955	(206,800)	(122,845)	(43,207)	(166,052)
At 30 June 2026	14,746	1,317,594	(2,123,332)	(790,992)	1,267,731	476,739
Six months ended 30 June 2025 (Unaudited)						
At 1 January 2025	14,746	1,171,954	(1,500,144)	(313,444)	1,428,801	1,115,357
Loss for the period	–	–	(142,604)	(142,604)	(47,993)	(190,597)
Other comprehensive income	–	28,112	–	28,112	–	28,112
Total comprehensive income/(loss) for the period	–	28,112	(142,604)	(114,492)	(47,993)	(162,485)
At 30 June 2025	14,746	1,200,066	(1,642,748)	(427,936)	1,380,808	952,872

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

	Six months ended 30 June	
	2026 Unaudited RMB'000	2025 Unaudited RMB'000
Note		
Cash flows from operating activities		
Net cash generated from operations	5,286	60,073
Income tax paid	(133)	(8,935)
Interest paid	(2,486)	(12,388)
Net cash generated from operating activities	2,667	38,750
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	(29)	(674)
Proceeds from disposal of property, plant and equipment	1,577	670
Proceeds from disposal of investment properties	–	19,200
Cash advanced to non-controlling shareholder	(264)	(9,378)
Net cash inflows from disposal of a subsidiary	650	5,969
Proceeds from disposal of an associate	–	542
Capital injection to an associate	–	(392)
Interest received	17	201
Net cash from investing activities	1,951	16,138
Cash flows from financing activities		
Proceeds from borrowings	–	40,000
Repayments of borrowings	(10,093)	(73,428)
Payment for lease liabilities	(1,860)	(1,579)
Net cash used in financing activities	(11,953)	(35,007)
Net (decrease)/increase in cash and cash equivalents	(7,335)	19,881
Effect of changes in foreign exchange rates	(110)	(40)
Cash and cash equivalents at the beginning of the period	20,671	21,174
Cash and cash equivalents at the end of the period	13,226	41,015

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Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

1. General information

JY Grandmark Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 2 November 2018 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). In the opinion of the directors of the Company, the immediate holding company and ultimate controlling party of the Company are Sze Ming Limited, a company incorporated in the British Virgin Islands, and The Phoenix Trust, respectively. The addresses of the registered office and the principal place of business of the Company are disclosed in the Corporate Information section of the interim report of the Company for the six months ended 30 June 2026.

This Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in property development and sales, property management, hotel operations and commercial property investment in the People’s Republic of China (the “**PRC**”).

This condensed consolidated interim financial information is presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

This condensed consolidated interim financial information has not been audited.

2. Basis of preparation and material accounting policy information

This condensed consolidated interim financial information has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

This condensed consolidated interim financial information should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2025. Except as described below, the accounting policies (including the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainties) and methods of computation used in the preparation of this condensed consolidated interim financial information are consistent with those used in the Group’s consolidated financial statements for the year ended 31 December 2025.

(a) Going concern basis

For the six months ended 30 June 2026, the Group incurred a net loss for the period of approximately RMB250 million, and as at 30 June 2026, the Group’s total bank and other borrowings was approximately RMB3,491 million, of which the Group’s bank and other borrowings amounted to approximately RMB3,337 million were repayable within twelve months from the end of the reporting period, while its cash and cash equivalents and restricted cash amounted to approximately RMB62 million, in aggregate.

As at 30 June 2026, certain borrowings with aggregate principal amount of approximately RMB2,906 million and interest payables of RMB369 million arising from such borrowings were overdue (the “**Defaulted Borrowings**”). The above-mentioned borrowings and interest payables would be immediately repayable if requested by the lenders.

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

2. Basis of preparation and material accounting policy information (continued)

(a) Going concern basis (continued)

Certain lenders have exercised their rights to demand immediate repayment of the Defaulted Borrowings and included the followings:

- (i) a loan with outstanding principal amount of approximately RMB56 million granted by Bank of China, Zhaoqing Branch (the “**Zhaoqing Lender**”), which court proceedings have been initiated by the Zhaoqing Lender. A final judgement has been issued for the claims of approximately RMB57 million against the Group and the Zhaoqing Lender has filed the enforcement of the judgement;
- (ii) a loan with outstanding principal amount of approximately RMB580 million granted by Ping An Bank Co., Ltd. Guangzhou Branch (the “**Guangzhou Lender**”), which court proceedings have been initiated by the Guangzhou Lender. A first-instance judgement has been issued for the claims of approximately RMB605 million, while the Group have filed appeals against the judgement;
- (iii) a loan with outstanding principal amount of approximately RMB111 million granted by Guangzhou Bank Co., Ltd. Zengcheng Branch (the “**Zengcheng Lender**”), which court proceedings have been initiated by the Zengcheng Lender. The Zengcheng Lender has initiated the court proceedings against the Group for the recovery of the outstanding indebtedness;
- (iv) a loan with outstanding principal amount of approximately RMB25 million granted by Bank of China Limited, Qingyuan Branch (the “**Qingyuan Lender**”), which application for arbitration has been filed by the Qingyuan Lender;
- (v) another loan with outstanding principal amount of approximately RMB52 million granted by the Qingyuan Lender, which application for arbitration has been filed by the Qingyuan Lender; and
- (vi) a loan with outstanding principal amount of approximately RMB57 million granted by Industrial and Commercial Bank of China Limited, Guangzhou Tianhe Smart City Sub branch (the “**Tianhe Lender**”), which the Tianhe Lender filed a lawsuit against the Company and certain subsidiaries of the Company.

Due to the continued decline of the property market in Chinese Mainland during the six months ended 30 June 2026, the Group continued to underperform in the business of property development and sales. The pre-sales activities, property sales volumes and the amounts and collection of pre-sale and sales proceeds continued to be unsatisfactory which give rise to significant pressure on the Group's liquidity.

The business of the Group is also subject to extensive governmental regulations and macro-economic control measures of the real estate sector implemented by the PRC government from time to time, and some of these policies and measures may have unfavourable impact to the working capital available to the Group. In addition, the Group has committed construction cost payable for the projects which have been legally bound by the pre-sale agreements and are scheduled to deliver to the customers within next twelve months from the end of the reporting period.

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

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

2. Basis of preparation and material accounting policy information (continued)

(a) Going concern basis (continued)

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern.

The following plans and measures have been taken to mitigate the liquidity pressure and to improve its financial position:

- (i) In respect of Defaulted Borrowings, the Group has been actively negotiating with all the lenders of the Defaulted Borrowings for renewal and extension for repayments of the Defaulted Borrowings. The directors of the Company are confident that the lenders (other than the above-mentioned lenders) will likely not exercise their rights to demand the Group's immediate repayment of the borrowings. Also, the management of the Company has been working closely with its advisers and is engaged in ongoing discussion with the creditors of the Company to formulate a debt restructuring plan;
- (ii) The Group will continue to actively adjust pre-sales and sales activities to better respond to market needs, and make efforts to achieve the latest budgeted pre-sales and sales volumes and amounts. The Group will also continue to implement plans and measures to accelerate the pre-sales and sales of its properties under development and completed properties held for sale, and to speed up the collection of outstanding sales proceeds;
- (iii) As at 30 June 2026, the Group's restricted cash amounted to approximately RMB48 million, which mainly represented the restricted pre-sale proceeds in designated bank accounts and can be used to settle certain construction payables or project loans subject to the approval of the relevant PRC government authority. The Group will closely monitor the process of construction of its property development projects to ensure that construction and related payments are fulfilled, and that the relevant properties sold under pre-sale arrangement are completed and delivered to the customers on schedule as planned, so that the Group is able to release restricted cash to meet its other financial obligations; and
- (iv) The Group will also continue to seek for other alternative financing and borrowings to finance the settlement of its existing financial obligations and future operating expenditure. The Group would pay attention to changes in the financing market and policies and promote or add new financing as appropriate; regularly take stock of and update the Group's asset position to ensure clear and complete financing resources. The Group would also seek assistance from the government to obtain diversified financing and deconsolidation methods.

The directors of the Company have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 30 June 2026. In the opinion of the directors of the Company, in light of the above and taking into account the anticipated cash flows to be generated from the Group's operations as well as the above plans and measures, the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the coming twelve months from 30 June 2026. Accordingly, the directors of the Company consider that it is appropriate to prepare the condensed consolidated interim financial information on a going concern basis.

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

2. Basis of preparation and material accounting policy information (continued)

(a) Going concern basis (continued)

Notwithstanding the above, a material uncertainty exists as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cashflows through:

- (i) successful negotiations with the Group's existing lenders in respect of the borrowings, including the syndicated loan, that were either in default, so that the relevant lenders will not exercise their contractual rights to demand immediate repayment of the relevant Defaulted Borrowings and grant the relevant waiver to the Group;
- (ii) continuous compliance the terms and conditions of the bank and other borrowings and, where applicable, successful negotiations with the lenders to obtain waiver or to revise the terms and conditions of the borrowings for the continuous compliance thereof as and when needed;
- (iii) successful and timely extension and renewal of its bank and other borrowings, upon maturity as well as obtaining new financing from financial institutions as and when needed. The Group's ability to obtain these financing depends on (1) current and ongoing regulatory environments and how the relevant policies and measures might affect the Group and/or the relevant financial institutions; (2) whether the lenders of existing borrowings agree the terms and conditions for such extension or renewal; and (3) the Group's ability to continuously comply with the relevant terms and conditions of its bank and other borrowings;
- (iv) successfully adjust pre-sales and sales activities to achieve budgeted pre-sales and sales volumes and amounts, and successful implementation of the plans and measures to accelerate the pre-sales and sales of properties under development and completed properties held for sale, and timely collection of the relevant sales proceeds;
- (v) successful completion and delivery of properties to the customers on schedule such that restricted pre-sale proceeds in the designated bank accounts will be released to meet its other financial obligations as planned; and
- (vi) successful in obtaining other additional sources of financing other than those mentioned above as and when needed.

Although the Group is in the process of mitigating the liquidity pressure according to the above plans and measures, the directors of the Company considered that the Group's ability to continue as a going concern are subject to the actual outcome of the above plans and measures and other external factors which are beyond the Group's control, including the pace of the domestic economic recovery and the policy environment. Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in this condensed consolidated interim financial information.

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

2. Basis of preparation and material accounting policy information (continued)

(b) New and amendments to HKFRS Accounting Standards

(i) Amendments to HKFRS Accounting Standards adopted by the Group

The Group has applied the following amendments to HKFRS Accounting Standards, which collective term includes all individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), HKASs and interpretation (“**Ints**”) as issued by the HKICPA, for the first time which are effective for the accounting period from 1 January 2026:

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
Annual Improvements to HKFRS Accounting Standards	Volume 11

The application of the above amendments to HKFRS Accounting Standards in the current period has had no material effect on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in this condensed consolidated interim financial information.

(ii) New and Amendments to HKFRS Accounting Standards issued but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

	Effective for accounting periods beginning on or after
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HKAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

3. Critical accounting judgements and key sources of estimation uncertainties

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

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

4. Fair value measurement

No financial assets and financial liabilities are measured at its respective fair value on recurring basis as at 30 June 2026 and 31 December 2025.

The carrying amounts of the Group's financial assets and financial liabilities at amortised cost as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

5. Revenue and segment information

(a) Description of segments and principal activities

The executive directors of the Company, being the chief operating decision-maker (the "CODM") of the Group, review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group is organised into four business segments: property development and sales; commercial property investment; hotel operations; and property management.

As the CODM considers most of the Group's consolidated revenue and results are attributable to the market in the PRC, and the Group's consolidated non-current assets are substantially located in the PRC, no geographical information is presented.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

5. Revenue and segment information (continued)

(b) Segment performance

The segment information provided to the CODM for the reportable segments for the six months ended 30 June 2026 and 2025 are as follows:

	Property development and sales Unaudited RMB'000	Commercial property investment Unaudited RMB'000	Hotel operations Unaudited RMB'000	Property management Unaudited RMB'000	Total Unaudited RMB'000
Six months ended 30 June 2026					
Revenue from contracts with customers within the scope of HKFRS 15					
Recognised at a point in time	97,014	–	–	–	97,014
Recognised over time	–	–	12,179	14,866	27,045
	97,014	–	12,179	14,866	124,059
Revenue from other sources – rental income	–	775	–	–	775
Segment revenue	97,014	775	12,179	14,866	124,834
Less: inter-segment sales	–	(674)	–	–	(674)
Revenue from external customers	97,014	101	12,179	14,866	124,160
Gross profit/(loss) before net provision for completed properties held for sale and properties under development	2,302	101	(3,018)	1,806	1,191
Net provision for completed properties held for sale and properties under development	(60,050)	–	–	–	(60,050)
Gross (loss)/profit after net provision for completed properties held for sale and properties under development	(57,748)	101	(3,018)	1,806	(58,859)
Selling and marketing expenses					(11,985)
Administrative expenses					(19,793)
Loss allowance on financial instruments					(10,336)
Other income					547
Other losses, net					(5,079)
Finance costs, net					(135,020)
Loss before income tax					(240,525)

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

5. Revenue and segment information (continued)

(b) Segment performance (continued)

	Property development and sales Unaudited RMB'000	Commercial property investment Unaudited RMB'000	Hotel operations Unaudited RMB'000	Property management Unaudited RMB'000	Total Unaudited RMB'000
Six months ended 30 June 2025					
Revenue from contracts with customers within the scope of HKFRS 15					
Recognised at a point in time	384,309	–	–	–	384,309
Recognised over time	–	–	17,601	26,647	44,248
	384,309	–	17,601	26,647	428,557
Revenue from other sources – rental income	–	3,980	–	–	3,980
Segment revenue	384,309	3,980	17,601	26,647	432,537
Less: inter-segment sales	–	(3,481)	(329)	(3,563)	(7,373)
Revenue from external customers	384,309	499	17,272	23,084	425,164
Gross profit/(loss) before net provision for completed properties held for sale and properties under development	24,588	215	(426)	6,087	30,464
Net provision for completed properties held for sale and properties under development	(73,653)	–	–	–	(73,653)
Gross (loss)/profit after net provision for completed properties held for sale and properties under development	(49,065)	215	(426)	6,087	(43,189)
Selling and marketing expenses					(29,368)
Administrative expenses					(20,619)
Loss allowance on financial instruments					(64,112)
Other income					8,109
Other expenses					(191)
Other gains, net					31,593
Finance costs, net					(45,450)
Share of results of associates					236
Loss before income tax					(162,991)

Sales between segments are carried out at arm's length. The revenue from external parties reported to the CODM is measured in a manner consistent with that in the condensed consolidated statement of comprehensive income.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

5. Revenue and segment information (continued)

(b) Segment performance (continued)

The segment assets and liabilities provided to the CODM for the reportable segments as at 30 June 2026 is as follows:

	Property development and sales Unaudited RMB'000	Commercial property investment Unaudited RMB'000	Hotel operations Unaudited RMB'000	Property management Unaudited RMB'000	Total Unaudited RMB'000
Segment assets	5,583,024	45,952	105,460	8,672	5,743,108
Unallocated					259,247
Consolidated total assets					6,002,355
Segment liabilities	1,190,651	22,612	81,646	12,223	1,307,132
Unallocated					4,218,484
Consolidated total liabilities					5,525,616

The segment assets and liabilities provided to the CODM for the reportable segments as at 31 December 2025 is as follows:

	Property development and sales Audited RMB'000	Commercial property investment Audited RMB'000	Hotel operations Audited RMB'000	Property management Audited RMB'000	Total Audited RMB'000
Segment assets	5,787,080	43,175	95,625	27,217	5,953,097
Unallocated					260,323
Consolidated total assets					6,213,420
Segment liabilities	1,281,163	23,313	69,672	29,443	1,403,591
Unallocated					4,167,038
Consolidated total liabilities					5,570,629

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

- all assets are allocated to reporting segments except for the deferred income tax assets; and
- all liabilities are allocated to reporting segments other than current income tax liabilities, bank and other borrowings and deferred income tax liabilities.

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

5. Revenue and segment information (continued)

(b) Segment performance (continued)

During the six months ended 30 June 2025, there was one (2026: nil) customer from property development and sales segment who contributed over 10% of the total revenue of the Group.

(c) Assets and liabilities related to contracts with customers

(i) The Group has recognised the following contract assets related to contracts with customers:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Prepaid sales commissions	60,743	62,950

As at 30 June 2026 and 31 December 2025, the contract costs represented the prepaid sales commissions for obtaining the property sales contracts. Contract costs are recognised in profit or loss in the period which revenue from the related property sales is recognised.

During the six months ended 30 June 2026, contract costs of approximately RMB8,445,000 (2025: RMB24,119,000) is recognised in profit or loss. There was no impairment loss recognised in relation to the contract costs for the six months ended 30 June 2026 and 2025.

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

5. Revenue and segment information (continued)

(c) Assets and liabilities related to contracts with customers (continued)

(ii) The Group has recognised the following contract liabilities related to contracts with customers:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Contract liabilities related to sales of properties	107,560	169,697
Contract liabilities related to others	8,283	27,974
	115,843	197,671

The Group receives payments from customers based on billing schedule as established in sales contracts. Payments are usually received in advance before the satisfaction of performance obligation under the sales contracts during pre-sales activities.

(iii) The following table shows the amount of revenue recognised for the six months ended 30 June 2026 and 2025 related to contract liabilities at the beginning of the period:

	Six months ended 30 June	
	2026 Unaudited RMB'000	2025 Unaudited RMB'000
Sales of properties	91,853	178,856
Others	1,261	11,531
	93,114	190,387

The amount of unsatisfied performance obligation is approximately the same as the balance of contract liabilities, which are expected to be recognised in 1 to 3 years from 30 June 2026 and 31 December 2025 and classified as current liabilities as such contract liabilities are utilised in the normal operating cycle.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

6. Other income

	Six months ended 30 June	
	2026 Unaudited RMB'000	2025 Unaudited RMB'000
Income from forfeited customers' deposits	197	14
Government grants (<i>note</i>)	4	–
Others	346	8,095
	547	8,109

Note: The government grants during the six months ended 30 June 2026 (2025: nil) represented the grants from the Chinese Mainland Government in respect of the staff costs incurred by the Group and there are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

7. Other (losses)/gains, net

	Six months ended 30 June	
	2026 Unaudited RMB'000	2025 Unaudited RMB'000
Gain on disposal of a subsidiary	2,632	702
Reversal of legal expenses related to the compulsory auction of a building	–	32,958
Gain on disposal of investment properties and property, plant and equipment	–	218
Loss on disposal of an associate (<i>note 13</i>)	(585)	(300)
Net foreign exchange losses	(7,126)	(1,985)
	(5,079)	31,593

8. Finance costs, net

	Six months ended 30 June	
	2026 Unaudited RMB'000	2025 Unaudited RMB'000
Finance income		
– Interest income from bank deposits	17	201
Finance costs		
– Interest expense on bank and other borrowings	(123,743)	(119,624)
– Interest expense on lease liabilities	(1,402)	(1,599)
– Net exchange losses on foreign currency borrowings	(9,892)	(12,603)
	(135,037)	(133,826)
Less: interest capitalised (<i>note</i>)	–	88,175
	(135,037)	(45,651)
Finance costs, net	(135,020)	(45,450)

Note: The capitalisation rate of the borrowings was 7.13% (2026: nil) for the six months ended 30 June 2025.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

9. Loss before income tax

Loss before income tax for the period has been arrived at after charging/(crediting):

	Six months ended 30 June	
	2026 Unaudited RMB'000	2025 Unaudited RMB'000
Depreciation charge on property, plant and equipment	7,003	5,797
Depreciation charge on right-of-use assets	1,255	2,456
Amortisation charge on intangible assets	432	319
Cost of properties recognised as expenses, net of utilisation of provision for completed properties held for sale of approximately RMB19,589,000 (2025: RMB153,234,000)	94,712	359,721
Provision for completed properties held for sale and properties under development	60,050	73,653
(Reversal of)/loss allowance on:		
– trade receivables	(6,856)	(15,842)
– other receivables	17,192	42,196
– financial guarantees to a joint venture	–	37,758
Loss allowance on financial instruments	10,336	64,112
Total staff costs (including directors' emoluments)	21,618	32,743

10. Income tax expenses

	Six months ended 30 June	
	2026 Unaudited RMB'000	2025 Unaudited RMB'000
Current income tax		
– PRC Corporate Income Tax	71	976
– PRC Land Appreciation Tax	9,411	2,561
	9,482	3,537
Deferred taxation	–	24,069
	9,482	27,606

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

11. Loss per share

Loss per share is calculated by dividing the Group's loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period and presented as follows:

	Six months ended 30 June	
	2026 Unaudited	2025 Unaudited
Loss for the period attributable to owners of the Company for the purpose of calculating basic and diluted loss per share (RMB'000)	(206,800)	(142,604)
Weighted average number of ordinary shares in issue for the purpose of calculating basic and diluted loss per share ('000)	1,646,173	1,646,173
Basic and diluted loss per share (RMB)	(0.13)	(0.09)

Diluted loss per share was the same with the basic loss per share as there were no dilutive potential ordinary shares in issue during the six months ended 30 June 2026 and 2025.

12. Dividend

No dividend was paid or proposed during the six months ended 30 June 2026, nor has any dividend been proposed since the end of the reporting period (2025: nil).

13. Interests in associates

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
At the beginning of the reporting period	585	739
Share of results of associates	–	(14)
Disposal of an associate	(585)	(140)
At the end of the reporting period	–	585

During the six months ended 30 June 2026, the Group disposed of its entire 49% equity interest in an associate to an independent third party for nil consideration. The loss on disposal of an associate of approximately RMB585,000 (2025: RMB300,000) was recognised in other (losses)/gains, net (note 7) during the six months ended 30 June 2026.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

14. Property, plant and equipment, right-of-use assets, investment properties and intangible assets

	Property, plant and equipment RMB'000	Right-of-use assets RMB'000	Investment properties RMB'000	Intangible assets RMB'000	Total RMB'000
Six months ended 30 June 2026 (Unaudited)					
Opening net book amount	169,314	75,523	30,100	786	275,723
Addition	29	–	–	–	29
Disposal	(1,577)	–	–	–	(1,577)
Depreciation/amortisation charge	(7,003)	(1,255)	–	(432)	(8,690)
Exchange difference	(12)	(1)	–	–	(13)
Closing net book amount	160,751	74,267	30,100	354	265,472
Six months ended 30 June 2025 (Unaudited)					
Opening net book amount	216,419	84,612	50,200	1,964	353,195
Addition	674	–	–	–	674
Disposal	(582)	–	(13,585)	–	(14,167)
Disposal of a subsidiary	–	–	(5,415)	–	(5,415)
Depreciation/amortisation charge	(5,797)	(2,456)	–	(319)	(8,572)
Exchange difference	(4)	(14)	–	–	(18)
Closing net book amount	210,710	82,142	31,200	1,645	325,697

- (a) As at 30 June 2026, property, plant and equipment and right-of-use assets with net book amounts of approximately RMB115,274,000 (31 December 2025: RMB121,920,000) and RMB10,275,000 (31 December 2025: RMB10,547,000) respectively, were pledged as collaterals for the Group's bank and other borrowings (note 22).
- (b) As at 30 June 2026, property, plant and equipment mainly comprised hotels with net book amount of approximately RMB115,274,000 (31 December 2025: RMB121,920,000) which are located in the PRC.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

14. Property, plant and equipment, right-of-use assets, investment properties and intangible assets (continued)

(c) Details of the investment properties are as follows:

	Property category	Fair value at	Valuation techniques	Unobservable inputs	Range of unobservable inputs (probability)	Relationship of unobservable inputs to fair value
Completed investment properties	Retail properties	30 June 2026: RMB1,100,000 (31 December 2025: RMB1,100,000)	Term and reversionary method	Market rents (RMB/square metre)	125 (31 December 2025: 125)	The higher the market rents, the higher the fair value
				Term and reversionary yields	5.5% (31 December 2025: 5.5%)	The higher the term yields, the lower the fair value
Investment properties under construction	Land located in Lianhuashan	30 June 2026: RMB29,000,000 (31 December 2025: RMB29,000,000)	Direct comparison	Market price (RMB/square metre)	1,730 (31 December 2025: 1,730)	The higher the market price, the higher the fair value
	Town, Panyu District, Guangzhou, the PRC					

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

15. Properties under development

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Properties under development comprised:		
– Land use rights	2,052,554	2,052,554
– Contractual rights of land (<i>note</i>)	154,513	154,513
– Construction costs	895,421	895,619
– Interest and depreciation of property, plant and equipment capitalised	959,442	959,442
	4,061,930	4,062,128
Less: provision for properties under development	(1,357,667)	(1,357,667)
	2,704,263	2,704,461

Note: Contractual rights of land mainly represents the land under construction, which was acquired from the collective economic organisations in 2017 and will be transferred to land use rights upon completion of construction.

Properties under development are located in the PRC and expected to be completed and available for sale within normal operating cycle.

As at 30 June 2026, properties under development with net book value of approximately RMB1,028,210,000 (31 December 2025: RMB944,128,000) were pledged as collaterals for the Group's bank and other borrowings (note 22).

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

16. Completed properties held for sale

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Completed properties held for sale comprised:		
– Land use rights	875,760	897,656
– Construction costs	1,172,295	1,270,918
– Interest capitalised	274,914	274,914
	2,322,969	2,443,488
Less: provision for completed properties held for sale	(644,215)	(603,754)
	1,678,754	1,839,734

The completed properties held for sale are all located in the PRC.

As at 30 June 2026, completed properties held for sale with net book value of approximately RMB977,705,000 (31 December 2025: RMB990,623,000) were pledged as collaterals for the Group's bank and other borrowings (note 22).

17. Trade and other receivables and prepayments

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Trade receivables, net (<i>note (a)</i>)	14,697	22,530
Other receivables, net (<i>note (b)</i>)	467,222	482,500
Prepayments for acquisition of land use rights (<i>note (c)</i>)	202,561	202,561
Other prepayments (<i>note (d)</i>)	73,242	76,057
	757,722	783,648
Less: other receivables classified as non-current portion	(5,171)	(5,437)
Current portion	752,551	778,211

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

17. Trade and other receivables and prepayments (continued)

Notes:

(a) Details of trade receivables, net are as follows:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Trade receivables, third parties	28,250	42,842
Trade receivables, related parties	–	97
Less: allowance for expected credit losses ("ECL")	(13,553)	(20,409)
Trade receivables, net	14,697	22,530

Ageing analysis of trade receivables, gross, based on invoice date, which approximates to revenue recognition date, is as follows:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Within 1 year	15,139	23,914
Over 1 year	13,111	19,025
	28,250	42,939

Trade receivables mainly arise from rental income, provision of property management and hotel operations.

During the six months ended 30 June 2026, reversal of loss allowance on trade receivables of approximately RMB6,856,000 (2025: RMB18,542,000) was recognised under the ECL model of the impairment assessment.

The Group's trade receivables are denominated in RMB as at 30 June 2026 and 31 December 2025.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

17. Trade and other receivables and prepayments (continued)

Notes: (continued)

(b) Details of other receivables, net are as follows:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Deposits for acquisition of land use rights	82,331	82,331
Amounts due from non-controlling shareholders (note)	344,870	344,606
Amounts due from related parties (note)	54,260	54,260
Others	244,957	243,307
Other receivables, gross	726,418	724,504
Less: allowance for ECL	(259,196)	(242,004)
Other receivables, net	467,222	482,500

Note: The amounts due from non-controlling shareholders and related parties are unsecured, interest-free and repayable on demand.

During the six months ended 30 June 2026, loss allowance on other receivables of approximately RMB17,192,000 (2025: RMB42,196,000) was recognised under the ECL model of the impairment assessment.

(c) Amounts represented up-front payments for acquiring land use rights for properties under development. The amounts will be transferred to properties under development in the condensed consolidated statement of financial position when the Group obtains legal rights of the relevant land.

(d) Details of other prepayments are as follows:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Prepayments for property development projects	60,713	59,850
Prepaid other taxes	4,703	4,726
Others	7,826	11,481
Other prepayments	73,242	76,057

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

18. Restricted cash

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Guarantee deposits for construction of pre-sale properties (<i>note (a)</i>)	36,291	36,639
Guarantee deposits for borrowings (<i>note (b)</i>)	–	57
Others	12,078	14,950
	48,369	51,646

Notes:

- (a) In accordance with relevant rules and regulations of the local government authority, certain property development companies of the Group are required to place at designated bank accounts for the pre-sale properties proceeds received as the guarantee deposits for the constructions of related properties. The deposits can be used for payments of construction costs of related property projects upon the approval of the relevant government authority. Such guarantee deposits will be released according to the completion stage of the related properties.
- (b) Pursuant to certain bank loan agreements, the Group is required to place certain cash deposits as securities for borrowings (*note 22*).

The directors of the Company are of the view that the restricted cash listed above will be released within the normal operating cycle.

19. Cash and cash equivalents

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Cash at bank and on hand	61,595	72,317
Less: restricted cash (<i>note 18</i>)	(48,369)	(51,646)
Cash and cash equivalents	13,226	20,671

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

20. Share capital**Authorised**

	Number of ordinary shares	Amount HK\$
Ordinary shares of HK\$0.01 each		
At 1 January 2025, 31 December 2025 (audited), 1 January 2026 and 30 June 2026 (unaudited)	2,500,000,000	25,000,000

Issued and fully paid

	Number of ordinary shares	Share capital HK\$'000	Equivalent to approximately RMB'000
Ordinary shares of HK\$0.01 each			
At 1 January 2025, 31 December 2025 (audited), 1 January 2026 and 30 June 2026 (unaudited)	1,646,173,000	16,462	14,746

21. Other reserves

	Consolidated reserves RMB'000	Statutory reserve RMB'000	Exchange reserve RMB'000	Total RMB'000
Six months ended 30 June 2026 (Unaudited)				
At 1 January 2026	1,185,125	168,327	(119,813)	1,233,639
Other comprehensive income	–	–	83,955	83,955
At 30 June 2026	1,185,125	168,327	(35,858)	1,317,594
Six months ended 30 June 2025 (Unaudited)				
At 1 January 2025	1,185,913	160,836	(174,795)	1,171,954
Other comprehensive income	–	–	28,112	28,112
At 30 June 2025	1,185,913	160,836	(146,683)	1,200,066

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

22. Bank and other borrowings

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Bank borrowings	1,972,733	1,934,734
Senior notes (<i>note (a)</i>)	1,355,281	1,345,627
Other borrowings (<i>note (b)</i>)	162,684	167,835
	3,490,698	3,448,196
Included in non-current bank and other borrowings:		
– Secured (<i>note (c)</i>)	1,834,060	1,799,121
– Unsecured (<i>note (d)</i>)	34,150	34,150
Less: current portion of non-current bank and other borrowings	(1,714,444)	(1,796,213)
	153,766	37,058
Included in current bank and other borrowings:		
– Secured (<i>note (c)</i>)	–	192,886
– Unsecured (<i>note (d)</i>)	1,622,488	1,422,039
Add: current portion of non-current bank and other borrowings	1,714,444	1,796,213
	3,336,932	3,411,138
Total	3,490,698	3,448,196

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

22. Bank and other borrowings (continued)

Notes:

- (a) On 11 January 2024, the Company issued senior notes with nominal interest rate 9.5% due on 9 January 2025 in an aggregate principal amount of approximately US\$159,285,000 in Hong Kong (the **"2024 Notes"**). The issue of the 2024 Notes was related to the exchange offer of the senior notes amounting to US\$152,100,000 and its related interest expenses which was due on 11 January 2024. The 2024 Notes were listed on the Stock Exchange on 12 January 2024.

On 7 January 2025, the Company issued another new senior notes with nominal interest rate 9.5% due on 6 January 2026 in an aggregate principal amount of approximately US\$174,333,000 (the **"New Senior Notes"**) in Hong Kong. The issue of the New Senior Notes was related to the exchange offer of the 2024 Notes amounting to approximately US\$159,285,000 and its related interest expenses which was due on 9 January 2025. Up to the date of approval of these condensed consolidated interim financial information, the New Senior Notes were defaulted.

The 2024 Notes and the New Senior Notes are guaranteed by certain subsidiaries of the Company.

- (b) As at 30 June 2026, other borrowings represented borrowings with aggregate principal amount of approximately RMB143,318,000 (31 December 2025: RMB150,277,000) borrowed from certain independent third parties of the Group, and related accrued interests.
- (c) As at 30 June 2026, bank and other borrowings totalling of approximately RMB1,834,060,000 (31 December 2025: RMB1,992,007,000) of the Group were secured by the pledge of the following assets together with the Company's shares of certain subsidiaries as collaterals and guaranteed by the Company, certain subsidiaries of the Company, the ultimate controlling party and independent third parties:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Right-of-use assets	10,275	10,547
Property, plant and equipment	115,274	121,920
Properties under development	1,028,210	944,128
Completed properties held for sale	977,705	990,623
Restricted cash	—	57
	2,131,464	2,067,275

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For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

22. Bank and other borrowings (continued)

Notes: (continued)

- (d) Among the unsecured borrowings of approximately RMB1,656,638,000 (31 December 2025: RMB1,456,189,000), unsecured borrowings of approximately RMB1,834,060,000 (31 December 2025: RMB1,391,545,000) as at 30 June 2026 were guaranteed by certain subsidiaries of the Company or the ultimate controlling party.

As at 30 June 2026 and 31 December 2025, the Group's borrowings are denominated in the following currencies:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
RMB	1,601,504	1,560,552
HK\$	533,913	542,017
United State dollars	1,355,281	1,345,627
	3,490,698	3,448,196

The weighted average effective interest rates per annum were as follows:

	Six months ended 30 June	
	2026 Unaudited	2025 Unaudited
Bank and other borrowings	5.54%	6.00%
Senior notes	9.50%	9.91%

23. Trade and other payables

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Trade payables (<i>note (a)</i>)	691,282	732,535
Amounts due to non-controlling shareholders and the related parties (<i>note (b)</i>)	13,758	13,758
Outstanding consideration payables for acquisitions	22,440	22,440
Deposits payables (<i>note (c)</i>)	11,511	12,452
Factoring of trade payables	53,476	53,476
Accrued expenses	17,932	20,611
Salaries payable	15,842	13,266
Other taxes payable	129,987	134,682
Other payables (<i>note (d)</i>)	105,540	74,785
Provision of legal cases	59,978	59,774
	1,121,746	1,137,779

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

23. Trade and other payables (continued)*Notes:*

- (a) Ageing analysis of trade payables, based on the invoice date, is as follows:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Within 90 days	3,717	31,739
Over 90 days and within 365 days	91,615	143,501
Over 365 days	595,950	557,295
	691,282	732,535

- (b) Amounts due to non-controlling shareholders and the related parties are unsecured, interest free and repayable on demand.
- (c) The deposits payables mainly include: (i) the deposits received from property purchasers of the Group but pre-sale agreement has not yet to be signed; and (ii) quality guarantee and bidding deposit from constructors. The deposits are unsecured, interest free and repayable according to terms and conditions mutually agreed with the counter parties.
- (d) Other payables mainly comprised of (i) financial guarantee for a joint venture (note 24) with carrying amount of approximately RMB35,859,000 (31 December 2025: RMB35,859,000); and (ii) earnest money from independent third parties and maintenance funds, which are unsecured, interest free and repayable on demand.

At the end of the reporting period, the directors of the Company assessed the past due status of the debts under the financial guarantee for a joint venture, the financial position of the joint venture as well as the economic outlook of the industries in which the joint venture operates, and concluded that a loss allowance for financial guarantee of approximately RMB10,563,000 (for the six months ended 30 June 2026: nil) was recognised in profit or loss during the year ended 31 December 2025.

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

24. Guarantee

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Guarantee in respect of mortgage facilities for certain purchasers (note (a))	1,231,838	1,326,216
Guarantees for a joint venture (note (b))	349,248	349,248

- (a) The Group has arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. Such guarantees will be terminated 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.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principal 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 mortgages.

The Group considers that in case of default in payments by purchasers, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty and therefore no provision has been made in the condensed consolidated interim financial information for the guarantees.

- (b) As at 30 June 2026, the Group had provided guarantees for borrowings of the Group's joint venture amounting to RMB349,248,000 (31 December 2025: RMB349,248,000), with a provision amounting to approximately RMB35,859,000 (31 December 2025: RMB35,859,000) being made in the condensed consolidated interim financial information for the guarantee (note 23(d)).

25. Commitments

Capital expenditure committed at 30 June 2026 and 31 December 2025 but not yet incurred is as follows:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Property development activities	11,352	19,917

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

26. Related party transactions

(a) Name and relationship with related parties

Name	Relationship
CHAN Sze Ming Michael	Settlor of the ultimate controlling party
Nanjing Longguang Jingye Property Service Co., Ltd.* ("Nanjing Longguang")	Associate of the Group
Zhongshan Jingyue Investment Co., Ltd.* ("Zhongshan Jingyue")	Joint venture of the Group

* The English names of the related parties represents the best effort by the management of the Group in translating their Chinese names as they do not have official English names.

(b) Transactions with related parties

The Group had the following transactions with related parties for the six months ended 30 June 2026 and 2025:

	Six months ended 30 June	
	2026 Unaudited RMB'000	2025 Unaudited RMB'000
(i) Guarantee provided by the settlor of the ultimate controlling party of the Company in respect of the Group's borrowing outstanding – CHAN Sze Ming Michael	828,926	893,629
(ii) Property management service fee charged by – Nanjing Longguang	–	1,399

The prices for the above transactions were determined in accordance with the terms of the underlying agreements.

For the six months ended 30 June 2026 (all amounts in RMB thousands unless otherwise stated)

26. Related party transactions (continued)

(c) Balances with related parties

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Related parties:		
– Zhongshan Jingyue	49,944	49,944

Amount due from Zhongshan Jingyue mainly represent the cash advances which are unsecured, interest-free and repayable on demand.

- (d) As at 30 June 2026 and 31 December 2025, the Group provides guarantee for borrowings of a joint venture, details are shown as follows:

	As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
Financial guarantees to related party		
– Zhongshan Jingyue	349,248	349,248

(e) Key management compensation

Key management compensation for the six months ended 30 June 2026 and 2025 are set out below:

	Six months ended 30 June	
	2026 Unaudited RMB'000	2025 Unaudited RMB'000
Salaries and other employee benefits	1,703	1,698
Pension costs	29	12
	1,732	1,710