



KWG GROUP HOLDINGS

## KWG GROUP HOLDINGS LIMITED

Incorporated in the Cayman Islands with limited liability

Stock Code : 1813

2025 INTERIM  
REPORT

BUILD HOME  
WITH HEART

CREATE FUTURE  
WITH ASPIRATION

# CONTENTS

Corporate Information	2
Corporate Profile	3
Management Discussion and Analysis	4
Other Information	16
<b>Condensed Consolidated Interim Financial Information</b>	
Condensed Consolidated Statement of Profit or Loss	23
Condensed Consolidated Statement of Comprehensive Income	24
Condensed Consolidated Statement of Financial Position	25
Condensed Consolidated Statement of Changes in Equity	27
Condensed Consolidated Statement of Cash Flows	28
Notes to Condensed Consolidated Interim Financial Information	30

# CORPORATE INFORMATION

## Directors

### Executive Directors

KONG Jianmin (*Chairman*)  
KONG Jiantao  
(*Chief Executive Officer*)  
KONG Jiannan  
CAI Fengjia

### Independent Non-executive Directors

TAM Chun Fai  
LAW Yiu Wing, Patrick  
WONG Man Ming, Melinda

## Company Secretary

CHAN Kin Wai  
(*Resigned on 25 July 2025*)  
CHAN Sze Yin  
(*Appointed on 25 July 2025*)

## Authorised Representatives

KONG Jianmin  
(*Resigned on 25 July 2025*)  
CHAN Kin Wai  
(*Resigned on 25 July 2025*)  
CAI Fengjia  
(*Appointed on 25 July 2025*)  
CHAN Sze Yin  
(*Appointed on 25 July 2025*)

## Audit Committee

TAM Chun Fai (*Chairman*)  
LAW Yiu Wing, Patrick  
WONG Man Ming, Melinda

## Remuneration Committee

TAM Chun Fai (*Chairman*)  
KONG Jianmin  
LAW Yiu Wing, Patrick  
WONG Man Ming, Melinda

## Nomination Committee

KONG Jianmin (*Chairman*)  
TAM Chun Fai  
LAW Yiu Wing, Patrick  
WONG Man Ming, Melinda

## Registered Office

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

## Principal Place of Business in Hong Kong

Room 1301, 13th Floor  
Harcourt House  
39 Gloucester Road  
Wanchai, Hong Kong

## Principal Share Registrar and Transfer Agent

Suntera (Cayman) Limited  
Suite 3204, Unit 2A, Block 3  
Building D, P.O. Box 1586  
Gardenia Court, Camana Bay  
Grand Cayman, KY1-1100  
Cayman Islands

## Hong Kong Branch Share Registrar

Computershare Hong Kong Investor  
Services Limited  
17M Floor  
Hopewell Centre  
183 Queen's Road East  
Wan Chai, Hong Kong

## Principal Bankers

Agricultural Bank of China Limited  
China Construction Bank  
Corporation  
China Minsheng Banking Corp. Ltd.  
Hang Seng Bank (China) Limited  
Hang Seng Bank Limited  
Industrial and Commercial Bank of  
China (Asia) Limited  
Industrial and Commercial Bank  
of China Limited  
Shanghai Pudong Development  
Bank Co., Ltd.  
Standard Chartered Bank (China)  
Limited  
Standard Chartered Bank  
(Hong Kong) Limited  
The Bank of East Asia, Limited  
The Hongkong and Shanghai  
Banking Corporation Limited

## Auditor

Prism Hong Kong Limited  
Registered Public Interest Entity  
Auditor

## Legal Advisors

as to Hong Kong law:  
Sidley Austin

as to Cayman Islands law:  
Conyers Dill & Pearman

## Website

[www.kwggroupholdings.com](http://www.kwggroupholdings.com)

## Stock Code

1813 (Main Board of The Stock  
Exchange of Hong Kong Limited)

## CORPORATE PROFILE

Founded in 1995, KWG Group Holdings Limited (“KWG” or the “Company”, together with its subsidiaries, collectively the “Group”) was listed on the Main Board of The Stock Exchange of Hong Kong (stock code: 01813.HK) in July 2007. As one of the leading integrated urban operators in China, the Group has always upheld its core philosophy of “Build home with heart, create future with aspiration”. Originated from Guangzhou, KWG has strategically expanded nationwide across China and has been exploring opportunities in Greater-Bay-Area, Yangtze-River-Delta Area, Pan Bohai Rim Region and Western and Central regions with a strong focus on tier-one and tier-two cities, covering more than 40 cities.

Over the past 30 years, the Group has built up a comprehensive property development system well supported by a balanced portfolio offering different types of products, including mid- to high-end residential properties, serviced apartments, villas, offices, hotels and shopping malls. While deepening property development and commercial operation, the Group has also made strategic expansions into a wide range of segments including education and healthcare to gain synergic development with property business.

In the future, the Group will focus on the development of residential properties and commercial properties, and we are also committed to attach great importance to “environmental, social and governance (the “ESG”)” to fully promote the Company’s environmental, social and governance practices in a sustainable way.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Financial Review

### Revenue

Revenue of the Group comprises primarily the (i) gross proceeds from the sale of properties, (ii) gross recurring revenue received and receivable from investment properties and (iii) gross revenue from hotel room rentals, food and beverage sales and other ancillary services when the services are rendered. The revenue is primarily generated from its three business segments: property development, property investment and hotel operation.

The revenue amounted to approximately RMB3,792.3 million in the first half of 2025, representing a decrease of 27.5% from approximately RMB5,234.0 million for the corresponding period in 2024.

The revenue generated from property development, property investment and hotel operation were approximately RMB3,072.6 million, RMB406.1 million and RMB313.6 million, respectively, during the six months ended 30 June 2025.

Proportionate revenue amounted to approximately RMB5,641.4 million in the first half of 2025, representing a decrease of 23.7% from approximately RMB7,397.7 million for the corresponding period in 2024.

### Property development

Revenue generated from property development decreased by 30.5% to approximately RMB3,072.6 million for the six months ended 30 June 2025 from approximately RMB4,421.2 million for the corresponding period in 2024, primarily due to a decrease in the total gross floor area ("GFA") delivered from 398,698 sq.m. for the corresponding period in 2024 to 348,103 sq.m. in the first half of 2025.

The average selling price ("ASP") decreased from RMB11,089 per sq.m. for the corresponding period in 2024 to RMB8,827 per sq.m. for the six months ended 30 June 2025, primarily due to the price cuts and promotional activities implemented across the sluggish market of real estate to accelerate the properties clearance during the six months ended 30 June 2025.

Proportionate revenue generated from property development decreased by 25.9% to approximately RMB4,741.4 million for the six months ended 30 June 2025 from approximately RMB6,402.5 million for the corresponding period in 2024, primarily due to the decrease in the total GFA delivered to 470,133 sq.m. for the six months ended 30 June 2025 from 543,416 sq.m. for the corresponding period in 2024. The proportionate ASP decreased from RMB11,782 per sq.m. for the corresponding period in 2024 to RMB10,085 per sq.m. for the six months ended 30 June 2025.

### Property investment

Revenue generated from property investment decreased by 9.2% to approximately RMB406.1 million for the six months ended 30 June 2025 from approximately RMB447.4 million for the corresponding period in 2024, primarily due to the decrease in volume of rental business resulting from downturn in the overall economic environment.

### Hotel operation

Revenue generated from hotel operation decreased by 14.2% to approximately RMB313.6 million for the six months ended 30 June 2025 from approximately RMB365.4 million for the corresponding period in 2024, primarily due to a decrease in occupancy rate of hotels resulting from downturn in the overall economic environment.

### Cost of Sales

Cost of sales of the Group primarily represents the costs incurred directly for the Group's property development activities. The principal component of cost of sales is cost of properties sold, which includes the direct costs of construction, costs of obtaining land use rights and capitalised borrowing costs on related borrowed funds during the period of construction.



Cost of sales decreased by 28.0% to approximately RMB3,698.8 million for the six months ended 30 June 2025 from approximately RMB5,136.1 million for the corresponding period in 2024. The decrease was primarily due to the decrease in total GFA delivered in sales of properties.

Land cost per sq.m. decreased from RMB3,835 for the corresponding period in 2024 to RMB3,689 for the six months ended 30 June 2025.

Construction cost per sq.m. decreased from RMB4,627 for the corresponding period in 2024 to RMB4,420 for the six months ended 30 June 2025.

Proportionate cost of sales amounted to approximately RMB5,973.2 million in the first half of 2025, representing a decrease of 16.8% from approximately RMB7,180.1 million for the corresponding period in 2024. Proportionate land cost per sq.m. increased from RMB4,527 in the corresponding period in 2024 to RMB4,942 in the first half of 2025. Proportionate construction cost per sq.m. decreased from RMB6,574 in the corresponding period in 2024 to RMB5,410 in the first half of 2025.

### Gross Profit

Gross profit of the Group decreased by 4.4% to approximately RMB93.5 million for the six months ended 30 June 2025 from approximately RMB97.8 million for the corresponding period in 2024. The decrease of gross profit was principally due to the decrease in the total sales in the first half of 2025.

### Other Income and Gains, Net

Other income and gains decreased by 94.2% to approximately RMB29.7 million for the six months ended 30 June 2025 from approximately RMB510.0 million for the corresponding period in 2024.

### Selling and Marketing Expenses

Selling and marketing expenses of the Group decreased by 24.6% to approximately RMB342.0 million for the six months ended 30 June 2025 from approximately RMB453.6 million for the corresponding period in 2024, which mainly due to the decrease in sales leading to a reduction in related expenses.

### Administrative Expenses

Administrative expenses of the Group decreased by 13.9% to approximately RMB642.2 million for the six months ended 30 June 2025 from approximately RMB745.5 million for the corresponding period in 2024. This was mainly due to the optimization and adjustment of the enterprise's organizational structure, which had helped in saving costs.

### Other Operating Expenses

The Group reported other operating expenses of approximately RMB255.1 million for the six months ended 30 June 2025 (2024: approximately RMB3,917.5 million). This was attributable to impairment losses made on properties developed by the Group.

### Fair Value Losses on Investment Properties, Net

The Group reported fair value losses on investment properties of approximately RMB122.0 million for the six months ended 30 June 2025 (2024: approximately RMB470.9 million), mainly related to a revaluation losses during the period.

### Finance Costs

Finance costs of the Group being approximately RMB1,008.1 million for the six months ended 30 June 2025 (2024: approximately RMB1,910.5 million), were related to the borrowing costs on certain general corporate loans and partial senior notes. Since such borrowings were not earmarked for project development, they had not been capitalised.

### Share of Losses of Joint Ventures

The Group recorded a share of losses of joint ventures of approximately RMB873.7 million for the six months ended 30 June 2025 (2024: approximately RMB923.8 million).

This is mainly attributable to the decrease in gross loss because of the change in delivery portfolio with different city mix compared with that in 2024.

### Income Tax Credits/(Expenses)

The Group recorded income tax credits of approximately RMB990.1 million in the first half of 2025, whereas an income tax expenses of approximately RMB313.9 million was recorded in the corresponding period of 2024. It was mainly due to the reversal of income tax expense accrued in previous years that were no longer required to be paid.

### Loss for the Period

The Group reported loss for the period of approximately RMB2,171.7 million for the six months ended 30 June 2025 (2024: approximately RMB8,133.0 million).

## Liquidity, Financial and Capital Resources

### Cash Position

As at 30 June 2025, the carrying amounts of the Group's cash and bank balances were approximately RMB837.3 million (31 December 2024: approximately RMB787.4 million).

Pursuant to relevant regulations in the PRC, certain property development companies of the Group are required to place a certain amount of pre-sales proceeds received at designated bank accounts as guarantee deposits for construction of the relevant properties. As at 30 June 2025, the Group's restricted cash was approximately RMB688.1 million (31 December 2024: approximately RMB634.9 million).

### Borrowings and Charges on the Group's Assets

As at 30 June 2025, the Group's bank and other loans, senior notes and domestic corporate bonds were approximately RMB41,428.2 million, RMB27,925.4 million and RMB3,487.4 million respectively. Amongst the bank and other loans, approximately RMB18,948.6 million will be repayable within 1 year, approximately RMB14,467.0 million will be repayable between 2 and 5 years and approximately RMB8,012.6 million will be repayable over 5 years. All of the senior notes have been represented as current liabilities. Amongst the domestic corporate bonds, approximately RMB1,298.1 million will be repayable within 1 year, approximately RMB2,189.3 million will be repayable between 2 and 5 years.

As at 30 June 2025, the Group's bank and other loans of approximately RMB40,758.7 million and domestic corporate bonds of approximately RMB3,487.4 million were secured by buildings, land use rights, investment properties, properties under development, completed properties held for sale, receivables from properties sold and equity interests of certain subsidiaries of the Group. The senior notes were jointly and severally guaranteed by certain subsidiaries of the Group and were secured by the pledges of their shares.

The carrying amounts of all the Group's bank and other loans were denominated in RMB except for certain loan balances with an aggregate amount of approximately RMB1,828.0 million and RMB1,149.9 million as at 30 June 2025 which were denominated in Hong Kong dollar and U.S. dollar respectively. All of the Group's bank and other loans were charged at floating interest rates except for loan balances with an aggregate amount of approximately RMB8,215.8 million which were charged at fixed interest rates as at 30 June 2025. The Group's senior notes and domestic corporate bonds were denominated in U.S. dollar and RMB respectively and charged at fixed interest rates as at 30 June 2025.

### Gearing Ratio

The gearing ratio is measured by the net borrowings (total borrowings net of cash and cash equivalents and restricted cash) over the total equity. As at 30 June 2025, the gearing ratio was 958.7% (31 December 2024: 789.6%).

### Risk of Exchange Rate Fluctuation

The Group mainly operates in the PRC, so most of its revenue and expenses are measured in RMB. The value of RMB against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in PRC's political and economic conditions. The conversion of RMB into foreign currencies, including the U.S. dollar and the Hong Kong dollar, has been based on rates set by the People's Bank of China.

In the first half of 2025, the exchange rates of RMB against the U.S. dollar and the Hong Kong dollar increased and the Board expects that any fluctuation of RMB's exchange rate will not have material adverse effect on the operations of the Group.

### Contingent Liabilities

- (i) As at 30 June 2025, the Group had the contingent liabilities relating to guarantees given to banks in respect of mortgage facilities for certain purchasers amounting to approximately RMB9,289.4 million (31 December 2024: approximately RMB9,584.7 million). This represented the guarantees in respect of mortgage facilities granted by banks relating to the mortgage loans arranged for purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interests and penalties owed by the defaulting purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends upon issuance of real estate ownership certificates, which will generally be available within one to two years after the purchasers take possession of the relevant properties.

The fair value of the guarantees is not significant and the Board considers that in case of default in payments by the purchasers, the net realisable value of the related properties will be sufficient to cover the repayment of the outstanding mortgage principals together with the accrued interests and penalties and therefore no provisions have been made in the financial information as at 30 June 2025 and the financial statements as at 31 December 2024 for the guarantees.

- (ii) As at 30 June 2025 and 31 December 2024, the Group had provided guarantees in respect of certain bank loans for its joint ventures, associates, third parties and related companies.



### Market Review

In the first half of 2025, China's real estate market exhibited characteristics of "structural divergence" amid the interplay of continued policy easing and in-depth industry adjustments, which further increasingly varied between core and non-core cities, new and second-hand homes, and among different types of real estate enterprises.

According to data from the National Bureau of Statistics, from January to June 2025, the nationwide property development investment decreased by 11.2% year-on-year to RMB4,665.8 billion. The sales area of commodity properties decreased by 3.5% year-on-year to RMB458.51 million sq.m., and the sales of commodity properties decreased by 5.5% to RMB4,424.1 billion. Despite the sustained market downturn, the decline in sales area and sales narrowed by 15.5% and 19.5%, respectively, as compared to the corresponding period in 2024. The improvement was mainly attributable to the release of demand during the initial phase of policy stimulus, but the market weakened again after June, reflecting the lack of consistent policy effects. Available funds for property development enterprises decreased by 6.2% year-on-year to RMB5,020.2 billion. Owing to the reduction in new projects and the concentrated approach in addressing debt issues, banking institutions still lacked confidence in real estate enterprises, and the severe financial status of such enterprises has yet to improve. In terms of cities, first-tier cities recorded outstanding performance with transactions of second-hand homes increased by 18.6% to 30.7% year-on-year, hitting a record high in recent years. Land market in core second-tier cities, such as Hangzhou and Chengdu, saw a stronger enthusiasm with relatively higher average premium rates. However, land transaction area in third- and fourth-tier cities dropped by 5.5% year-on-year, accompanied by prolonged sell-through cycles and significant inventory pressure.

From January to June 2025, the prices of second-hand homes across 100 cities cumulatively fell by 3.6%, marking 38 consecutive months of decline. While prices of new homes have avoided a systemic decline, property enterprises have widely adopted a strategy of "increasing trade volume by lowering prices". The downward trend in prices aroused a strong caution from homebuyers, particularly affecting the demand for home upgrades, which has been constrained by the clogged chain of "selling old to buy new".

### Business Review

In response to the in-depth adjustments of the industry, KWG Group not only took proactive actions to ensure delivery of properties, but also strived to address debt issues, put stepped-up efforts to boost sales and disposal of high-quality assets and maintained daily operations.

In the first half of 2025, the Group had a total of 147 major projects (excluding residual projects), spanning 42 cities in Chinese Mainland and Hong Kong. The Group's gross pre-sales amounted to RMB3.565 billion for the first half of the year, and the pre-sales area was 0.1397 million sq.m., with an average pre-selling price of RMB25,511 per sq.m. The Guangdong-Hong Kong-Macao Greater Bay Area continued to contribute to the Company's performance, accounting for approximately 78% of the total revenue. The Group's land reserve, in terms of attributable gross floor area, was 11.43 million sq.m., with an attributable interest ratio of approximately 75%, mainly distributed in high-tier cities such as Beijing, Shanghai, Guangzhou, Shenzhen, Hong Kong, and Chengdu.

In the first half of 2025, the Group continued to respond to the policy of "guaranteeing delivery of properties and stabilizing people's livelihood" by making every effort to ensure project delivery. In the first half of the year, the Group, in aggregate, delivered approximately 4,900 units of properties with a gross floor area of approximately 0.71 million sq.m., conveying a positive message to customers and the market with tangible quality. Among these, key projects such as Guangzhou Landmark Arte Masterpiece, Guangzhou Richmond Greenville, Canton Financial Center, Hong Kong The Corniche and Foshan Oriental Bund continued to contribute to the Company's performance.

## Investment Properties and Hotels

As a well-known urban operation service provider in China, KWG Group has been deeply focused on the commercial sector for many years, developing a diverse range of mature business segments, which comprise multiple investment properties including shopping malls, office buildings and hotels. Among these, the Group owns 14 shopping malls under operation, 9 office buildings and 13 hotels of self-owned brands under development and management, in addition to 5 cooperative hotels under foreign brands.

From January to June 2025, the Group's rental income amounted to RMB406 million, decreased by 9.2% year-on-year. Against the backdrop of slow recovery of consumption and ongoing economic pressure, the Group's operating properties faced challenges from oversupply in the market and the weakened leasing capacity of small and medium-sized enterprises. In the second half of the year, the Group will step up its efforts in tenant management and review to ensure the operation of projects in an orderly manner, while leveraging the brand effects of award-winning projects to continuously enhance operational efficiency and attractiveness. The Group's core properties are mainly located in the central districts of first- and second-tier cities, including Guangzhou, Shanghai, Beijing and Nanning, targeting local core business and leisure populations. In the first half of 2025, KWG M • Cube (Beijing) located in Chongwenmen, Beijing, was awarded the "2025 CCFA Golden Lily Best Practice Case Award for Shopping Malls" by the China Chain Store & Franchise Association; in the office building sector, Guangzhou International Finance Place was awarded the "2025 • China Real Estate Commercial Management Benchmarking Project (Enterprise) Award" by CRIC Property Management; and the Group's commercial asset management team was awarded the "Golden Coordinate Award — Annual Commercial Innovation Promotion Enterprise" by Winshang.com.

Revenue from hotel business amounted to RMB314 million, decreased by 14.2% year-on-year. With the economic environment remained under pressure in the first half of the year, coupled with adjustments to projects by the hotel group, the segment recorded a decline in revenue for the first half of the year. Given the Group's hotel management experience accumulated over the years, and its in-depth cooperation with international hotel management groups, the Group's own brand, The Mulian, has steadily enhanced its brand influence through mature management and operational performance. The cooperative hotel business operated robustly with occupancy rates remained stable. In the second half of 2025, the Group expects to add two new hotels of The Mulian in Guangzhou and Chengdu.

## Outlook

The first half of 2025 marks a critical transition phase for China's real estate market from "policy-driven" to "market-driven." Core cities demonstrated resilience under benefits of the related policies, while non-core cities remained deeply entrenched in a period of adjustment. In the second half of the year, it is expected that intensified policy efforts will be made on striking a balance between "stabilizing expectations" and "managing risks" to reshape the supply and demand dynamics through long-term mechanisms such as land reserves and construction of affordable housing. Meanwhile, real estate enterprises will be encouraged to shift from "expansion in size" to "value creation" with a view to ultimately realizing high-quality development of the industry.

During the industry's in-depth adjustment, KWG Group has adhered to three main approaches: relying on core projects in the Greater Bay Area to replenish cash flow and ensure cash flow adequacy; fulfilling brand commitments through benchmark projects to reinforce public trust; and advancing debt restructuring both at home or abroad in full force to secure business continuity and development. The Group has all along consistently adhered to the core philosophy of "building home with heart, creating future with aspiration", continuously creating value for its customers from a long-term perspective.

## The Group's Property Development Overview

As of 30 June 2025, the Group's main projects are located in Guangzhou, Suzhou, Chengdu, Beijing, Hainan, Shanghai, Tianjin, Nanning, Hangzhou, Nanjing, Foshan, Hefei, Ezhou, Xuzhou, Jiaxing, Taizhou, Chongqing, Taicang, Zhaoqing, Zhongshan, Liuzhou, Shenzhen, Huizhou, Jiangmen, Yancheng and Hong Kong.

No.	Project	District	Type of Product	Total GFA Attributable to the Group's Interest ('000 sq.m.)	Interest Attributable to the Group (%)
1	The Summit	Guangzhou	Residential/villa/serviced apartment/office/commercial/hotel	757	100
2	International Metropolitan Plaza	Guangzhou	Office/commercial	39	50
3	Tian Hui Plaza (including The Riviera and Top Plaza)	Guangzhou	Serviced apartment/office/commercial/hotel	45	33.33
4	KWG Flourishing Biotech Square	Guangzhou	Office/commercial	84	100
5	KWG Skysite	Guangzhou	Villa/serviced apartment/office/commercial/hotel	295	100
6	The Eden	Guangzhou	Residential/commercial	2	50
7	Paradise by Moony Sky	Guangzhou	Villa/hotel	37	100
8	Essence of City	Guangzhou	Residential/villa/commercial	13	100
9	International Commerce Place	Guangzhou	Office/commercial	50	50
10	CFC (including Mayfair and IFE (International Finance Edifice))	Guangzhou	Serviced apartment/office/commercial	7	33.33
11	The Horizon	Guangzhou	Residential/villa/serviced apartment/office/commercial/hotel	14	50
12	Blooming River	Guangzhou	Residential/villa/commercial	39	50
13	Nansha River Paradise	Guangzhou	Residential/commercial	4	50
14	V-city	Guangzhou	Serviced apartment/commercial	120	70
15	Montkam	Guangzhou	Residential/villa	3	30
16	The Beryl (Guangzhou Development Area Hotel A Project)	Guangzhou	Villa/serviced apartment/commercial/hotel	11	60
17	The Beryl (Guangzhou Development Area Hotel B Project)	Guangzhou	Villa/serviced apartment/office/commercial	22	100
18	Landmark Arte Masterpiece	Guangzhou	Residential/serviced apartment/commercial	89	100
19	Clover Shades	Guangzhou	Residential/commercial	18	62.5
20	The Emerald	Guangzhou	Residential	53	100
21	KWG Biovalley	Guangzhou	Villa/serviced apartment/office/commercial	192	80
22	Longyatt Mansion	Guangzhou	Residential/commercial	68	100
23	Dreams Garden	Guangzhou	Residential/commercial	238	100

No.	Project	District	Type of Product	Total GFA Attributable to the Group's Interest ('000 sq.m.)	Interest Attributable to the Group (%)
24	Lakeside Mansion	Guangzhou	Residential/commercial	295	100
25	Richmond Greenville	Guangzhou	Residential	68	100
26	Guangzhou Nansha Project	Guangzhou	Educational	89	60
27	The Star Garden	Guangzhou	Residential/commercial	194	87.5
28	ONE68	Guangzhou	Serviced apartment/office/ commercial/hotel	69	100
29	IFP	Guangzhou	Office/commercial	61	100
30	Four Points by Sheraton Guangzhou, Dongpu	Guangzhou	Hotel	35	100
31	The Mulian Huadu	Guangzhou	Hotel	25	100
32	W Hotel/W Serviced Apartments	Guangzhou	Hotel/serviced apartment	80	100
33	The Mulian Guangzhou	Guangzhou	Hotel	8	100
34	The Sapphire	Suzhou	Residential/serviced apartment/office/ commercial/hotel	37	100
35	Suzhou Apex	Suzhou	Residential/serviced apartment/commercial/ hotel	127	100
36	Leader Plaza	Suzhou	Serviced apartment/office/ commercial	21	100
37	Fortune Plaza	Suzhou	Office/commercial/hotel	18	100
38	Suzhou Jade Garden	Suzhou	Residential/commercial	2	100
39	Orient Aesthetics	Suzhou	Residential/commercial	3	20
40	Swan Harbor Park	Suzhou	Residential/serviced apartment/office/ commercial/hotel	87	50
41	Blessedness Seasons	Suzhou	Residential/commercial	3	49
42	The Vision of the World	Chengdu	Residential/serviced apartment/commercial	39	100
43	Chengdu Cosmos	Chengdu	Residential/serviced apartment/office/ commercial/hotel	225	100
44	Yunshang Retreat	Chengdu	Residential/villa/serviced apartment/commercial/ hotel	568	55
45	The Jadeite	Chengdu	Residential/villa/commercial/ hotel	22	100
46	Fragrant Seasons	Beijing	Residential/villa/serviced apartment/commercial	1	100
47	La Villa	Beijing	Residential/villa/commercial	1	50
48	Beijing Apex	Beijing	Residential/villa/serviced apartment/commercial	2	50
49	M • Cube	Beijing	Commercial	16	100

# MANAGEMENT DISCUSSION AND ANALYSIS

No.	Project	District	Type of Product	Total GFA Attributable to the Group's Interest ('000 sq.m.)	Interest Attributable to the Group (%)
50	Uptown Riverside I	Beijing	Serviced apartment/office/ commercial	128	100
51	Uptown Riverside II	Beijing	Serviced apartment/office/ commercial	53	100
52	Rose and Ginkgo Mansion	Beijing	Residential/villa/office/ commercial	27	33
53	The Core of Center (Beijing Niulanshan Complex Project)	Beijing	Residential/villa/commercial/ hotel	186	100
54	New Chang'an Mansion	Beijing	Residential/office/ commercial/hotel	30	100
55	Pearl Coast	Hainan	Residential/villa/commercial/ hotel	88	100
56	Moon Bay	Hainan	Residential/villa/commercial/ hotel	328	100
57	The Cloud World	Hainan	Villa/commercial	76	100
58	International Metropolis Plaza	Shanghai	Office/commercial	39	100
59	Shanghai Sapphire	Shanghai	Residential/serviced apartment/commercial	43	85.3
60	Amazing Bay	Shanghai	Residential/serviced apartment/office/ commercial/hotel	24	50
61	Vision of the World	Shanghai	Residential/serviced apartment/commercial/ hotel	58	51
62	Glory Palace	Shanghai	Residential	3	100
63	KWG Biovalley	Shanghai	Office/commercial	121	90
64	Jinnan New Town	Tianjin	Residential/office/ commercial/hotel	189	25
65	Tianjin The Cosmos	Tianjin	Residential/villa/commercial	173	100
66	Tianjin Apex	Tianjin	Residential/office/commercial	32	100
67	Beautiful and Happy Life	Tianjin	Residential/commercial	4	100
68	Joy Fun City	Tianjin	Residential/commercial	159	60
69	The Core of Center	Nanning	Residential/villa/serviced apartment/commercial/ hotel	240	100
70	International Finance Place	Nanning	Office/commercial	57	100
71	Top of World	Nanning	Residential/villa/serviced apartment/commercial/ hotel	78	100
72	Fragrant Season	Nanning	Residential/villa/commercial	8	100
73	Impression Discovery Bay I	Nanning	Residential/commercial	1	34
74	Impression Discovery Bay II	Nanning	Residential/commercial	3	34



No.	Project	District	Type of Product	Total GFA Attributable to the Group's Interest ('000 sq.m.)	Interest Attributable to the Group (%)
75	Emerald City	Nanning	Residential/serviced apartment/commercial	228	100
76	The Moon Mansion	Hangzhou	Residential/villa	3	100
77	Sky Ville	Hangzhou	Residential/villa	1	100
78	Puli Oriental	Hangzhou	Residential/commercial	8	50
79	Malus Moon	Hangzhou	Residential/villa/commercial	4	100
80	Precious Mansion	Hangzhou	Residential/office/commercial	28	100
81	Season Mix	Hangzhou	Residential/commercial/hotel	14	25
82	Shine City	Nanjing	Residential/office/commercial	1	50
83	South Bank Palace	Nanjing	Residential/commercial	1	19.75
84	Ruyi Palace	Nanjing	Residential/commercial	1	50
85	Oriental Bund	Foshan	Residential/villa/serviced apartment/commercial/ hotel	828	50
86	The Riviera	Foshan	Residential/commercial	10	100
87	Foshan Apex	Foshan	Residential/serviced apartment/commercial	6	50
88	China Image	Foshan	Residential/commercial	3	34
89	The One	Hefei	Residential/commercial	58	100
90	Park Mansion	Hefei	Residential	4	100
91	The Buttonwood Season I	Ezhou	Residential/villa/commercial	9	100
92	The Buttonwood Season II	Ezhou	Residential/villa/commercial	131	100
93	Exquisite Bay	Xuzhou	Residential/commercial	6	100
94	Fragrant Seasons	Xuzhou	Residential/commercial	11	50
95	Oriental Milestone	Xuzhou	Residential	75	100
96	Majestic Mansion	Jiaxing	Residential/commercial	3	100
97	Star City	Jiaxing	Residential	1	25
98	Noble Peak	Jiaxing	Residential	2	100
99	International Commercial Plaza	Jiaxing	Residential/serviced apartment/office/ commercial/hotel	301	100
100	Top of World Residence I	Taizhou	Residential	1	100
101	Top of World Residence II	Taizhou	Residential/commercial	4	100
102	Linhai Mansion	Taizhou	Residential/commercial	2	100
103	Lead Peak Mansion	Taizhou	Residential/commercial	1	100
104	Emerald the Bay	Taizhou	Residential/serviced apartment/office/ commercial	255	50
105	Jinan Capital of Phoenix	Jinan	Residential/commercial	1	20
106	Jinan Tianchen	Jinan	Residential/commercial	1	20
107	The Inherited Villa	Changshu	Residential	1	25
108	The Riviera Chongqing	Chongqing	Residential/commercial/hotel	9	100

# MANAGEMENT DISCUSSION AND ANALYSIS

No.	Project	District	Type of Product	Total GFA Attributable to the Group's Interest ('000 sq.m.)	Interest Attributable to the Group (%)
109	The Cosmos Chongqing	Chongqing	Residential/serviced apartment/office/ commercial/hotel	213	100
110	The Moon Mansion	Chongqing	Residential/commercial	1	39
111	Mansion of Jasper	Chongqing	Residential/commercial	1	50
112	Jade Moon Villa	Chongqing	Residential/commercial	1	50
113	Jinzhu Tianyi Huayuan	Taicang	Residential	9	100
114	Oriental Mansion	Wuxi	Residential/commercial	1	20
115	Exquisite Palace	Wuxi	Residential/commercial	3	45
116	Vision of the World	Zhaoqing	Residential/commercial	69	100
117	River View Mansion	Zhaoqing	Residential/commercial	1	33
118	The Moon Mansion	Zhongshan	Residential/commercial	31	50
119	Serenity in Prosperity	Nantong	Residential/villa/commercial	5	51
120	Oriental Beauty	Nantong	Residential	1	70
121	The Moon Mansion	Liuzhou	Residential/villa/commercial	4	100
122	Fortunes Season	Liuzhou	Residential/commercial/hotel/ educational	801	100
123	Shenzhen Bantian Project	Shenzhen	Serviced apartment/office/ commercial/hotel	61	51
124	KWG Topchain City Center	Shenzhen	Serviced apartment/office/ commercial	1	51
125	Grand Oasis	Shenzhen	Serviced apartment/office/ commercial/hotel	7	55
126	Shenzhen Longhua Project	Shenzhen	Residential/office/ commercial/industrial/ educational	79	50
127	Shaoxing Project	Shaoxing	Residential/villa	1	24.9
128	Skyline Seasons	Huizhou	Residential/commercial	203	100
129	Huizhou Longmen Project- Educational#[2019]011	Huizhou	Educational	11	100
130	Huizhou Longmen Project- Educational#[2019]014	Huizhou	Educational	61	100
131	Jiangmen Apex International	Jiangmen	Residential/serviced apartment/commercial	29	100
132	Cullinan Mansion	Wenzhou	Residential/commercial	2	100
133	Art Wanderland	Dongguan	Residential/commercial	3	12.5
134	Center Mansion	Dongguan	Residential/villa/commercial	6	20
135	Yangzhou Apex	Yangzhou	Residential/commercial	82	100
136	Parkview Palace	Ningbo	Residential	2	49
137	Meishan Apex	Meishan	Residential/commercial	1	100
138	River State	Meishan	Residential/commercial	31	34
139	Chenzhou Wangxian Eco-tourism Project	Chenzhou	Residential/villa	61	50

No.	Project	District	Type of Product	Total GFA Attributable to the Group's Interest ('000 sq.m.)	Interest Attributable to the Group (%)
140	KWG Tusholdings Ice Snow	Wuzhou	Residential/commercial	210	100
141	Meet	Xi'an	Serviced apartment/ commercial/hotel	12	100
142	Salar de Uyuni	Zhaotong	Residential/commercial/hotel	158	67.11
143	Salar de Uyuni Guan Lake [Phase 2 — #17–28]	Zhaotong	Residential/Commercial	87	70.56
144	Salar de Uyuni Guan Lake [Phase 1 — #17–29]	Zhaotong	Residential/Commercial	112	70.56
145	KWG Haya City	Yancheng	Residential/serviced apartment/commercial/ hotel	499	100
146	Phoenix International	Fuzhou	Serviced apartment/office/ commercial	47	22.4
147	The Corniche (formerly known as Hong Kong Ap Lei Chau Project)	Hong Kong	Residential	29	50

## Employees and Emolument Policies

As at 30 June 2025, the Group employed a total of approximately 1,800 employees. The total staff costs incurred were approximately RMB148.1 million during the six months ended 30 June 2025. The remuneration of employees was determined based on their performance, skill, experience and prevailing industry practices. The Group reviews the remuneration policies and packages on a regular basis and will make necessary adjustment to be commensurate with the pay level in the industry. In addition to basic salary, the provident fund scheme (according to the provisions of the Mandatory Provident Fund Schemes Ordinance for Hong Kong employees) or state-managed retirement pension scheme (for the PRC employees), employees may be offered with discretionary bonus and cash awards based on individual performance.

The Company has adopted the share award scheme and the share option scheme in order to recognize and motivate the contributions by the eligible participants of the Group and help in retaining them for the Group's further development.

In addition, training and development programmes are provided on an on-going basis throughout the Group.

## OTHER INFORMATION

### Interests of the Directors and Chief Executive in Securities

As at 30 June 2025, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”) which were required to be (i) notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), were as follows:

#### (i) Long positions in shares and underlying shares of the Company

Name of Director	Number of Shares held				Total	Approximate percentage of the issued share capital <sup>(1)</sup>
	Personal Interests (held as beneficial owner)	Family Interests (interests of spouse or child under 18)	Corporate Interests (interests of controlled corporation)	Other Interests		
KONG Jianmin	—	—	1,594,749,652 <sup>(3)</sup>	399,053,500 <sup>(2)(3)</sup>	1,993,803,152	58.32%
KONG Jiantao	—	—	256,804,687 <sup>(4)</sup>	1,443,385,000 <sup>(2)(4)</sup>	1,700,189,687	49.73%
KONG Jiannan	—	—	144,338,500 <sup>(5)</sup>	1,553,761,500 <sup>(2)(5)</sup>	1,698,100,000	49.67%
CAI Fengjia	347,222	112,000 <sup>(6)</sup>	—	—	459,222	0.01%
TAM Chun Fai	30,000	—	—	—	30,000	0.00%

## Notes:

- (1) The approximate percentages were calculated based on 3,418,883,945 ordinary shares of the Company in issue as at 30 June 2025.
- (2) On 30 December 2018, Plus Earn Consultants Limited ("Plus Earn"), a company wholly-owned by Mr. KONG Jianmin and directly holds 1,299,046,500 shares of the Company; Right Rich Consultants Limited ("Right Rich"), a company wholly-owned by Mr. KONG Jiantao and directly holds 254,715,000 shares of the Company; and Peace Kind Investments Limited ("Peace Kind"), a company wholly-owned by Mr. KONG Jiannan and directly holds 144,338,500 shares of the Company, entered into a shareholders' agreement (the "Shareholders' Agreement") to regulate their dealings in the shares of the Company. As such, each party to the Shareholders' Agreement was deemed to have interest in the shares and/or underlying shares held by the other parties pursuant to the Shareholders' Agreement under Section 317(1)(a) of the SFO.
- (3) Mr. KONG Jianmin is deemed to be interested in a total of 1,993,803,152 shares of the Company including (i) 1,299,046,500 shares held by Plus Earn which is wholly-owned by Mr. KONG Jianmin; (ii) 295,703,152 shares held by Hero Fine Group Limited ("Hero Fine") which is wholly-owned by Mr. KONG Jianmin; and (iii) 254,715,000 shares held by Right Rich and 144,338,500 shares held by Peace Kind pursuant to the Shareholders' Agreement.
- (4) Mr. KONG Jiantao is deemed to be interested in a total of 1,700,189,687 shares of the Company including (i) 254,715,000 shares held by Right Rich which is wholly-owned by Mr. KONG Jiantao; (ii) 1,109,587 shares held by Excel Wave Investments Limited ("Excel Wave") which is wholly-owned by Mr. KONG Jiantao; (iii) 980,100 shares held by Wealth Express Investments Limited ("Wealth Express") which is wholly-owned by Mr. KONG Jiantao; and (iv) 1,299,046,500 shares held by Plus Earn and 144,338,500 shares held by Peace Kind pursuant to the Shareholders' Agreement.
- (5) Mr. KONG Jiannan is deemed to be interested in a total of 1,698,100,000 shares of the Company including (i) 144,338,500 shares held by Peace Kind which is wholly-owned by Mr. KONG Jiannan; and (ii) 1,299,046,500 shares held by Plus Earn and 254,715,000 shares held by Right Rich pursuant to the Shareholders' Agreement.
- (6) These shares were held by Mr. CAI Fengjia's spouse.



## OTHER INFORMATION

### (ii) Interests in debentures of the Company

Name of Director	Capacity/Nature of Interests	Amount of Debentures Interested
KONG Jiantao	Interest of a controlled corporation <sup>(1)</sup>	US\$2,000,000
	Interest of spouse <sup>(2)</sup>	US\$9,650,000
KONG Jianmin	Interest of a controlled corporation <sup>(3)</sup>	US\$6,650,000

Notes:

- (1) Excel Wave, a company wholly-owned by Mr. KONG Jiantao, held US\$2,000,000 of US\$300,000,000 7.40% senior notes of the Company due 2024. Accordingly, Mr. KONG Jiantao is deemed to be interested in the aforesaid amount of the senior notes held by Excel Wave under the SFO.
- (2) The spouse of Mr. KONG Jiantao held totally US\$9,650,000 senior notes including (i) US\$3,000,000 of US\$300,000,000 7.40% senior notes of the Company due 2024 and (ii) US\$6,650,000 of US\$794,925,800 6.0% senior notes of the Company due 2024. Accordingly, Mr. KONG Jiantao is deemed to be interested in the aforesaid amount of the senior notes held by his spouse under the SFO.
- (3) Hero Fine, a company wholly-owned by Mr. KONG Jianmin, held US\$6,650,000 of US\$794,925,800 6.0% senior notes of the Company due 2024. Accordingly, Mr. KONG Jianmin is deemed to be interested in the said amount of senior note held by Hero Fine under the SFO.

### (iii) Long positions in shares of associated corporations

Name of Director	Name of Associated Corporation	Number of shares held	Percentage of the issued voting shares
KONG Jianmin	Plus Earn	1,000	100%

Save as disclosed above, as at 30 June 2025, none of the Directors nor the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be: (i) 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 the Directors and chief executive were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

## Interests of Substantial Shareholders

As at 30 June 2025, to the knowledge of the Directors, the following entities (other than the Directors or chief executive of the Company) had, or were taken or deemed to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to Section 336 of the SFO:

### Long positions in shares and underlying shares of the Company:

Name of Substantial Shareholder	Number of Shares held			Approximate percentage of the issued share capital <sup>(1)</sup>
	Beneficial Owner	Other Interests	Total	
Plus Earn <sup>(2)</sup>	1,299,046,500	399,053,500 <sup>(6)</sup>	1,698,100,000	49.67%
Hero Fine <sup>(3)</sup>	295,703,152	—	295,703,152	8.65%
Right Rich <sup>(4)</sup>	254,715,000	1,443,385,000 <sup>(6)</sup>	1,698,100,000	49.67%
Peace Kind <sup>(5)</sup>	144,338,500	1,553,761,500 <sup>(6)</sup>	1,698,100,000	49.67%

Notes:

- (1) The approximate percentage was calculated based on 3,418,883,945 ordinary shares of the Company in issue as at 30 June 2025.
- (2) Plus Earn is legally and beneficially owned as to 100% by Mr. KONG Jianmin. Pursuant to the SFO, Plus Earn is interested and deemed to be interested in a total of 1,698,100,000 shares of the Company including (i) 1,299,046,500 shares directly held by it; and (ii) 254,715,000 shares held by Right Rich and 144,338,500 shares held by Peace Kind, pursuant to the Shareholders' Agreement.
- (3) Hero Fine is legally and beneficially owned as to 100% by Mr. KONG Jianmin.
- (4) Right Rich is legally and beneficially owned as to 100% by Mr. KONG Jiantao. Pursuant to the SFO, Right Rich is interested and deemed to be interested in a total of 1,698,100,000 shares of the Company including (i) 254,715,000 shares directly held by it; and (ii) 1,299,046,500 shares held by Plus Earn and 144,338,500 shares held by Peace Kind, pursuant to the Shareholders' Agreement.
- (5) Peace Kind is legally and beneficially owned as to 100% by Mr. KONG Jiannan. Pursuant to the SFO, Peace Kind is interested and deemed to be interested in a total of 1,698,100,000 shares of the Company including (i) 144,338,500 shares directly held by it; and (ii) 1,299,046,500 shares held by Plus Earn and 254,715,000 shares held by Right Rich, pursuant to the Shareholders' Agreement.
- (6) On 30 December 2018, Plus Earn, Right Rich and Peace Kind entered into the Shareholders' Agreement to regulate their dealings in the shares of the Company. As such, each party to the Shareholders' Agreement was deemed to have interest in the shares and/or underlying shares held by the other parties pursuant to the Shareholders' Agreement under Section 317(1)(a) of the SFO.
- (7) Mr. KONG Jianmin is the sole director of Plus Earn and Hero Fine, Mr. KONG Jiantao is the sole director of Right Rich and Mr. KONG Jiannan is the sole director of Peace Kind.

Save as disclosed above, as at 30 June 2025, no other person (other than the Directors or chief executive of the Company) had, or were taken or deemed to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange 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 by the Company under Section 336 of the SFO.

## Share Option Scheme

Pursuant to the shareholder's resolutions of the Company passed on 9 February 2018, the Company has adopted a new share option scheme (the "Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who will contribute and had contributed to the success of the Group's operations.

During the six months ended 30 June 2024, no share options were granted, exercised, lapsed or outstanding.

As at 1 January 2025 and 30 June 2025, the number of shares in respect of which options are available for grant under the Share Option Scheme were 314,932,505.

## Share Award Scheme

The share award scheme (the "Share Award Scheme") was adopted by the Board on 19 January 2018 (the "Adoption Date") in order to recognize and motivate the contributions by certain employees of the Company and/or any member of the Group (the "Eligible Participant(s)") and to give incentives thereto in order to retain them for the continual operation and development of the Group; to attract suitable personnel for further development of the Group; and to provide certain Eligible Participants with a direct economic interest in attaining a long-term relationship between the Group and certain Eligible Participants. Pursuant to the rules of the Share Award Scheme (the "Scheme Rules"), the Board may, from time to time, at its absolute discretion select any Eligible Participant (other than any excluded participant as defined under the Scheme Rules) for participation in the Share Award Scheme as a selected participant (the "Selected Participant"), and determine the number of shares to be granted to the Selected Participant.

During the six months ended 30 June 2025, no awarded shares were granted, exercised, lapsed or outstanding.

The number of awarded shares available for grant under the Share Award Scheme as at 1 January 2025 and 30 June 2025 were 149,174,752. The Selected Participant(s) are not required to pay any amount on application or for the acceptance of the award.

## Corporate Governance

The Group believes that sound and good corporate governance practices are not only key elements in enhancing investor's confidence and the Company's accountability and transparency, but also important to the Company's long-term success, therefore, the Group strives to attain and maintain effective corporate governance practices and procedures.

During the period ended 30 June 2025, save as disclosed below, the Company has complied with the requirements under the code provisions set out in the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Listing Rules and the continuing obligations requirements of a listed issuer pursuant to the Listing Rules.

- Code provision C.5.7 of Part 2 of the CG Code stipulates that if a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. Independent non-executive directors who, and whose close associates, have no material interest in the transaction should be present at that board meeting.

During the period, the Board approved the continuing connected transactions in relation to the renewal of leasing of properties to Guangzhou Kai Chuang Business Investments Group Company Limited\* (廣州凱創商務投資集團有限公司) ("Guangzhou Kai Chuang") by way of passing the written resolutions. Mr. KONG Jiantao is the executive Director and chief executive officer of the Company, and also the ultimate beneficial owner of Guangzhou Kai Chuang. Therefore, Mr. KONG Jiantao was regarded as having material interests therein. Please refer to the Company's announcements dated 21 March 2025 and 30 May 2025, respectively, for details.

The Board considered that (1) the terms of the above transactions are on normal commercial terms or better, and the relevant terms of the agreements for the transactions (including the relevant annual caps) are fair and reasonable, and are in the interests of the Company and the shareholders of the Company (the “Shareholders”) as a whole; (2) the relevant Director have abstained from voting on the relevant resolutions of the above transactions; and (3) the adoption of written resolutions would facilitate and maximize the effectiveness of decision-making and implementation. The Board shall nevertheless review its board meeting arrangement from time to time to ensure the appropriate action is being taken to comply with the requirements under the CG Code.

- Code provision F.1.3 of Part 2 of the CG Code stipulates that the chairman of the board should attend the annual general meeting. Mr. KONG Jianmin, an executive Director and the chairman of the Board, was unable to attend the annual general meeting of the Company convened and held on 3 June 2025, due to his other engagements. In the absence of Mr. KONG Jianmin from the aforesaid annual general meeting, Mr. KONG Jiannan, an executive Director, acted as the chairman of the aforesaid annual general meeting to ensure an effective communication with the Shareholders. Mr. KONG Jianmin has also followed up with Mr. KONG Jiannan for any opinions or concerns of the Shareholders expressed at the annual general meeting afterward.
- Code provision C.6.2 of Part 2 of the CG Code stipulates that, a board meeting should be held to discuss the appointment of the company secretary and the matter should be dealt with by holding a physical board meeting rather than a written resolution.

The appointment of the current Company Secretary of the Company, Mr. CHAN Sze Yin (“Mr. CHAN”) was dealt with by way of circulation of written resolutions in lieu of holding a physical board meeting on 25 July 2025.

Although a physical board meeting was not held to discuss the appointment, the Directors were well informed of the educational background and working experiences of Mr. CHAN and were satisfied that Mr. CHAN possesses the required qualifications and expertise of the position. Prior to such appointment, all Directors were individually consulted with no dissenting opinion on the proposed matter. As such, it was considered that a physical board meeting was not necessary for approving the said appointment.

- The Company is in non-compliance of Chapter 14.41(a) of the Listing Rules regarding the despatch of circular related to major transactions of the Group dated 15 August 2023. The circular was being despatched on 24 April 2025 without waivers granted by the Stock Exchange on the delay in despatch. The Company has taken certain remedial actions to prevent recurrence in the future, including engaging independent third parties to perform internal control review. The Company shall implement the recommendations provided by the reviewer upon completion of the review.

## Compliance with Model Code

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding directors’ securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standards set out in the Model Code during the six months ended 30 June 2025.

## Review by Audit Committee

The audit committee of the Company has reviewed the Company’s interim report for the six months ended 30 June 2025. The audit committee of the Company comprises three members who are independent non-executive Directors.

## 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 during the six months ended 30 June 2025.

## Disclosures Pursuant to Rule 13.18 of the Listing Rules

### Facility Agreement dated 23 December 2020

On 23 December 2020, the Company, as the borrower, and certain of the subsidiaries of the Company, as the original guarantors, entered into a facility agreement (the “Facility Agreement III”) with, among others, The Bank of East Asia, Limited, China CITIC Bank International Limited, Hang Seng Bank Limited, The Hongkong and Shanghai Banking Corporation Limited, Nanyang Commercial Bank (China), Limited Guangzhou Branch and Standard Chartered Bank (Hong Kong) Limited as the original lenders (the “Original Lenders”), The Bank of East Asia, Limited, China CITIC Bank International Limited, Hang Seng Bank Limited, The Hongkong and Shanghai Banking Corporation Limited, Nanyang Commercial Bank (China), Limited Guangzhou Branch and Standard Chartered Bank (Hong Kong) Limited as mandated lead arrangers and bookrunners and Standard Chartered Bank (Hong Kong) Limited, as the agent, in relation to the granting of transferrable HKD and USD dual currency term loan facility (with a greenshoe option) of up to US\$400 million to the Company for a term of 48 months commencing from the date of the Facility Agreement III.

Pursuant to the terms of the Facility Agreement III, the Company has undertaken to procure that Mr. KONG Jianmin, being the controlling shareholder of the Company, at all times: (i) beneficially owns not less than 35% of the entire issued share capital, voting rights and control of the Company; (ii) is the single largest shareholder of the Company; and (iii) is the chairman of the board of directors of the Company. Failure to comply with any of the above undertakings will constitute an event of default under the Facility Agreement III. Further details of the transaction are disclosed in the announcement of the Company dated 24 December 2020.

As of the date of this report, the circumstances giving rise to the relevant disclosure obligations under Rules 13.18 of the Listing Rules continued to exist.

### Interim Dividend

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2025 (2024: Nil).



# CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## Condensed Consolidated Statement of Profit or Loss

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Notes			
<b>REVENUE</b>	4	3,792,305	5,233,954
Cost of sales		(3,698,829)	(5,136,125)
Gross profit		93,476	97,829
Other income and gains, net	4	29,689	509,963
Selling and marketing expenses		(342,032)	(453,636)
Administrative expenses		(642,180)	(745,547)
Other operating expenses		(255,105)	(3,917,521)
Fair value losses on investment properties, net		(122,004)	(470,912)
Finance costs	5	(1,008,122)	(1,910,503)
Share of losses of:			
Associates		(41,747)	(5,067)
Joint ventures		(873,725)	(923,754)
<b>LOSS BEFORE TAX</b>	6	(3,161,750)	(7,819,148)
Income tax credits/(expenses)	7	990,068	(313,868)
Loss for the period		(2,171,682)	(8,133,016)
Attributable to:			
Owners of the Company		(2,053,365)	(8,223,670)
Non-controlling interests		(118,317)	90,654
		(2,171,682)	(8,133,016)
<b>LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	9		
<b>Basic</b>			
— For loss for the period		RMB(60) cents	RMB(241) cents
<b>Diluted</b>			
— For loss for the period		RMB(60) cents	RMB(241) cents

## Condensed Consolidated Statement of Comprehensive Income

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>LOSS FOR THE PERIOD</b>	<b>(2,171,682)</b>	<b>(8,133,016)</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation into presentation currency	178,029	(83,055)
Share of exchange differences on translation of joint ventures	45,939	(15,974)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	223,968	(99,029)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation into presentation currency	322,114	(132,335)
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	322,114	(132,335)
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX</b>	<b>546,082</b>	<b>(231,364)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(1,625,600)</b>	<b>(8,364,380)</b>
Attributable to:		
Owners of the Company	(1,507,283)	(8,455,034)
Non-controlling interests	(118,317)	90,654
	<b>(1,625,600)</b>	<b>(8,364,380)</b>

## Condensed Consolidated Statement of Financial Position

		As at	
	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	8,802,174	9,006,400
Investment properties		21,668,250	21,927,890
Land use rights		3,255,429	3,453,471
Interests in associates		6,982,219	7,030,378
Interests in joint ventures		30,853,313	31,704,245
Deferred tax assets		2,133,640	2,111,804
Total non-current assets		73,695,025	75,234,188
<b>CURRENT ASSETS</b>			
Properties under development		43,946,595	45,073,983
Completed properties held for sale		17,674,617	17,041,561
Trade receivables	11	293,641	287,543
Prepayments, other receivables and other assets		13,419,300	13,708,501
Due from a joint venture		19,129	19,129
Tax recoverables		1,158,259	1,183,937
Cash and bank balances	12	837,316	787,445
Total current assets		77,348,857	78,102,099
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	13	19,854,496	18,928,404
Lease liabilities		11,889	17,959
Other payables and accruals		26,249,856	26,766,236
Due to joint ventures		8,054,493	8,088,049
Due to associates		1,371,866	1,364,879
Interest-bearing bank and other borrowings	14	48,172,153	46,193,153
Tax payables		13,434,027	14,392,883
Total current liabilities		117,148,780	115,751,563
<b>NET CURRENT LIABILITIES</b>		(39,799,923)	(37,649,464)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		33,895,102	37,584,724

## Condensed Consolidated Statement of Financial Position

		As at	
	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		64,703	68,723
Interest-bearing bank and other borrowings	14	24,668,865	26,731,899
Deferred tax liabilities		1,648,723	1,645,691
Deferred revenue		2,042	2,042
Total non-current liabilities		26,384,333	28,448,355
<b>NET ASSETS</b>		7,510,769	9,136,369
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Issued capital	15	325,768	325,768
Reserves		2,169,226	3,676,509
<b>Non-controlling interests</b>		2,494,994	4,002,277
		5,015,775	5,134,092
<b>TOTAL EQUITY</b>		7,510,769	9,136,369

# CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company							Total	Non-controlling interests	Total equity
	Issued capital	Share premium account	Reserve funds	Exchange fluctuation reserve	Asset revaluation reserve	Capital reserve	Retained profits/ accumulated losses			
	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)
At 1 January 2024	325,768	452,130	3,747,042	(2,324,555)	92,578	1,001,390	9,437,581	12,731,934	5,338,757	18,070,691
Loss for the period	—	—	—	—	—	—	(8,223,670)	(8,223,670)	90,654	(8,133,016)
Other comprehensive loss for the period:										
Exchange differences on translation into presentation currency	—	—	—	(215,390)	—	—	—	(215,390)	—	(215,390)
Share of exchange differences on translation of joint ventures	—	—	—	(15,974)	—	—	—	(15,974)	—	(15,974)
Total comprehensive loss for the period	—	—	—	(231,364)	—	—	(8,223,670)	(8,455,034)	90,654	(8,364,380)
Transfer to reserves	—	—	233,641	—	—	—	(233,641)	—	—	—
Acquisition of non-controlling interests	—	—	—	—	—	100,565	—	100,565	(100,565)	—
Disposal of a subsidiary	—	—	—	—	—	—	—	—	2	2
Capital repayment of non-controlling interests	—	—	—	—	—	—	—	—	(3)	(3)
At 30 June 2024	325,768	452,130	3,980,683	(2,555,919)	92,578	1,101,955	980,270	4,377,465	5,328,845	9,706,310
At 1 January 2025	325,768	452,130	4,033,062	(3,000,342)	23,516	1,101,955	1,066,188	4,002,277	5,134,092	9,136,369
Loss for the period	—	—	—	—	—	—	(2,053,365)	(2,053,365)	(118,317)	(2,171,682)
Other comprehensive income for the period:										
Exchange differences on translation into presentation currency	—	—	—	500,143	—	—	—	500,143	—	500,143
Share of exchange differences on translation of joint ventures	—	—	—	45,939	—	—	—	45,939	—	45,939
Total comprehensive loss for the period	—	—	—	546,082	—	—	(2,053,365)	(1,507,283)	(118,317)	(1,625,600)
Transfer to reserves	—	—	46,749	—	—	—	(46,749)	—	—	—
At 30 June 2025	325,768	452,130*	4,079,811*	(2,454,260)*	23,516*	1,101,955*	(1,033,926)*	2,494,994	5,015,775	7,510,769

\* These reserve accounts comprise the consolidated reserves of approximately RMB2,169,226,000 (31 December 2024: approximately RMB3,676,509,000) in the condensed consolidated statement of financial position.



## Condensed Consolidated Statement of Cash Flows

		Six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		(3,161,750)	(7,819,148)
Adjustments for:			
Finance costs	5	1,008,122	1,910,503
Foreign exchange loss/(gain)		70,203	(33,465)
Share of losses of joint ventures		873,725	923,754
Share of losses of associates		41,747	5,067
Interest income	4	(1,536)	(23,417)
(Gain)/loss on disposal of items of property, plant and equipment	6	(6)	47,016
Loss on disposal of investment properties		18,449	74,255
Gain on lease termination		(792)	(179,110)
Depreciation	6	137,803	125,284
Amortisation of land use rights	6	19,199	14,770
Fair value losses on investment properties, net		122,004	470,912
Impairment losses recognised for properties under developments and completed properties held for sale	6	255,105	3,917,521
Gain on disposal of subsidiaries		—	(177,658)
Loss on disposal of joint ventures		11,849	—
Loss on disposal of associates		—	23,219
Cash flows from operations before changes in working capital		(605,878)	(720,497)
Changes in working capital		1,356,573	2,149,658
Cash generated from operations		750,695	1,429,161
Interest received		1,536	23,417
Income tax refunded/(paid)		7,026	(65,812)
Net cash flows from operating activities		759,257	1,386,766

## Condensed Consolidated Statement of Cash Flows

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net cash flows from operating activities	759,257	1,386,766
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of items of property, plant and equipment	(9,366)	(67,137)
Proceeds from disposal of property, plant and equipment	260	290,227
Proceeds from disposal of investment properties	74,907	182,107
Investments in and amounts with joint ventures	(22,258)	(368,898)
Disposal of subsidiaries	—	(1,362)
Repayments from associates	6,412	1,323
Net cash flows generated from investing activities	49,955	36,260
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net repayment to bank and other borrowings	(434,011)	(939,660)
Capital repayment of non-controlling interests	—	(3)
Interest paid	(378,423)	(572,112)
Net cash flows used in financing activities	(812,434)	(1,511,775)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(3,222)	(88,749)
Cash and cash equivalents at beginning of the period	152,564	781,358
Effect of foreign exchange rate changes, net	(146)	47
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	149,196	692,656
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	149,196	692,656
Non-pledged time deposits with original maturity of less than three months when acquired	—	—
Cash and cash equivalents	149,196	692,656

## Notes to Condensed Consolidated Interim Financial Information

### 1. Corporate Information

KWG Group Holdings Limited (“KWG” or the “Company”) is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

During the period, the Company and its subsidiaries (collectively referred to as the “Group”) were involved in the following principal activities:

- Property development
- Property investment
- Hotel operation

In the opinion of the directors, the immediate and ultimate holding company of the Company is Plus Earn Consultants Limited, which is incorporated in the British Virgin Islands.

The unaudited condensed consolidated interim financial information was reviewed by the audit committee of the Company and approved by the board of directors of the Company (the “Board”) for issue on 28 August 2025.

### 2. Basis of Preparation

The unaudited condensed consolidated interim financial information has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of Appendix 16 to the Listing Rules on the Stock Exchange.

The unaudited condensed consolidated interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all HKFRSs, HKASs and Interpretations).

#### Going concern basis

For the six months ended 30 June 2025, the Group incurred a net loss of approximately RMB2,171,682,000, and as of that date, the Group had net current liabilities of approximately RMB39,799,923,000, and the Group’s current portion of bank and other borrowings amounted to approximately RMB48,172,153,000, while its cash and bank balances amounted to approximately RMB837,316,000.

The Group did not repay the principal and interest payables of several USD denominated senior notes (the “Senior Notes”) and bank and other borrowings since the year ended 31 December 2023, triggering an event of default or cross default of various borrowings pursuant to the terms and conditions of respective agreements. The Company had also suspended trading of all its Senior Notes listed on the Stock Exchange in May 2023. As of 30 June 2025, the aggregate principal and interest payables of the said USD denominated senior notes and bank and other borrowings in default or cross default was approximately RMB46,681,193,000.

## 2. Basis of Preparation (Continued)

### Going concern basis (Continued)

The above conditions indicate the existence of uncertainties of the Group's ability to continue as a going concern. The directors 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 are formulated to mitigate the liquidity pressure and to improve the financial position of the Group:

- (i) Since the launch of the project whitelist mechanism, in which city governments should provide a list of local property projects suitable for financing support, and coordinate with local financial institutions to meet the financing needs of these projects, the Group has been actively submitting application to respective local authorities for inclusion of its projects into the whitelist. As at the date of this report, 33 projects of the Group has been included in the whitelist, with another 7 projects in the application process. An aggregate loan principal of approximately RMB8.6 billion has been extended for the project financing on these projects as of the date of this report. The Group will continue to submit applications for other projects of the Group not yet included in the whitelist, to facilitate the Group to obtain project development financing and/or refinancing for its projects.
- (ii) The Group had engaged financial advisor and legal advisor to explore a holistic solution to the current offshore debts situation to secure the sustainable operations of the Group for the benefit of all of its stakeholders. In this regard, the Group and its offshore advisors have been communicating and constructively engaging with an ad hoc group ("AHG") of certain holders of the Senior Notes which, as at the date of this report, is holding approximately 27% in aggregate principal amount of the Senior Notes and its advisors, together with a group of bank lenders in respect of the Company's syndicated loan (the "Syndicated Loan") and their respective advisors, to facilitate the formulation of a consensual and holistic restructuring proposal in respect of certain of the Company's offshore indebtedness with an aggregate principal amount of approximately USD4.6 billion (the "Target Existing Debts").

Having considered the Company's debt servicing capability and the prevailing property market conditions, the Company's latest restructuring proposal entails various options to achieve a significant de-leveraging of the Target Existing Debts, the bid-ask gap on the de-leveraging ratio is subject to further negotiation between the AHG and the Company as at the date of this report, while accommodating the needs and preferences of different creditors.

- (iii) In August 2024, Unicorn Bay (Hong Kong) Investments Limited, a project company in which the Group owns 50% shareholding interest (the "Project Company"), has successfully obtained a refinancing facility of HKD8.2 billion with maturity beyond 2027. The Project Company is principally engaged in the development and sale of The Corniche, a residential project located at Ap Lei Chau, Hong Kong. The Corniche is a significant offshore asset of the Group, and the successful refinancing is crucial to the Group's offshore debt restructuring.
- (iv) The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables. The Group is also negotiating with various interested parties on the disposal of en-bloc commercial properties, hotels, urban redevelopment projects and non-core property projects to further improve the cash position of the Group.
- (v) The Group will continue to take active measures to control administrative costs and maintain containment of capital expenditures.
- (vi) The Group will continue to seek suitable opportunities to dispose of its equity interests in joint ventures or associates which are engaged in property development projects in order to generate additional cash inflows.

## 2. Basis of Preparation (Continued)

### Going concern basis (Continued)

The Directors have reviewed the Group's cash flow projections prepared by management, which cover not less than twelve months from 30 June 2025. They are of the opinion that, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 30 June 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist 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 following:

- (i) The approval from local authorities to include the Group's property development projects in the project whitelist and the successful obtaining of project financing and/or refinancing as and when needed;
- (ii) The successful restructuring of the offshore debts of the Group;
- (iii) The successful negotiation with interested parties on the disposal of en-bloc commercial properties, hotels, urban redevelopment projects and non-core property projects; and
- (iv) The successful disposal of the Group's equity interests in certain joint ventures or associates which are engaged in property development projects when suitable.

Should the Group be unable to achieve the above-mentioned plans and measures and operate 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 any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively.

The effects of these adjustments have not been reflected in these consolidated financial statements.

## 3. Changes to the Group's Accounting Policies

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

### Lack of exchangeability — Amendments to HKAS 21

The amendments to HKAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information. The amendments did not have a material impact on the Group's financial statements.



#### 4. Revenue, Other Income and Gains, Net and Operating Segment Information

Revenue, which is also the Group's turnover, represents the gross proceeds from the sale of properties, gross rental income received and receivable from investment properties and gross revenue from hotel operation during the period.

An analysis of revenue, other income and gains, net is as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Revenue:</b>		
Revenue from contracts with customers		
Sale of properties	3,072,560	4,421,186
Hotel operation income	313,640	365,388
Revenue from other sources		
Gross rental income	406,105	447,380
	3,792,305	5,233,954
<b>Other income and gains, net:</b>		
Interest income	1,536	23,417
Others	28,153	486,546
	29,689	509,963

#### 4. Revenue, Other Income and Gains, Net and Operating Segment Information (Continued)

For management purposes, the Group is organised into three reportable operating segments as follows:

- (a) Property development: Sale of properties
- (b) Property investment: Leasing of properties
- (c) Hotel operation: Operation of hotels

The property development projects undertaken by the Group and its joint ventures and associates during the period are mainly located in Mainland China and Hong Kong.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group's loss before tax except that interest income, finance costs, as well as head office and corporate income and expenses are excluded from such measurement.

The Group's revenue from contracts with customers is derived solely from its operations in Mainland China.

The Group's revenue from contracts with customers for the six months ended 30 June 2025 as follows:

	Property development RMB'000 (Unaudited)	Hotel operation RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<i>Type of revenue recognition:</i>			
Sales of properties	3,072,560	—	3,072,560
Provision of services	—	313,640	313,640
Total revenue from contracts with customers	3,072,560	313,640	3,386,200
<i>Timing of revenue recognition:</i>			
Recognised at a point in time	3,043,226	—	3,043,226
Recognised over time	29,334	313,640	342,974
Total revenue from contracts with customers	3,072,560	313,640	3,386,200

#### 4. Revenue, Other Income and Gains, Net and Operating Segment Information (Continued)

The Group's revenue from contracts with customers for the six months ended 30 June 2024 as follows:

	Property development RMB'000 (Unaudited)	Hotel operation RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<i>Type of revenue recognition:</i>			
Sales of properties	4,421,186	—	4,421,186
Provision of services	—	365,388	365,388
<b>Total revenue from contracts with customers</b>	<b>4,421,186</b>	<b>365,388</b>	<b>4,786,574</b>
<i>Timing of revenue recognition:</i>			
Recognised at a point in time	4,153,882	—	4,153,882
Recognised over time	267,304	365,388	632,692
<b>Total revenue from contracts with customers</b>	<b>4,421,186</b>	<b>365,388</b>	<b>4,786,574</b>

The segment results for the six months ended 30 June 2025 are as follows:

	Property development (Note) RMB'000 (Unaudited)	Property investment RMB'000 (Unaudited)	Hotel operation RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Segment revenue:</b>				
Sales to external customers and revenue	3,072,560	406,105	313,640	3,792,305
<b>Segment results</b>	<b>(1,851,814)</b>	<b>168,335</b>	<b>67,808</b>	<b>(1,615,671)</b>
<i>Reconciliation:</i>				
Interest income and unallocated income				29,689
Unallocated expenses				(567,646)
Finance costs				(1,008,122)
Loss before tax				(3,161,750)
Income tax credits				990,068
<b>Loss for the period</b>				<b>(2,171,682)</b>

#### 4. Revenue, Other Income and Gains, Net and Operating Segment Information (Continued)

The segment results for the six months ended 30 June 2024 are as follows:

	Property development (Note) RMB'000 (Unaudited)	Property investment RMB'000 (Unaudited)	Hotel operation RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Segment revenue:</b>				
Sales to external customers and revenue	4,421,186	447,380	365,388	5,233,954
<b>Segment results</b>	(5,418,295)	(187,214)	92,791	(5,512,718)
<i>Reconciliation:</i>				
Interest income and unallocated income				509,963
Unallocated expenses				(905,890)
Finance costs				(1,910,503)
Loss before tax				(7,819,148)
Income tax expenses				(313,868)
Loss for the period				(8,133,016)

Note: The segment results include share of losses of joint ventures and associates.

#### 5. Finance Costs

An analysis of the Group's finance costs is as follows:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest on bank and other borrowings	2,543,808	2,301,817
Interest on lease liabilities	1,538	9,393
Less: Interest capitalised	(1,537,224)	(400,707)
	<b>1,008,122</b>	<b>1,910,503</b>

## 6. Loss Before Tax

The Group's loss before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of properties sold	3,504,344	4,894,630
Cost of services provided	194,485	241,495
Depreciation	137,803	125,284
Amortisation of land use rights	49,257	38,181
Less: Amount capitalised in assets under construction	(30,058)	(23,411)
	19,199	14,770
(Gain)/loss on disposal of items of property, plant and equipment	(6)	47,016
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	134,504	221,757
Pension scheme contributions (defined benefit plans)	13,547	14,849
	148,051	236,606
Less: Amount capitalised in assets under construction, properties under development and investment properties under development	(16,617)	(17,490)
	131,434	219,116
Impairment losses recognised for properties under development and completed properties held for sales*	255,105	3,917,521

\* The item is included in "Other operating expenses" in the condensed consolidated statement of profit or loss.



## 7. Income Tax (Credits)/Expenses

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current – in the People's Republic of China ("PRC")		
Corporate income tax ("CIT")	(995,472)	399,319
Land appreciation tax ("LAT")	24,208	98,662
Deferred	(971,264) (18,804)	497,981 (184,113)
Total tax (credits)/charges for the period	(990,068)	313,868

For the six months ended 30 June 2025, the share of CIT credit and LAT expense attributable to the joint ventures amounting to approximately RMB19,475,000 (2024: CIT expenses of approximately RMB189,198,000) and approximately RMB3,021,000 (2024: approximately RMB188,515,000), respectively, are included in "Share of losses of joint ventures" in the unaudited condensed consolidated statement of profit or loss.

For the six months ended 30 June 2025, the share of CIT expense and LAT expense attributable to the associates amounting to approximately RMB1,989,000 (2024: approximately RMB4,350,000) and approximately RMB887,000 (2024: approximately RMB1,202,000) are included in "Share of losses of the associates" in the unaudited condensed consolidated statement of profit or loss.

### Hong Kong profits tax

No Hong Kong profits tax has been provided because the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2025 and 2024.

### PRC CIT

PRC CIT in respect of operations in the PRC have been calculated at the applicable tax rate on the estimated assessable profits for the six months ended 30 June 2025 and 2024, based on existing legislation, interpretations and practices in respect thereof.

### PRC LAT

PRC LAT are levied at progressive rates ranging from 30% to 60% on the appreciation of the land value, being the proceeds from the sale of properties less deductible expenditures including amortisation of land use rights, borrowing costs and all property development expenditures.

## 8. Dividends

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2025 (2024: Nil).

## 9. Loss Per Share Attributable to Owners of the Company

The calculation of the basic loss per share amounts for the six months ended 30 June 2025 is based on the loss for the period attributable to owners of the Company, and the weighted average number of ordinary shares of 3,418,883,945 (2024: 3,418,883,945) in issue during the period.

For the six months ended 30 June 2025, the calculation of the diluted loss per share amounts is based on the loss for the period attributable to owners of the Company, and the weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic loss per share calculation of 3,418,883,945 (2024: 3,418,883,945).

Diluted loss per share amount for the period ended 30 June 2025 and 2024 was the same as the basic loss per share as the Group had no potentially dilutive ordinary shares in issue during the period.

The calculations of the basic and diluted loss per share amounts are based on:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Loss</b>		
Loss attributable to owners of the Company	(2,053,365)	(8,223,670)

	Number of shares Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the period	3,418,883,945	3,418,883,945

## 10. Property, Plant and Equipment

During the six months ended 30 June 2025, the Group had additions of property, plant and equipment at a total cost of approximately RMB9,366,000 (2024: approximately RMB67,135,000).

## 11. Trade Receivables

Trade receivables mainly consist of receivables from the sale of properties, rentals under operating leases and hotel operation. The payment terms of the sale of properties are stipulated in the relevant sale and purchase agreements. An ageing analysis of the trade receivables as at the end of the reporting period is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 3 months	260,004	260,450
7 to 12 months	726	5,252
Over 1 year	32,911	21,841
	293,641	287,543

## 12. Cash and Bank Balances

	As at 30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Cash and bank balances	837,316	787,445
Less: Restricted cash	(688,120)	(634,881)
Cash and cash equivalents	149,196	152,564

## 13. Trade and Bills Payables

An ageing analysis of the trade and bills payables as at the end of the reporting period is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within one year	15,623,515	13,807,265
Over one year	4,230,981	5,121,139
	19,854,496	18,928,404

The trade and bills payables are non-interest-bearing and are normally settled on demand.

## 14. Interest-bearing Bank and Other Borrowings

	As at	
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
<b>Current</b>		
Bank and other loans (note (c))		
– secured	13,662,142	11,343,637
– unsecured	350,307	350,407
– denominated in HK\$, secured	1,828,016	1,856,259
– denominated in US\$, secured	1,149,941	1,167,709
Current portion of long-term bank loans (note (c))		
– secured	1,930,788	2,834,153
– unsecured	27,459	3,833
Senior notes – denominated in US\$, secured (note (a))	27,925,380	28,356,838
Domestic corporate bonds – secured (note (b))	1,298,120	280,317
	<b>48,172,153</b>	<b>46,193,153</b>
<b>Non-current</b>		
Bank and other loans (note (c))		
– secured	22,187,809	23,211,231
– unsecured	291,816	315,833
Domestic corporate bonds – secured (note (b))	2,189,240	3,204,835
	<b>24,668,865</b>	<b>26,731,899</b>
	<b>72,841,018</b>	<b>72,925,052</b>

- (i) Certain items of the Group's borrowings are secured by buildings, land use rights, investment properties, properties under development and completed properties held for sale of the Group with total carrying values of approximately RMB82,446,352,000 as at 30 June 2025 (31 December 2024: approximately RMB83,411,494,000).
- (ii) As at 30 June 2025 and 31 December 2024, the equity interests of certain subsidiaries of the Group were pledged to certain banks for the loans granted to the Group.
- (iii) As at 30 June 2025 and 31 December 2024, the senior notes were jointly and severally guaranteed by certain subsidiaries of the Group and were secured by the pledges of their equity interests.

Except for the above mentioned borrowings denominated in HK\$ and US\$, all borrowings were denominated in RMB as at 30 June 2025 and 31 December 2024. All of the Group's bank loans were charged at floating interest rates except for loan balances with an aggregate amount of approximately RMB8,215,771,000 (31 December 2024: approximately RMB7,579,905,000), which were charged at fixed interest rate as at 30 June 2025. The Group's senior notes and domestic corporate bonds were charged at fixed interest rates as at 30 June 2025 and 31 December 2024.

## 14. Interest-bearing Bank and Other Borrowings (Continued)

Notes:

- (a)(i) On 1 March 2019, the Company issued 7.875% senior notes with an aggregate principal amount of US\$350,000,000 (equivalent to approximately RMB2,343,495,000). The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 1 September 2023. The senior notes carry interest at a rate of 7.875% per annum, which is payable semi-annually in arrears on 1 March and 1 September of each year commencing on 1 September 2019. For further details on the senior notes, please refer to the related announcements of the Company dated 21 February 2019, 22 February 2019 and 1 March 2019. On 30 September 2022, the Company has partially settled these senior notes by exchanging with a new senior note.

On 22 March 2019, the Company issued 7.875% senior notes with an aggregate principal amount of US\$350,000,000 (equivalent to approximately RMB2,343,040,000) (to be consolidated and form a single series with the US\$350,000,000 7.875% senior notes due 2023 issued on 1 March 2019). The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 1 September 2023. The senior notes carry interest at a rate of 7.875% per annum, which is payable semi-annually in arrears on 1 March and 1 September of each year commencing on 1 September 2019. For further details on the senior notes, please refer to the related announcements of the Company dated 20 March 2019 and 22 March 2019. On 30 September 2022, the Company has partially settled these senior notes by exchanging with a new senior note.

The outstanding principal of US\$63,531,000 and the accrued unpaid interests were not settled on the maturity date and remained outstanding as at 30 June 2025. The senior notes has been delisted on its maturity date. For further details, please refer to the related announcement of the Company dated 31 August 2023.

- (a)(ii) On 29 July 2019, the Company issued 7.40% senior notes with an aggregate principal amount of US\$300,000,000 (equivalent to approximately RMB2,064,630,000). The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 5 March 2024. The senior notes carry interest at a rate of 7.4% per annum, which is payable semi-annually in arrears on 5 March and 5 September of each year commencing on 5 September 2019. For further details on the senior notes, please refer to the related announcements of the Company dated 22 July 2019, 23 July 2019 and 29 July 2019.

On 17 September 2021, the Company issued 7.40% senior notes with an aggregate principal amount of US\$158,000,000 (equivalent to approximately RMB1,019,527,000) (to be consolidated and form a single series with the US\$300,000,000 7.4% senior notes due 2024 issued on 29 July 2019). The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 5 March 2024. The senior notes carry interest at a rate of 7.4% per annum, which is payable semi-annually in arrears on 5 March and 5 September of each year commencing on 5 March 2022. For further details on the senior notes, please refer to the related announcements of the Company dated 17 September 2021 and 20 September 2021.

The outstanding principal of US\$458,000,000 and the accrued unpaid interests were not settled on the maturity date and remained outstanding as at 30 June 2025. The senior notes has been delisted on its maturity date. For further details, please refer to the related announcement of the Company dated 4 March 2024.

- (a)(iii) On 10 November 2017, the Company issued 5.875% senior notes with an aggregate principal amount of US\$400,000,000 (equivalent to approximately RMB2,651,280,000). The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 10 November 2024. The senior notes carry interest at a rate of 5.875% per annum, which is payable semi-annually in arrears on 10 May and 10 November of each year commencing on 10 May 2018. For further details on the senior notes, please refer to the related announcements of the Company dated 7 November 2017, 8 November 2017 and 10 November 2017.



## 14. Interest-bearing Bank and Other Borrowings (Continued)

Notes: (Continued)

(a)(iii) (Continued)

On 3 July 2019, the Company issued 5.875% senior notes with an aggregate principal amount of US\$225,000,000 (equivalent to approximately RMB1,544,400,000) (to be consolidated and form a single series with the US\$400,000,000 5.875% senior notes due 2024 issued on 10 November 2017). The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 10 November 2024. The senior notes carry interest at a rate of 5.875% per annum, which is payable semi-annually in arrears on 10 May and 10 November of each year commencing on 10 November 2019. For further details on the senior notes, please refer to the related announcements of the Company dated 25 June 2019 and 3 July 2019.

The outstanding principal of US\$625,000,000 and the accrued unpaid interests were not settled on the maturity date and remained outstanding as at 30 June 2025. The senior notes has been delisted on its maturity date. For further details, please refer to the related announcement of the Company dated 8 November 2024.

(a)(iv) On 13 January 2020, the Company issued 7.40% senior notes with an aggregate principal amount of US\$300,000,000 (equivalent to approximately RMB2,077,890,000). The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 13 January 2027. The senior notes carry interest at a rate of 7.4% per annum, which is payable semi-annually in arrears on 13 January and 13 July of each year commencing on 13 July 2020. For further details on the senior notes, please refer to the related announcements of the Company dated 7 January 2020 and 13 January 2020.

(a)(v) On 10 August 2020, the Company issued 5.95% senior notes with an aggregate principal amount of US\$200,000,000 (equivalent to approximately RMB1,392,980,000). The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 10 August 2025. The senior notes carry interest at a rate of 5.95% per annum, which is payable semi-annually in arrears on 10 February and 10 August of each year commencing on 10 February 2021. For further details on the senior notes, please refer to the related announcements of the Company dated 4 August 2020 and 10 August 2020.

The outstanding principal of US\$200,000,000 and the accrued unpaid interests were not settled on the maturity date and remained outstanding as at 30 June 2025. The senior notes has been delisted on its maturity date. For further details, please refer to the related announcement of the Company dated 8 August 2025.

(a)(vi) On 13 November 2020, the Company issued 6.30% senior notes with an aggregate principal amount of US\$400,000,000 (equivalent to approximately RMB2,651,400,000). The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 13 February 2026. The senior notes carry interest at a rate of 6.3% per annum, which is payable semi-annually in arrears on 13 February and 13 August of each year commencing on 13 February 2021. For further details on the senior notes, please refer to the related announcements of the Company dated 8 November 2020, 13 November 2020 and 16 November 2020.

(a)(vii) On 14 May 2021, the Company issued 6.00% green senior notes with an aggregate principal amount of US\$378,000,000 (equivalent to approximately RMB2,439,045,000). The green senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 14 August 2026. The green senior notes carry interest at a rate of 6% per annum, which is payable semi-annually in arrears on 14 February and 14 August of each year commencing on 14 August 2021. For further details on the green senior notes, please refer to the related announcements of the Company dated 11 May 2021, 14 May 2021 and 17 May 2021.

(a)(viii) On 10 September 2021, the Company issued 5.95% senior notes with an aggregate principal amount of US\$100,000,000 (equivalent to approximately RMB645,660,000) (to be consolidated and form a single series with the US\$200,000,000 5.95% senior notes due 2025 issued on 10 August 2020). The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 10 August 2025. The senior notes carry interest at a rate of 5.95% per annum, which is payable semi-annually in arrears on 10 February and 10 August of each year commencing on 10 February 2022. For further details on the senior notes, please refer to the related announcements of the Company dated 7 September 2021, 10 September 2021 and 13 September 2021.

## 14. Interest-bearing Bank and Other Borrowings (Continued)

Notes: (Continued)

(a)(viii) (Continued)

The outstanding principal of US\$100,000,000 and the accrued unpaid interests were not settled on the maturity date and remained outstanding as at 30 June 2025. The senior notes has been delisted on its maturity date. For further details, please refer to the related announcement of the Company dated 8 August 2025.

- (a)(ix) On 2 September 2022, the Company offered to exchange for at least US\$810,000,000, or 90%, of the aggregate outstanding principal amount of the senior notes due 15 September 2022 and the senior notes due 21 September 2022. For holders accepting the exchange offer, 5% of the principal would be repaid upfront, and a new senior notes carry interest at a rate of 6.00% per annum with final maturity date of 14 January 2024 would be issued to exchange for the remaining outstanding principal. The Company has received US\$836,764,000 valid tenders to accept the exchange offer. Accordingly, on 14 September 2022, holders accepting the exchange offer have received US\$41,838,200 upfront principal repayment and new 6.00% senior notes with principal amount of US\$794,925,800. The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 14 January 2024. Interest on the senior notes is payable semi-annually in arrears on 14 January and 14 July of each year, commencing on 14 January 2023. For further details on the senior notes, please refer to the related announcements of the Company dated 2 September 2022, 13 September 2022, 15 September 2022 and 19 September 2022.

For the remaining outstanding principal of US\$63,236,000, the Company has repaid these senior notes on their respective maturity dates, with US\$43,963,000 being repaid on 15 September 2022 and US\$19,273,000 being repaid on 21 September 2022.

For the new 6.00% senior notes with principal amount of US\$794,925,800, the Company has not made a redemption payment of US\$119,238,870 for such part of the principal due on 14 May 2023, and the interest thereon. Under the terms of this senior note, failure to pay such part of the principal on the mandatory redemption date has constituted an event of default. For further details, please refer to the related announcement of the Company dated 14 May 2023. These amounts remained outstanding as at 30 June 2025.

- (a)(x) On 2 September 2022, the Company offered to exchange for at least US\$560,000,000, or 80%, of the aggregate outstanding principal amount of the senior notes due 1 September 2023. For holders accepting the exchange offer, a new senior notes carry interest at a rate of 7.875% per annum with final maturity date of 30 August 2024 would be issued to exchange for the outstanding principal. The Company has received US\$636,469,000 valid tenders to accept the exchange offer. Accordingly, on 30 September 2022, new 7.875% senior notes have been issued to the holders accepting the exchange offer. The senior notes are redeemable at the option of the Company at certain predetermined prices in certain specific periods prior to the maturity date of 30 August 2024. Interest on the senior notes is payable semi-annually in arrears on 28 February and 30 August of each year, commencing on 28 February 2023. For further details on the senior notes, please refer to the related announcements of the Company dated 2 September 2022, 13 September 2022, 30 September 2022 and 5 October 2022.

The outstanding principal of US\$636,469,000 and the accrued unpaid interests were not settled on the maturity date and remained outstanding as at 30 June 2025.

- (b)(i) On 28 March 2016, Guangzhou Tianjian, a wholly-owned subsidiary of the Group, issued domestic corporate bonds in the PRC with an aggregate principal amount of RMB2,200,000,000.

The domestic corporate bonds consist of two type. The first type has a term of six years and bears a coupon rate at 3.90% per annum which was adjusted to 7.0% per annum with the issuer's option to raise the coupon rate after the end of the third year from the date of issue of the domestic corporate bonds and the investors' option to sell back the domestic corporate bonds to the issuer (the "Type 3 Bonds"). The second type has a term of ten years and bears a coupon rate at 4.80% per annum with the issuer's option to raise the coupon rate after the end of the fifth year from the date of issue of the domestic corporate bonds and the investors' option to sell back the domestic corporate bonds to the issuer (the "Type 4 Bonds"), and the coupon rate was adjusted to 6.60% per annum during the year ended 31 December 2021.

The aggregate principal amount for the Type 3 Bonds issued was RMB600,000,000 and the aggregate principal amount for the Type 4 Bonds issued was RMB1,600,000,000.

## 14. Interest-bearing Bank and Other Borrowings (Continued)

Notes: (Continued)

(b)(i) (Continued)

For further details of the domestic corporate bonds, please refer to the related announcements of the Company dated 24 March 2016 and 28 March 2016.

On 28 March 2022, Guangzhou Tianjian repaid the Type 3 Bonds.

On 28 March 2023, Guangzhou Tianjian redeemed part of the Type 4 Bonds with the principal amount of RMB480,532,000.

During the bond holders meeting held from 25 October to 6 November, 2023, resolutions were made and the Group was granted with a grace period that extended the final repayment date to 16 April 2028 for the Type 4 corporate bond, of which the principal amounts to RMB1,119,468,000 and will originally mature at 28 March 2026 by pledging the usufruct of the Group's subsidiaries. According to the related extension arrangement, the Group is required to arrange repayment no later than 16 August 2024 and 16 November 2024 respectively, and the remaining outstanding principal would be fully repaid by six installments months after the extension.

On 14 August 2024 and 16 November 2024, Guangzhou Tianjian repaid part of the Type 4 Bonds with the aggregate principal amount of RMB220,000.

(b)(ii) On 30 September 2016, the Company issued domestic corporate bonds in the PRC with an aggregate principal amount of RMB8,000,000,000.

The domestic corporate bonds consist of three types. The first type has a term of seven years and bears a coupon rate at 5.6% per annum which was adjusted to 7.10% per annum with the issuer's option to adjust the coupon rate after the end of the fourth year from the date of issue of the domestic corporate bonds and the investors' option to sell back to the issuer (the "Type 7 Bonds"). The second type has a term of seven years and bears a coupon rate at 5.7% per annum with the issuer's option to adjust the coupon rate after the end of the fourth and a half year from the date of issue of the domestic corporate bonds and the investors' option to sell back to the issuer (the "Type 8 Bonds"), and the coupon rate was adjusted to 6.50% per annum during the year ended 31 December 2021. The third type has a term of seven years and bears a coupon rate at 5.8% per annum with the issuer's option to adjust the coupon rate after the end of the fifth year from the date of issue of the domestic corporate bonds and the investors' option to sell back to the issuer (the "Type 9 Bonds").

The aggregate principal amount for the Type 7 Bonds issued was RMB2,500,000,000; the aggregate principal amount for Type 8 Bonds issued was RMB2,500,000,000 and the aggregate principal amount for Type 9 Bonds issued was RMB3,000,000,000.

For further details of the domestic corporate bonds, please refer to the related announcement of the Company dated 30 September 2016.

On 14 October 2020, the Company redeemed part of the Type 7 Bonds with the principal amount of RMB830,000,000.

During the bond holders meeting held from 25 October to 30 October, 2023, resolutions were made and the Group was granted with a grace period that extended the final repayment date to 16 October 2027 for the Type 7 corporate bond, of which the principal amounts to RMB1,670,000,000 and will originally mature at 14 October 2023 by pledging the usufruct of the Group's subsidiaries. According to the related extension arrangement, the Group is required to arrange repayment no later than 16 February 2024 and 16 May 2024 respectively, and the remaining outstanding principal would be fully repaid by six installments after the extension.

## 14. Interest-bearing Bank and Other Borrowings (Continued)

Notes: (Continued)

(b)(ii) (Continued)

On 6 February 2024 and 14 May 2024, the Company repaid part of the Type 7 Bonds with the aggregate principal amount of RMB21,650,000.

On 14 October 2021, the Company redeemed the Type 9 Bonds.

On 14 April 2022, the Company redeemed part of the Type 8 Bonds with the principal amount of RMB555,000,000.

During the bond holders meeting held from 25 October to 30 October, 2023, resolutions were made and the Group was granted with a grace period that extended the final repayment date to 16 October 2027 for the Type 8 corporate bond, of which the principal amounts to RMB1,945,000,000 and will originally mature at 14 October 2023 by pledging the usufruct of the Group's subsidiaries. According to the related extension arrangement, the Group is required to arrange repayment no later than 16 February 2024 and 16 May 2024 respectively, and the remaining outstanding principal would be fully repaid by six installments after the extension.

On 6 February 2024 and 14 May 2024, the Company repaid part of the Type 8 Bonds with the aggregate principal amount of RMB200,000.

(b)(iii) On 12 October 2020, Guangzhou Hejing issued domestic corporate bonds in the PRC with an aggregate principal amount of RMB1,000,000,000.

The domestic corporate bonds have a term of five years and bear a coupon rate at 6.00% per annum with the issuer's option to adjust the coupon rate after the end of the second year or the fourth year from the date of issue of the domestic corporate bonds and the investors' option to sell back the domestic corporate bonds to the issuer.

On 12 October 2022, Guangzhou Hejing redeemed part of the Bonds with the principal amount of RMB485,000,000.

## 14. Interest-bearing Bank and Other Borrowings (Continued)

Notes: (Continued)

- (b)(iv) On 10 November 2020, Guangzhou Hejing issued domestic corporate bonds in the PRC with an aggregate principal amount of RMB700,000,000.

The domestic corporate bonds have a term of five years and bear a coupon rate at 6.19% per annum with the issuer's option to adjust the coupon rate after the end of the second year or the fourth year from the date of issue of the domestic corporate bonds and the investors' option to sell back the domestic corporate bonds to the issuer.

On 2 November 2022, Guangzhou Hejing redeemed part of the Bonds with the principal amount of RMB320,000,000.

- (b)(v) On 2 August 2021, Guangzhou Hejing issued domestic corporate bonds in the PRC with an aggregate principal amount of RMB2,000,000,000.

The domestic corporate bonds have a term of three years and bear a coupon rate at 6.20% per annum with the issuer's option to adjust the coupon rate after the end of the second year from the date of issue of the domestic corporate bonds and the investors' option to sell back the domestic corporate bonds to the issuer.

During the bond holders meeting held from 25 October to 30 October, 2023, resolutions were made and the Group was granted with a grace period that extended the final repayment date to 16 October 2027 for the corporate bond, of which the principal amounts to RMB2,000,000,000 and will originally mature at 2 August 2024 by pledging the usufruct of the Group's subsidiaries. According to the related extension arrangement, the Group is required to arrange repayment no later than 16 February 2024 and 16 May 2024 respectively, and the remaining outstanding principal would be fully repaid by six installments after the extension.

On 6 February 2024 and 14 May 2024, Guangzhou Hejing repaid part of the Bonds with the aggregate principal amount of RMB8,700,000.

- (b)(vi) On 30 January 2023, Guangzhou Hejing issued domestic corporate bonds in the PRC with an aggregate principal amount of RMB700,000,000.

- (c) The bank loans carry interests at prevailing market rates ranging from 3.0% to 12.1% per annum as at 30 June 2025 (31 December 2024: 3.0% to 12.1% per annum).

- (d) The Group has established a contemplated strategy to repurchase and sell its own domestic corporate bonds and senior notes (collectively the "Bonds"), from time to time, in the open market, for the purposes of managing its overall leverage and reducing the Group's overall borrowing costs. No bond was redeemed or sold during the six months ended 30 June 2025.



## 15. Share Capital

	30 June 2025		As at 31 December 2024	
	No. of shares (Unaudited)	RMB'000 (Unaudited)	No. of shares (Audited)	RMB'000 (Audited)
Authorised:				
Ordinary shares of HK\$0.10 each	8,000,000,000	786,113	8,000,000,000	786,113
Issued and fully paid:				
Ordinary shares of HK\$0.10 each	3,418,883,945	325,768	3,418,883,945	325,768

A summary of movements in the Company's issued share capital is as follows:

	Number of shares in issue (Unaudited)	Issued capital RMB'000 (Unaudited)	Share premium account RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
At 1 January 2025	3,418,883,945	325,768	452,130	777,898
At 30 June 2025	3,418,883,945	325,768	452,130	777,898

  

	Number of shares in issue (Unaudited)	Issued capital RMB'000 (Unaudited)	Share premium account RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
At 1 January 2024	3,418,883,945	325,768	452,130	777,898
At 30 June 2024	3,418,883,945	325,768	452,130	777,898

## 16. Business Combination

### Acquisition of a subsidiary

Before 12 January 2024, the Group held 50% equity interests in Hefei Meifu Real Estate Development Limited ("Hefei Meifu")<sup>#</sup> and accounted for it as a joint venture of the Group. Hefei Meifu is principally engaged in property development. On 12 January 2024, the Group acquired 50% shares of Hefei Meifu, which was held by Midea Real Estate Group Limited, for consideration of RMB25,000,000. The Group thus obtained control over Hefei Meifu and accounted for Hefei Meifu as a subsidiary of the Group since then.

The fair values of the identifiable assets and liabilities of Hefei Meifu as at the date of acquisition were as follows:

	Fair value recognised on acquisition RMB'000
Property, plant and equipment	1
Deferred tax assets	2,134
Property under development	9,380
Prepayment, deposits and other receivables	65,077
Trade receivables	377
Cash and bank balance	6,560
Trade payables	(10,496)
Other payables and accruals	(4,122)
Tax payables	(245)
Deferred tax liabilities	(18)
<b>Total identifiable net assets at fair value</b>	<b>68,648</b>
Equity interest in the company held by the Group prior to the acquisition	(30,775)
Gain on acquisition of the subsidiary	(12,873)
Satisfied by other receivables	25,000

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	RMB'000
Cash and cash equivalents acquired	6,560
<b>Net inflow of cash and cash equivalents included in cash flows from investing activities</b>	<b>6,560</b>

Since the acquisition, Hefei Meifu contributed no revenue, but gain of approximately RMB10,610,000 to the Group for the year ended 31 December 2024.

Had the combination taken place at the beginning of the period, the revenue and the loss of the Group for the year ended 31 December 2024 would have been approximately RMB11,061,516,000 and RMB8,186,729,000.

<sup>#</sup> The English name of this company referred to in this unaudited condensed consolidated interim financial information represents management's best effort to translate the Chinese name of that company, as no English name has been registered.

## 17. Disposal of Subsidiaries

During the year ended 31 December 2024, the Group disposed of interests in a number of subsidiaries to certain third parties. Details of the disposals are as follows:

	RMB'000
Disposal consideration	
— Satisfied by other receivables	226,861
Less:	
— Total net assets of subsidiaries disposed of	(51,474)
Gains on disposals	175,387
Cash proceeds from disposals, net of cash disposed of	
— Less: cash and cash equivalents in the subsidiaries disposed of	(1,362)
Net cash outflow on disposals	(1,362)

## 18. Financial Guarantees

- (i) As at 30 June 2025, the Group provided guarantees to certain banks in respect of mortgage granted by banks relating to the mortgage loans arranged for purchasers of the Group's properties amounting to approximately RMB9,289,380,000 (31 December 2024: approximately RMB9,584,695,000). Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principal together with the accrued interest and penalty owed by the defaulting purchasers to the banks and the Group is entitled, but not limited to take over the legal titles and possession of the related properties. The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends upon issuance of real estate ownership certificates which will generally be available within one to two years after the purchasers take possession of the relevant properties.

The fair value of the guarantees is not significant and the Board considered that in case of default in payments, the net realisable value of the related properties will be sufficient to 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 information as at 30 June 2025 and 31 December 2024 for the guarantees.

- (ii) As at 30 June 2025, the Group had provided guarantees in respect of certain bank loans of approximately RMB17,371,047,000 (31 December 2024: approximately RMB18,173,240,000) for its joint ventures, associates, third parties and related companies.

## 19. Commitments

The Group had the following capital commitments at the end of the reporting period:

	As at 30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Contracted, but not provided for:		
Property, plant and equipment	990,313	1,005,650
Properties being developed by the Group for sale	6,113,599	6,176,896
Investment properties	406,336	411,949
	7,510,248	7,594,495

In addition, the Group's share of the joint ventures' own capital commitments, which are not included in the above, is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Contracted, but not provided for	1,923,944	2,083,871

## 20. Related Party Transactions

### (i) Compensation of key management personnel of the Group:

	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short term employee benefits	7,012	7,209
Post-employment benefits	258	308
Total compensation paid to key management personnel	7,270	7,517

## 20. Related Party Transactions (Continued)

### (ii) Outstanding balances with related parties:

	As at 30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Included in interests in joint ventures: Advances to joint ventures	22,431,537	22,393,430
Included in interests in associates: Advances to associates	812,657	819,069
Included in prepayments, other receivables and other assets: Due from KWG Living	194,440	194,440
Included in trade and bills payables: Due to subsidiaries of KWG Living	1,119,308	1,060,254
Included in current assets: Due from a joint venture	19,129	19,129
Included in current liabilities: Due to associates	1,371,866	1,364,879
Due to joint ventures	8,054,493	8,088,049

As at 30 June 2025 and 31 December 2024, the advances to joint ventures as shown above are unsecured, interest-free and not repayable within 12 months.

As at 30 June 2025 and 31 December 2024, the advances to associates are unsecured, interest-free and repayable on demand.

As at 30 June 2025 and 31 December 2024, the balances with the joint ventures and associates included in the Group's current assets and current liabilities are unsecured, interest-free and repayable on demand.

## 20. Related Party Transactions (Continued)

- (iii) During the six months ended 30 June 2025, the Group leased some properties to related companies, of which an executive director of the Company is the ultimate beneficial owner, for a total cash consideration of approximately RMB6,798,000 (2024: approximately RMB9,280,000), which was recognised as rental income of the Group. The rental income was determined at rates mutually agreed between the Group and the executive director.
- (iv) KWG Living Group became a related party of the Company since its listing of the ordinary shares of KWG Living on the Main Board of the Stock Exchange on 30 October 2020 and the aggregate amounts set out below with KWG Living Group are for the transactions involved during the six months ended 30 June 2025.

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
<b>Rental income from KWG Living Group</b>		
Property Lease:		
Properties	2,196	2,198
Car parking lots	3,399	3,774
	5,595	5,972
Information technology income	1,000	1,000
<b>Service fees to KWG Living Group</b>		
Residential Property Management Services:		
Residential pre-sale management services	12,197	14,302
Residential property management services	32,056	54,413
	44,253	68,715
Property Agency Services	4,407	25,470
Commercial Property Management Services:		
Commercial pre-sale management services	4,573	5,203
Commercial property management services	32,802	82,269
	37,375	87,472
Commercial Operational and Value-added Services:		
Commercial operational services	24,287	38,530
Commercial value-added services	7,730	8,468
	32,017	46,998
Publicity Planning Service	718	7,167
Marketing Channel Management Service	53	290

Note: These transactions were carried out in accordance with the terms and conditions mutually agreed by the parties involved.



## 20. Related Party Transactions (Continued)

- (v) During the six months ended 30 June 2025, the Group provided project management services to certain joint ventures of the Group for a total cash consideration of approximately RMB1,216,000 (2024: approximately RMB213,747,000), which was recognised as other income of the Group. The project management fee income was determined at rates mutually agreed between the Group and the joint ventures.
- (vi) During the six months ended 30 June 2025 and 2024, no interest income was recognised as other income of the Group, which was determined at rates mutually agreed between the Group and the joint ventures and associates.
- (vii) **Other transactions with related parties:**  
Details of guarantees given by the Group to banks in connection with bank loans granted to its joint ventures and associates are included in note 18(ii) to the unaudited condensed consolidated interim financial information.

## 21. Fair Value and Fair Value Hierarchy of Financial Instruments

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts As at 30 June 2025 RMB'000 (Unaudited)	Fair values As at 30 June 2025 RMB'000 (Unaudited)	Carrying amounts As at 31 December 2024 RMB'000 (Audited)	Fair values As at 31 December 2024 RMB'000 (Audited)
Financial liabilities				
Interest-bearing bank and other borrowings	72,841,018	44,869,725	72,925,052	45,160,098

Management has assessed that the fair values of cash and bank balances, trade receivables, trade and bills payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals, lease liabilities, amounts due from/to joint ventures and due to associates approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the management of the Group. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the management of the Group. The valuation process and results are discussed with the management of the Group twice a year for interim and annual financial reporting.

## 21. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The Group did not have any financial assets and financial liabilities measured at fair value as at 30 June 2025 and 31 December 2024.

During the six months ended 30 June 2025 and the year ended 31 December 2024, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

### Liabilities for which fair values are disclosed:

#### As at 30 June 2025

	Fair value measurement using			Total RMB'000 (Unaudited)
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	
Interest-bearing bank and other borrowings	—	44,869,725	—	44,869,725

#### As at 31 December 2024

	Fair value measurement using			Total RMB'000 (Unaudited)
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	
Interest-bearing bank and other borrowings	—	45,160,098	—	45,160,098

## 22. Events after the Reporting Period

A winding-up petition against the Company dated 11 August 2025 was filed by Shandong Sunlight Xin Tiandi Micro-finance Company Limited at the High Court of the Hong Kong Special Administrative Region against the Company in relation to the outstanding debt in the principal amount of approximately RMB642,000,000 and interest accrued in the amount of approximately RMB136,240,000 guaranteed by the Company.

## 23. Approval of the Unaudited Condensed Consolidated Interim Financial Information

The unaudited condensed consolidated interim financial information was approved and authorised for issue by the Board on 28 August 2025.