



Prosperous Blossoms, partial screen | Liang Ying | 2021 | color on paper | 290 cm × 140 cm × 7
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2025 Interim Report

FANTASIA
花樣年

花樣年控股集團有限公司
FANTASIA HOLDINGS GROUP CO., LIMITED
Stock Code: 01777.HK



有 趣 / 有 味 / 有 料

FANTASIA is committing to be the leading industry participant which provides a joyful, colourful and meaningful living space and experience and aims to deliver unique and inspiring living space and experience to value-oriented customers.

目錄

CONTENTS

Corporate Information	2
Chairman's Statement	3
Management Discussion and Analysis	5
Disclosure of Interests	13
Corporate Governance and Other Information	16
Report on Review of Condensed Consolidated Financial Statements	21
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	23
Condensed Consolidated Statement of Financial Position	24
Condensed Consolidated Statement of Changes in Equity	26
Condensed Consolidated Statement of Cash Flows	27
Notes to the Condensed Consolidated Financial Statements	29

DIRECTORS

Executive Directors

Ms. Cheng Jianli (*Chairman*)
Mr. Timothy David Gildner
Mr. Lin Zhifeng

Non-Executive Directors

Ms. Zeng Jie, Baby
Mr. Su Boyu

Independent Non-Executive Directors

Mr. Leung Yiu Cho
(appointed on 11 July 2025)
Mr. Kwok Chi Shing
(resigned on 22 May 2025)
Mr. Guo Shaomu
Mr. Ma Yu-heng

COMPANY SECRETARY

Ms. Luo Shuyu

AUTHORIZED REPRESENTATIVES

Ms. Cheng Jianli
Ms. Luo Shuyu

AUDIT COMMITTEE

Mr. Leung Yiu Cho
(*Committee Chairman*)
(appointed on 11 July 2025)
Mr. Kwok Chi Shing
(*Committee Chairman*)
(resigned on 22 May 2025)
Mr. Guo Shaomu
Mr. Ma Yu-heng

REMUNERATION COMMITTEE

Mr. Guo Shaomu
(*Committee Chairman*)
Ms. Cheng Jianli
Mr. Kwok Chi Shing
(resigned on 22 May 2025)
Mr. Ma Yu-heng

NOMINATION COMMITTEE

Ms. Cheng Jianli
(*Committee Chairman*)
Ms. Zeng Jie, Baby
Mr. Guo Shaomu
Mr. Leung Yiu Cho
(appointed on 11 July 2025)
Mr. Kwok Chi Shing
(resigned on 22 May 2025)
Mr. Ma Yu-heng

AUDITORS

Prism Hong Kong Limited (Formerly known as Prism Hong Kong and Shanghai Limited)
Registered Public Interest Entity Auditors

PRINCIPAL BANKERS

China Minsheng Bank Corp., Ltd.
Industrial and Commercial Bank of China Limited
Ping An Bank Co., Ltd.
China Everbright Bank Co., Ltd.

LEGAL ADVISORS

As to Hong Kong Law
Sidley Austin

As to PRC Law
Commerce & Finance Law Offices

As to Cayman Islands Law
Conyers Dill & Pearman

REGISTERED OFFICE

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

CORPORATE HEAD OFFICE IN HONG KONG

21/F.
CMA Building
64 Connaught Road Central
Hong Kong

CORPORATE HEADQUARTERS IN PEOPLE'S REPUBLIC OF CHINA

Postal Code: 518048
Block A, Funian Plaza
Interchange of Shihua Road
and Zijing Road
Futian Duty-free Zone
Shenzhen
Guangdong Province
China

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A,
Block 3, Building D
P.O. Box 1586
Gardenia Court
Camana Bay
Grand Cayman, KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

LISTING INFORMATION

The Company's Share Listing
Ordinary shares
The Stock Exchange of
Hong Kong Limited
Stock Code: 1777

WEBSITE

<http://www.cnfantasia.com>

Dear Shareholders and Investors,

On behalf of the Board of Directors (the “Board”) of Fantasia Holdings Group Limited (“Fantasia” or “the Company”) and its subsidiaries (collectively, “the Group”), I hereby present the interim results of the Group for the six months ended 30 June 2025 (“the Reporting Period”).

In the first half of 2025, the pace of market recovery remained slower than expected. Building on the principles of “ensuring delivery, stabilizing operations, deepening business operations, and business innovation,” the Group further adopted “resolving existing risks” and “cultivating new growth areas” as dual drivers, continuing to advance its strategic transformation.

BUSINESS REVIEW

During the Reporting Period, the Group's total revenue was approximately RMB1,883 million, with property development revenue accounting for 20.18%, property investment revenue accounting for 5.86%, property management and services revenue accounting for 73.54%, and hotel operations revenue accounting for 0.43%. The total gross profit was approximately RMB329 million, with a gross profit margin of 17.5%. The Group's loss attributable to owners of the Company amounted to approximately RMB3,171 million.

ENSURING DELIVERY OUTCOMES

The Group has always regarded ensuring delivery as a core operational task, making every effort to ensure the smooth progress and delivery of projects. During the Reporting Period, 8 key projects nationwide took advantage of favorable policies and implemented tailored strategies based on the strengths of each project to ensure smooth delivery. Among them, the Chongqing Hockney Good Time project was delivered on schedule. Multiple projects in core regions such as the Guangdong-Hong Kong-Macao Greater Bay Area, the Chengdu-Chongqing Metropolitan Area, and the Bohai Rim Metropolitan Area are being delivered in an orderly manner. Through the “white list” and special loans, the Group has secured funding for subsequent construction payments for multiple ongoing projects, which gives active support to the Group in fulfilling all of its contracted delivery obligations.

COST CONTROL EFFECTIVENESS

During the Reporting Period, the Group implemented a series of cost control measures, successfully implementing the “fireworks-style organization” model. The original regional platforms were dissolved. The number of personnel in the headquarters' development division has been streamlined compared to the beginning of the year, with per-capita output continuing to improve. Sales and administrative expenses have significantly decreased compared to the same period last year.

DEBT RESTRUCTURING PROGRESS

The Group has been working closely with its legal and financial advisors to develop a feasible overseas debt restructuring plan to address and resolve the prevailing liquidity pressure of the Company, improve the credit profile of the Group and protect the interests of stakeholders as a whole. On 4 August 2025, the Company signed a new restructuring support agreement with an ad hoc group of creditors holding over 34.9% of the outstanding principal amount of the existing notes.

SALES PERFORMANCE

During the Reporting Period, despite the challenging market environment, the Group achieved contracted sales revenue of approximately RMB459 million and contracted sales area of 66,920 sq.m.

INNOVATIVE BUSINESS DEVELOPMENT

Each region leveraged its resource advantages to deeply advance nine innovative businesses: non-performing asset disposal and revitalization, second-hand property platform transactions, agency sales and construction, high-end property services, community maintenance, space design and agency operation, advertising planning, art curation and setup, and handmade crafts and dining experiences.

FUTURE OUTLOOK

In 2025, the real estate market has demonstrated a new trend characterized by “narrowing decline, bottoming-out and stabilizing market, performance differentiation among cities, and accelerated transformation”. Fantasia will, on the one hand, actively combine policy initiatives to provide customers with high-quality living spaces and services embracing lifestyle aesthetics through the sale of existing properties, the operations of operating assets, and community services. On the other hand, leveraging its resource reserves in the Greater Bay Area, Fantasia will consolidate its resources to continuously advance the urban renewal business and explore potential asset-light partnerships for existing home renovations in other cities. To this end, a tailored marketing strategy will be implemented for each project. In the second half of the year, Fantasia will also continue to strengthen its product and service capabilities, improve operational efficiency, and accurately assess, integrate resources, and seize opportunities in the new industry cycle so as to meet the needs for long-term development and discover potentials in future.

The Group will continue to advance debt restructuring efforts, actively communicate with creditors, and mitigate debt risks.

On behalf of the Board of the Company, I would like to extend our sincere gratitude to our shareholders, customers, all employees, and other stakeholders for their unwavering support and contributions to the Group's sustained development.

BUSINESS REVIEW

Property Development

Contracted Sales Status

From January to June 2025, the Group achieved contracted sales of approximately RMB459 million and contracted sales area of 66,920 sq.m.

In the first half of 2025, faced with the social responsibility of “guaranteed delivery and stable operations” after the liquidity event, the Group has implemented combined policies to optimize the debt structure and promote project progress in order to ensure the steady progress in project delivery and steady sales launch. Good progress was made in delivery, sales and funding during the reporting period.

Contracted sales amount and area by product category from January to June 2025

During the reporting period, the contracted sales amount of the Group was mainly derived from 8 cities, including Beijing, Shenzhen, Chengdu, Guilin and Kunming, and from approximately 20 projects, including Kunming Haoweilai, Chengdu Grande Valley, Qingdao Biyuntian, Shenzhen Good Time Jiayuan, Chongqing Hockney's Good Time, Foshan Guangyayuan and others. The Group extended its presence across the Guangdong-Hong Kong-Macao Greater Bay Area, Chengdu-Chongqing Metropolitan Area, Central China Metropolitan Area, Yangtze River Delta Metropolitan Area and Bohai Rim Metropolitan Area in order to continuously expand its vertical strategic move in each metropolitan area and focus on key cities.

From January to June 2025				
Category	Amount		Area	
	(RMB million)	%	(sq.m.)	%
Residences	458	99.91%	66,584	99.50%
Urban Complexes	1	0.09%	336	0.50%
Total	459	100%	66,920	100%

Contracted sales amount and area in each region from January to June 2025

From January to June 2025				
Category	Amount		Area	
	(RMB million)	%	(sq.m.)	%
Guangdong-Hong Kong - Macao Greater Bay Area	126	27.45%	5,747	8.59%
Chengdu-Chongqing Metropolitan Area	131	28.54%	40,992	61.25%
Central China Metropolitan Area	25	5.45%	3,669	5.48%
Yangtze River Delta Metropolitan Area	15	3.27%	4,087	6.11%
Bohai Rim Metropolitan Area	162	35.29%	12,425	18.57%
Total	459	100%	66,920	100%

Guangdong-Hong Kong-Macao Greater Bay Area

As one of the most open and economically dynamic regions in China, Guangdong-Hong Kong-Macao Greater Bay Area has an important strategic position in China's overall development. In the first half of 2025, the Group made active efforts to push forward the delivery and sales of projects in the Greater Bay Area. During the reporting period, the Group's Shenzhen Good Time project in Shenzhen and Foshan Guangyayuan in Foshan were under normal construction progress and the projects were delivered on schedule. Meanwhile, the Group also ensured stable sales of these projects in the local area, further consolidating its market position in the Greater Bay Area.

During the reporting period, the Group achieved total contracted sales of RMB126 million and total contracted sales area of 5,747 sq.m. in Shenzhen, Foshan and Huizhou and other cities in the Guangdong-Hong Kong-Macao Greater Bay Area, contributing to approximately 27.45% and 8.59% of the total contracted sales and total contracted sales area of properties of the Group respectively for the interim period of 2025.

Chengdu-Chongqing Metropolitan Area

As an important economic hub in South-western China, the Chengdu-Chongqing Metropolitan Area shows robust market demand for real estate and is one of the earliest important strategic markets entered by the Group. The Group has become one of the most influential brand developers in the region.

During the reporting period, the Group achieved total contracted sales of RMB131 million and total contracted sales area of 40,992 sq.m. in Chengdu, Kunming, Guilin and other cities in the Chengdu-Chongqing Metropolitan Area, contributing to approximately 28.54% and 61.25% of the total contracted sales and total contracted sales area of properties of the Group respectively for the interim period of 2025.

Central China Metropolitan Area

As the geographical center of the country, Central China Metropolitan Area is increasingly becoming an important force for the rise of Central China with its advantages of convenient transportation and developed economy.

During the reporting period, the Group achieved total contracted sales of RMB25 million and total contracted sales area of 3,669 sq.m. in cities such as Wuhan and Zhengzhou in the Central China Metropolitan Area, contributing to approximately 5.45% and 5.48% of the total contracted sales and total contracted sales area of properties of the Group respectively for the interim period of 2025.

Yangtze River Delta Metropolitan Area

The Yangtze River Delta Metropolitan Area is one of the most economically dynamic hubs in China. The Group has paid close attention to the core cities with high growing potential in the region for a long time. After experiencing market volatility, the Group responded actively to the challenges and maintained stable sales.

During the reporting period, the Group achieved total contracted sales of RMB15 million and total contracted sales area of 4,087 sq.m. in Nanjing, Shanghai and other cities in the Yangtze River Delta Metropolitan Area, contributing to approximately 3.27% and 6.11% of the total contracted sales and total contracted sales area of properties of the Group respectively in 2025.

Bohai Rim Metropolitan Area

Bohai Rim Metropolitan Area is the most important economic hub in Northern China, playing an agglomeration, radiation, service and mobilization role in the national and regional economy and possessing great development potential. In the first half of 2025, the Group rapidly promoted the construction and sales of projects in the region, of which Beijing Mentougou and Qingdao Biyuntian maintained relatively stable sales results.

During the reporting period, the Group achieved total contracted sales of RMB162 million and total contracted sales area of 12,425 sq.m. in Beijing, Tianjin, Qingdao and other cities in the Bohai Rim Metropolitan Area, contributing to approximately 35.29% and 18.57% of the total contracted sales and total contracted sales area of properties of the Group respectively in the interim period of 2025.

Completed Projects

The Group completed a total of 1 phase of projects with a total GFA of approximately 15,943 sq.m. during the reporting period.

Projects under construction

As at 30 June 2025, the Group had a total of 13 projects or phases of projects under construction with a total GFA of 1,341,547 sq.m..

Projects held for development

As at 30 June 2025, the Group had a total of 14 projects or phases of projects held for development with a total GFA of 5,921,908 sq.m..

Land Bank

As at 30 June 2025, after deducting projects sold, the GFA of the land bank for the Group's projects under construction and projects held for development amounted to approximately 7,263,455 sq.m..

Land Bank Summary			
City Company	Projects under construction	Projects held for development	Aggregate GFA of land bank
	(sq.m.)	(sq.m.)	(sq.m.)
South China	251,214	706,025	957,239
North China	128,612	3,708,163	3,836,775
Southwest China	782,274	1,117,600	1,899,874
East China	0	76,769	76,769
Central China	179,447	313,351	492,798

Community services

Colour Life Services Group Co., Limited ("Colour Life") is a leading property management and community services operator in China, with a focus on setting up offline and online service platform via the internet technology and effectively connecting the residents of the communities with various commodities and service providers, so as to provide the best living experience for residents of the communities on the back of property management services.

As communities constitute the most fundamental social units within a city, the services provided by the property management are essential in creating a stable and convenient living environment for the residents of the communities and promoting the development of the society. The Group strives to meet the basic living needs of the property owners through providing Four Basic Guarantees services (which are cleaning, greening, security and maintenance services), which constitute the solid cornerstone of community services system.

While meeting the basic living needs of the residents of the communities, the Group also deeply promotes smart community construction by proactively utilising emerging technologies such as the Internet of Things, big data and artificial intelligence, and introducing the application of intelligent equipment, so as to enhance the Group's service quality and efficiency in providing high quality property management services for property owners. The Group has established a powerful digitalized "cloud" system in the head office, which minimised the dependency on function and scope of "management" and strengthened the service capacity of the "terminal", so as to organise effective community services. For instance, the Group has upgraded the existing Big Dipper system to a "digital property management platform" by equipping an AI big model and adding an intelligent customer service feature that covers the five basic services including security, cleaning, greening, maintenance and engineering, the order-oriented operation system of the lift, energy and decoration segments, as well as the customer complaint platform comprising complaint, repair application, parking, payment, decoration and other services. The Group has utilized intelligent robots and AI customer service concierges to divide the entire property management service process into detailed segments, further enhancing the service efficiency of the Group.

In addition to its efforts in refining the basic businesses, the Group has classified its management projects into various service levels based on different charging standards, set standards for equipment modification and services and provided well-oriented service experiences, so as to satisfy customers' demand for performance-price ratio in different projects and secure the Group's rapid expansion across China. With the establishment of an automated, centralised and standardized management system, the Group has realised excellent cost control under the premise of securing customer satisfaction.

While pursuing service efficiency, the Group is dedicated to build a "hustle and bustle" communities. The Group has taken the initiative to organise a wide range of community activities and proactively established communication channels to strengthen the relationship between the property owners as well as the property owners and the property management staff and enrich the residents' off-work life and spiritual culture, with the goal of building a better and more caring community. By providing such services, we are able to create a harmonious environment for the property owners, and push forward the establishment of our unique community culture brand, so as to enhance the property owners' trust in the Group. The improvement of the service relationship also lays a solid foundation for the Group to further expand community consumption scenarios.

The Group is actively building up an online platform Caizhiyun for its community services equipped with functions such as paying property management fees, issuing notices and submitting complaints online through the platform, which not only provides convenience for residents of the communities but also strengthens the connections between community property owners and the Group via online platform. In addition, the Group designates a proportional number of customer managers based on the number of residents in the communities. The customer managers will carry out following up work and seek feedback relating to customer satisfaction in a timely manner. On one hand, it ensures the quality of basic services in the offline community, and on the other hand, it can efficiently understand the needs of community property owners so as to promote the development of corresponding value-added business. By organically combining the online and offline operations of the community, the Group further extends its competitive advantage.

FINANCIAL REVIEW

Revenue

Revenue of the Group mainly consists of revenue derived from (i) property development, (ii) lease of investment properties, (iii) provision of property operation services, (iv) provision of hotel accommodation services, and (v) other related services. For the six months ended 30 June 2025, revenue of the Group amounted to approximately RMB1,883 million, representing an increase of 14.8% from approximately RMB1,641 million for the corresponding period of 2024.

Property Development

The Company recognises revenue from property development when the customer obtains control of the completed property, and the Group has present right to payment and the collection of consideration is probable. Revenue from property development represents proceeds from the sales of the Group's properties held for sale. Revenue derived from property development increased by 128.5% to approximately RMB380 million for the six months ended 30 June 2025 from approximately RMB166 million for the corresponding period in 2024, which was due to the GFA of delivered properties increased during the year.

The table below sets forth the total revenue derived from each of the projects and the aggregate GFA of properties sold during the periods ended 30 June 2025 and 2024.

	From January to June 2025			From January to June 2024		
	Total Revenue	GFA Sold	Average Selling Price	Total Revenue	GFA Sold	Average Selling Price
	RMB'000	sq.m.	RMB/sq.m.	RMB'000	sq.m.	RMB/sq.m.
Shenzhen Good Time	95,518	3,932	24,292	39,522	1,194	33,106
Tianjin Jiatianxia	84,873	9,893	8,579	—	—	—
Hockney's Good Times	64,403	4,369	14,740	28,634	1,950	14,683
Qingdao Biyuntian	27,107	3,757	7,215	25,224	3,594	7,018
Wuhan Biyuntian	18,732	1,851	10,120	—	—	—
Chengdu Grande Valley	12,750	2,865	4,450	18,694	4,646	4,023
Guilin Lakeside Eden	11,668	2,898	4,026	18,200	4,306	4,227
Zhengzhou Good Time	19,546	1,602	12,201	—	—	—
Kunming Good Future	6,422	1,536	4,181	—	—	—
Others	38,691			35,914		
	379,710			166,188		

Property Investment

Revenue generated from property investment decreased by 3.7% to approximately RMB110 million for the six months ended 30 June 2025 from approximately RMB115 million for the corresponding period in 2024. The decrease was primarily due to the reduction in the area of investment properties leased to external parties and a decline in the occupancy rate.

Property Operation Services

Revenue derived from property operation services increased by 4% to approximately RMB1,385 million for the six months ended 30 June 2025 from approximately RMB1,332 million for the corresponding period in 2024, primarily due to the increase in the number of services provided by the Group in 2025.

Hotel Operations

Revenue derived from hotel accommodation services decreased by 68.6% to approximately RMB8 million for the six months ended 30 June 2025 from approximately RMB26 million for the corresponding period in 2024, mainly due to the disposal of certain hotel assets and transfer to investment properties during the second half of 2024.

Gross Profit and Gross Profit Margin

Gross profit of the Group decreased by 9.1% to approximately RMB329 million for the six months ended 30 June 2025 from approximately RMB362 million for the corresponding period in 2024, while the Group's gross profit margin was approximately 17.5% for the six months ended 30 June 2025 as compared to a gross profit margin of approximately 22.1% for the corresponding period in 2024. The decline in gross profit margin was mainly due to a further decline in gross profit from property development.

Other Income, Gains and Losses

The Group recorded net other gains in the period of approximately RMB201 million (net loss for the same period in 2024: approximately RMB329 million). The change was mainly due to the net exchange gains or losses arising from the senior notes denominated in USD.

Selling and Distribution Expenses

The Group's selling and distribution expenses decreased by 35.7% to approximately RM28 million for the six months ended 30 June 2025 from approximately RMB44 million for the corresponding period in 2024, mainly due to the decrease in advertising expenses for the sales of properties.

Administrative Expenses

The Group's administrative expenses decreased by 15.5% to approximately RMB294 million for the six months ended 30 June 2025 from approximately RMB348 million for the corresponding period in 2024. The change was primarily due to the adoption of cost control policy and the decrease in the staff cost of the Group.

Finance Costs

The Group's finance costs increased by 12.3% to approximately RMB2,218 million for the six months ended 30 June 2025 from approximately RMB1,975 million for the corresponding period in 2024. The increase in finance costs was primarily due to the decrease in the amount of capitalised interests.

Income Tax Expense

The Group's income tax expense for the six months ended 30 June 2025 was approximately RMB93 million, remaining stable compared to approximately RMB100 million for the corresponding period in 2024.

Liquidity, Financial Resources and Capital Structure

Cash Position

As at 30 June 2025, the Group's total bank balances and cash were approximately RMB1,249 million (2024: approximately RMB1,724 million), representing a decrease of 27.6% as compared to that as at 31 December 2024. A portion of the Group's cash is restricted bank deposits that are mainly restricted for use of property development.

Borrowings and Charges on the Group's Assets

As at 30 June 2025, the Group had aggregate borrowings, senior notes and bonds and asset-backed securities issued of approximately RMB18,025 million (31 December 2024: approximately RMB17,948 million), approximately RMB48,649 million (31 December 2024: approximately RMB47,043 million) and approximately RMB298 million (31 December 2024: RMB289 million), respectively. Amongst the borrowings, approximately RMB16,430 million (31 December 2024: approximately RMB16,041 million) will be repayable within one year and approximately RMB1,595 million (31 December 2024: approximately RMB1,907 million) will be repayable after one year. Amongst the senior notes and bonds, approximately RMB41,060 million (31 December 2024: approximately RMB39,120 million) will be repayable within one year and approximately RMB7,589 million (31 December 2024: approximately RMB7,923 million) will be repayable after one year.

As at 30 June 2025, a substantial part of the borrowings was secured by land use rights, properties and bank deposits of the Group. The senior notes were jointly and severally guaranteed by certain subsidiaries of the Group through pledging their shares.

Exchange Rate Risk

The Group mainly operates its business in China. Other than the foreign currency denominated bank balances, borrowings and lease liabilities, the Group does not have any other material direct exposure to foreign exchange fluctuations.

Commitments

As at 30 June 2025, the Group had committed payment for the construction and property development amounting to approximately RMB673 million (2024: RMB880 million), respectively.

Contingent Liabilities

- (a) As of 30 June 2025, the Group had provided guarantees amounting to approximately RMB2,575 million (2024: approximately RMB5,972 million) in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of mortgage payments by these purchasers, the Group will be responsible to repay the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of grant of the relevant mortgages loans and ends after the purchaser obtained the individual property ownership certificate.
- (b) The Group provided guarantees on an individual basis covering its respective shares of outstanding obligations under the bank borrowings incurred by the joint ventures and associates for developing their projects. As at 30 June 2025, the Group's guarantees related to loans borrowed by these joint ventures and associates amounted to approximately RMB5,925 million. In the opinion of the Directors, the possibility of the default of the purchasers is remote and the fair value of guarantee contracts is insignificant at the inception and at the end of each reporting date.

Employees and Remuneration Policies

As at 30 June 2025, excluding the employees of communities managed on a commission basis, the Group had approximately 17,632 employees (31 December 2024: approximately 18,596 employees). Remuneration is determined with reference to the performance, skills, qualifications and experiences of the staff concerned and according to the prevailing market practice. Besides salary payments, other staff benefits include contribution to the mandatory provident fund (for Hong Kong employees) and state-managed retirement pension scheme (for Chinese employees).

DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION

As at 30 June 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or of any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) of the Company, which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as contained in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

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

Director	Nature of interest	Interest in ordinary shares of the Company	Interest in underlying Shares of the Company	Approximate percentage of interest in the Company as at 30 June 2025
Ms. Zeng Jie, Baby	Interest of controlled corporation	3,314,090,500	–	57.41%

Notes:

- (1) Fantasy Pearl International Limited ("Fantasy Pearl") is owned as to 80% by Ice Apex Limited ("Ice Apex") and 20% by Graceful Star Overseas Limited ("Graceful Star"). Ice Apex is wholly owned by Ms. Zeng Jie, Baby. Ms. Zeng Jie, Baby is deemed to be interested in the shares of the Company held by Fantasy Pearl for the purpose of Part XV of the SFO.
- (2) As at 30 June 2025, the number of issued shares of the Company was 5,772,597,864.

- (ii) Long positions in the debentures of the Company:

Name of Director	Nature of interest	Debentures that are interested in	Principal amount of the debentures held	Approximate percentage of the interest in the debentures as at 30 June 2025
Ms. Zeng Jie, Baby	Interest of controlled corporation	9.875% senior notes due 2023 issued by the Company	US\$3,000,000	0.94%
	Interest of controlled corporation	10.875% senior notes due 2024 issued by the Company	US\$4,000,000	1.6%
Mr. Guo Shaomu	Beneficial owner	7.95% senior notes due 2022 issued by the Company	US\$200,000	0.067%

Notes:

- (1) The debentures are held by Fantasy Pearl, which is indirectly owned as to 80% by Ms. Zeng Jie, Baby.
- (2) These comprise: (i) US\$2,000,000 held by Fantasy Pearl; and (ii) US\$2,000,000 held by Baocollection Limited, a company wholly owned by Ms. Zeng Jie, Baby.

(iii) Long positions in associated corporations:

A. Fantasy Pearl

Director	Nature of interest	Number of shares	Description of shares	Approximate percentage of interest in the associated corporation as at 30 June 2025
Ms. Zeng Jie, Baby	Interest of controlled corporation	80	Ordinary	80%

Notes:

- (1) These shares are held by Ice Apex, which is wholly owned by Ms. Zeng Jie, Baby.

B. Colour Life Services Group Co., Limited (“Colour Life”)

Director	Nature of interest	Number of shares	Description of shares	Approximate percentage of interest in the associated corporation as at 30 June 2025
Ms. Zeng Jie, Baby	Interest of controlled corporation ⁽¹⁾⁽²⁾⁽³⁾	1,301,467,396	Ordinary	69.99%

Note:

- (1) The interests are held as to 780,104,676 shares by the Company, as to 519,059,924 shares by Splendid Fortune Enterprise Limited (“Splendid Fortune”) and as to 2,302,796 shares by Fantasy Pearl.
- (2) The Company is owned as to 57.41% by Fantasy Pearl, which is owned as to 80% by Ice Apex and 20% by Graceful Star. Ice Apex is wholly owned by Ms. Zeng Jie, Baby. Accordingly, Ms. Zeng Jie, Baby is deemed to be interested in the shares of Colour Life held by the Company for the purpose of Part XV of the SFO.
- (3) Splendid Fortune is 67.36% owned by Delight Vision Holdings Limited and 32.64% owned by Shenyan International Investment Co., Ltd.. Accordingly, Ms. Zeng Jie, Baby is deemed to be interested in the shares of Colour Life held by Splendid Fortune for the purpose of Part XV of the SFO.

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executive of the Company had an interest or short position in the equity or debt securities and underlying shares of the Company or any associated corporations (within the meaning of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO (including the interests and short positions which the director is taken or deemed to have under such provisions of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2025, so far as the Directors are aware, the following persons (other than the Directors and the chief executive of the Company) or institutions have interests or short positions of 5% or more in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of Shareholders	Nature of interest	Number of shares	Approximate percentage of interest in our Company as at 30 June 2025
Fantasy Pearl	Beneficial owner	3,314,090,500 (L)	57.41%
Ice Apex ⁽¹⁾	Interest of controlled corporation	3,314,090,500 (L)	57.41%
TCL Industries Holdings Co., Ltd. ⁽²⁾ (formerly known as TCL Industrial Holdings (Guangdong) Co., Ltd.)	Interest of controlled corporation	1,012,740,000 (L)	17.54%

(L) denotes long position

Notes:

- (1) Fantasy Pearl is owned as to 80% by Ice Apex and 20% by Graceful Star. Ice Apex is deemed to be interested in the shares of the Company held by Fantasy Pearl for the purpose of Part XV of the SFO.
- (2) As at 30 June 2025, Li Rong Development Limited held 1,012,740,000 shares of the Company representing 17.54% interest in the Company. Li Rong Development Limited is wholly owned by TCL Industries Holdings (H.K.) Limited which is in turn wholly owned by TCL Industries Holdings Co., Ltd.. TCL Industries Holdings Co., Ltd. is deemed to be interested in the shares held by Li Rong Development Limited for the purpose of Part XV of the SFO.

Save as disclosed above, as of 30 June 2025, no other shareholder, other than directors or chief executives, of the Company had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance with a view to assuring the conduct of management of the Company as well as protecting and enhancing the interest of all shareholders. The Company has always recognized the importance of the shareholders' transparency and accountability. It is the belief of the Board that shareholders can maximize their benefits from good corporate governance.

For the six months ended 30 June 2025, the Company has adopted and complied with all applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Listing Rules, save for the deviation as disclosed below.

Code provision C.1.8 of the CG Code requires that an issuer should arrange appropriate insurance cover in respect of legal proceedings against its directors. During the six months ended 30 June 2025, due to the continuous downward trend in the real estate industry market, the Company was unable to identify a suitable insurance company for liability coverage. As a result, the Company was unable to arrange appropriate liability insurance for Directors and senior management in relation to legal proceedings against Directors and senior management arising from the activities of the Company. The Company will continue to identify a suitable insurance company and arrange appropriate liability insurance for the Directors as soon as practicable.

Effective from 22 May 2025, Mr. Kwok Chi Shing resigned as an independent non-executive Director of the Company. As a result of Mr. Kwok's resignation, the Company failed to comply with (i) Rules 3.10(1) and 3.10A of the Listing Rules which require that the Board must include at least three independent non-executive Directors and the number of independent non-executive Directors must represent at least one-third of the members of the Board; (ii) Rule 3.21 of the Listing Rules which requires that the Audit Committee must comprise a minimum of three members and must be chaired by an independent non-executive Director; and (iii) Rule 3.27A of the Listing Rules which requires that the Nomination Committee must comprise a majority of independent non-executive Directors; and (iv) the terms of reference of the Nomination Committee, which provisions require the Nomination Committee to consist of at least three members. The Company re-complied with the aforesaid requirements upon the appointment of Mr. Leung Yiu Cho as an independent non-executive Director on 11 July 2025.

AUDIT COMMITTEE

The Audit Committee of the Company currently comprises three independent non-executive Directors, including Mr. Leung Yiu Cho (Chairman of Audit Committee) who was appointed as an independent non-executive Director on 11 July 2025, Mr. Guo Shaomu and Mr. Ma Yu-heng. The Audit Committee together with the management of the Company have reviewed the accounting policies and practices adopted by the Group and discussed, among other things, the internal controls and financial reporting matters including a review of the unaudited interim results for the Reporting Period. The external auditors of the Company have also reviewed the unaudited interim results for the Reporting Period.

REMUNERATION COMMITTEE

The Company has established the remuneration committee (the "Remuneration Committee") in compliance with the Listing Rules 3.25 and 3.26. In order to comply with the CG Code, the Board adopted a revised terms of reference of the Remuneration Committee on 12 March 2012. The revised terms of reference of the Remuneration Committee are available on the websites of the Company and the Stock Exchange.

The Remuneration Committee currently comprises one executive Director, Ms. Cheng Jianli, and two independent non-executive Directors, including Mr. Guo Shaomu (Chairman of the Remuneration Committee) and Mr. Ma Yu-heng. The Remuneration Committee is responsible for making recommendations to the Board on the Company's remuneration policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy.

NOMINATION COMMITTEE

The Company has established the nomination committee (the “Nomination Committee”) in compliance with the Listing Rules to fulfill the functions of reviewing the structure of and nominating suitable candidates to the Board. In order to comply with the CG Code, the Board adopted a revised terms of reference of the Nomination Committee on 30 August 2013 and 27 March 2019. The revised terms of reference of the Nomination Committee are available on the websites of the Company and the Stock Exchange.

The Nomination Committee currently comprises one executive Director, including Ms. Cheng Jianli (Chairman of Nomination Committee), one non-executive Director, including Ms. Zeng Jie, Baby; and three independent non-executive Directors, including Mr. Guo Shaomu, Mr. Leung Yiu Cho (appointed on 11 July 2025), Mr. Kwok Chi Shing (resigned on 22 May 2025) and Mr. Ma Yu-heng. The Nomination Committee is responsible for reviewing the structure, size and composition of the Board, assessing the independence of the independent non-executive Directors and making recommendations to the Board on the appointment and reappointment of Directors.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct regarding directors’ securities transactions. The Company has made specific enquiry with all the Directors and all the Directors confirmed that they have complied with the Model Code throughout the Reporting Period.

SHARE OPTION SCHEME

As at 30 June 2025, the Company does not have a share option scheme that is in operation and there are no outstanding share options.

Colour Life Services Group Co., Limited, a subsidiary of the Company, adopted a share option scheme on 11 June 2014 (“Colour Life Share Option Scheme”). Particulars of share options outstanding under the Colour Life Share Option Scheme at the beginning and at the end of the financial period for the six months ended 30 June 2025 and share options granted, exercised, lapsed or cancelled under the Colour Life Share Option Scheme during such period are as follows:

		Number of share options								
Name of grantee	Date of grant	Exercise price HK\$	Balance as at 1 January 2025	Granted during the Period	Increased during the Period (rights issue)	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	Balance as at 30 June 2025	Notes
Director of Colour Life										
Mr. Liu Hongcai	30 April 2015	10.97	168,400	–	404	–	(168,804)	–	–	(1)
	18 March 2016	5.75	122,000	–	292	–	–	–	122,292	(2)
Sub-total			290,400	–	696	–	(168,804)	–	122,292	
Employees of the Colour Life Group										
	30 April 2015	10.97	8,477,324	–	20,354	–	(8,497,678)	–	–	(1)
	18 March 2016	5.75	9,327,300	–	22,395	–	–	–	9,349,695	(2)
	27 November 2018	4.10	16,864,720	–	40,492	–	–	–	16,905,212	(3)
Sub-total			34,669,344	–	83,241	–	(8,497,678)	–	26,254,907	
Total			34,959,744	–	83,937	–	(8,666,482)	–	26,377,199	

Notes:

- (1) Such share options shall be vested in three tranches in accordance with the following dates: (i) one third of which shall be vested on the first anniversary of the date of grant, i.e. 30 April 2016; (ii) one third of which shall be vested on the second anniversary of the date of grant, i.e. 30 April 2017; and (iii) the remaining one third of which shall be vested on the third anniversary of the date of grant, i.e. 30 April 2018. The exercise period of these share options expired on 29 April 2025. The exercise price was adjusted from HK\$11.00 to HK\$10.97 with effect from 25 March 2025 as a result of issue of new shares under the Rights Issue of Colour Life Services Group Co., Limited (the “Colour Life Rights Issue”). The total number of Colour Life Shares to be issued upon the exercise of such share options was adjusted from 8,645,724 to 8,666,482 with effect from 25 March 2025 accordingly. All such share options lapsed on 29 April 2025 upon expiry of the exercise period.
- (2) Such share options shall be vested in three tranches in accordance with the following dates: (i) one third of which shall be vested on the first anniversary of the date of grant, i.e. 18 March 2017; (ii) one third of which shall be vested on the second anniversary of the date of grant, i.e. 18 March 2018; and (iii) the remaining one third of which shall be vested on the third anniversary of the date of grant, i.e. 18 March 2019. The exercise period of these share options will expire on 17 March 2026. The exercise price was adjusted from HK\$5.764 to HK\$5.75 with effect from 25 March 2025 as a result of issue of new shares under the Colour Life Rights Issue. The total number of Shares to be issued upon the exercise of such share options was adjusted from 9,449,300 to 9,471,987 with effect from 25 March 2025 accordingly.
- (3) Such share options shall be vested in three tranches in accordance with the following dates: (i) one third of which shall be vested on the first anniversary of the date of grant, i.e. 27 November 2019; (ii) one third of which shall be vested on the second anniversary of the date of grant, i.e. 27 November 2020; and (iii) the remaining one third of which shall be vested on the third anniversary of the date of grant, i.e. 27 November 2021. The exercise period of these share options will expire on 17 March 2026. The exercise price was adjusted from HK\$4.11 to HK\$4.10 with effect from 25 March 2025 as a result of issue of new shares under the Colour Life Rights Issue. The total number of Colour Life Shares to be issued upon the exercise of such share options was adjusted from 16,864,720 to 16,905,212 with effect from 25 March 2025 accordingly.

The Colour Life Share Option Scheme expired on 10 June 2024, and therefore no further share options may be granted under the scheme.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SECURITIES

Senior Notes and Bonds

For the six months ended 30 June 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares).

For the six months ended 30 June 2025 and as at 30 June 2025, the Company did not have any treasury shares (as defined in the Listing Rules).

LATEST PROGRESS OF THE DEBT RESTRUCTURING

(i) Offshore debts

The Company has been working closely with its legal and financial advisors to formulate a viable offshore debt restructuring plan aimed at addressing current liquidity pressure of the Company, enhancing the credit profile of the Group and protecting the interests of all stakeholders.

On 4 August 2025, the Company entered into a new restructuring support agreement (the “RSA”) with a group of noteholders holding approximately 34.9% of the aggregate outstanding principal amount of the Existing Notes (as defined in the RSA). Other information on the RSA and the terms of the Restructuring are set out in the announcements of the Company dated 31 March 2025, 30 April 2025, 1 June 2025, 16 June 2025, 22 June 2025, 25 June 2025, 27 June 2025, 3 July 2025, 11 July 2025, 18 July 2025, 25 July 2025 and 4 August 2025.

(ii) Onshore debts

For domestic public bonds, the relevant resolutions regarding the adjustment of the principal and interest repayment arrangements for five domestic public bonds were approved, and the repayment date for the principal and interest due in 2024 has been adjusted to 31 December 2025.

SIGNIFICANT INVESTMENTS

As at 30 June 2025, the Company did not have any significant investments.

MATERIAL ACQUISITIONS AND DISPOSALS

During the Reporting Period, Colour Life implemented a rights issue (the “Colour Life Rights Issue”) on the basis of one (1) rights shares for every four (4) existing shares of Colour Life (the “Colour Life Shares”) held by the qualifying shareholders at the subscription price of HK\$0.165 per share. Taking into account, among others, its financial position, the Company did not participate in the Colour Life Rights Issue. As disclosed in Colour Life’s announcement of 24 March 2025, a total of 371,881,438 Colour Life Shares were issued under the Colour Life Rights Issue. As a result, the shareholding interest of the Company in Colour Life had been diluted from approximately 52.44% to approximately 41.95%. Colour Life remains a subsidiary of the Company and its financial results would continue to be consolidated in the financial statements of the Company. The deemed disposal of interest in Colour Life by the Company constituted a discloseable transaction of the Company subject to the announcement requirement under Chapter 14 of the Listing Rules. For further details, please refer to the Company’s announcement on 27 January 2025.

Save as disclosed above, during the Reporting Period, there were no material acquisitions and disposals of subsidiaries, associates and joint ventures.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

There are no important events affecting the Group which have occurred since the end of the Reporting Period.

GOING CONCERN AND MITIGATION MEASURES

The Directors are provided with a review of the key financial information of the Group periodically.

The Directors acknowledge their responsibilities for preparing all information and representations contained in the consolidated financial statements of the Group for the year ended 31 December 2024 and the condensed consolidated financial statements of the Group for the period ended 30 June 2025 which give a true and fair view of the financial position of the Group and of the operating results and cash flow for the year/period then ended. The Directors consider that the financial statements have been prepared in conformity with all applicable accounting standards and disclosure requirements and reflect amounts that are based on the best estimates, reasonable information and prudent judgment of the management, and the management have prepared the consolidated financial statements of the Group on a going concern basis.

Details of the disclaimer of opinion by the auditor of the Company are set out on pages 42 to 43 of the 2024 Annual Report. A statement by the auditor of the Company about their reporting responsibilities on the consolidated financial statements of the Group is included in the Independent Auditor's Report set out on page 54 of the 2024 Annual Report. The matters described in the section headed "Basis for Disclaimer of Opinion – Multiple uncertainties relating to going concern" in the "Independent Auditor's Report" on pages 53 to 54 of the 2024 Annual Report and the "Report on Review of Condensed Consolidated Financial Statement" set out in this Interim Report, the Company's independent auditor, did not express an opinion on the consolidated financial statements of the Group for the year ended 31 December 2024 and the condensed consolidated financial statements of the Group for the period ended 30 June 2025. The Directors have given due consideration to the matters that give rise to material doubt as to its ability to continue as a going concern, and accordingly, among others, have proactively come up with measures to improve the Group's liquidity and financial position, details of which are set out in pages 43 to 45 of the 2024 Annual Report and pages 3 to 4 of this interim report.

The Directors are of the opinion that, assuming the aforesaid plans and measures can be successfully implemented as scheduled, the Group is able to continue as a going concern and would have sufficient financial resources to finance the Group's operations and meet its financial obligations as and when they fall due within the following twelve months from the end of the reporting periods. Accordingly, it is appropriate to prepare the consolidated financial statements on a going concern basis. The Audit Committee has discussed with the Board and the management regarding the going concern issue, and on the basis of the successful implementation of the measures, agreed with the position taken by the management and the Board regarding the accounting treatment adopted by the Company. The Audit Committee also discussed and understood the concerns of the Auditor that uncertainties exist as to whether the Group's management will be able to achieve its plans and measures. There is no disagreement by the Board, the management nor the Audit Committee with the position taken by the Auditor regarding the going concern issue. Further details on the material uncertainties relating to the Group's going concern and the mitigation measures are set out in note 2 to the consolidated financial statements in the 2024 Annual Report and this interim report.

**TO THE BOARD OF DIRECTORS OF FANTASIA HOLDINGS GROUP CO., LIMITED***(Incorporated in the Cayman Islands with limited liability)***INTRODUCTION**

We have reviewed the condensed consolidated financial statements of Fantasia Holdings Group Co., Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 23 to 51, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Because of the multiple uncertainties and its possible effect on the interim condensed consolidated financial information described in the “Basis for Disclaimer of Conclusion” section of our report, we do not express a conclusion on the interim financial information.

BASIS FOR DISCLAIMER OF CONCLUSION**Multiple Uncertainties Relating to Going Concern**

As set out in Note 2 to the condensed consolidated financial statements, the Group incurred net loss of RMB3,342,578,000 for the period ended 30 June 2025. As at 30 June 2025, the Group’s net current liabilities amounted to RMB19,525,453,000 and net liabilities amounted to RMB14,332,187,000.

As at 30 June 2025, the Group did not repay certain interest-bearing liabilities (including bank and other borrowings, senior notes and bonds) of approximately RMB43,995,318,000 according to their scheduled repayment dates. As a result, as at 30 June 2025, interest-bearing liabilities (including bank and other borrowings, senior notes and bonds) had become default. Subsequent to 30 June 2025, the Group did not repay certain interest-bearing liabilities according to the scheduled repayment dates. These conditions, together with other matters disclosed in note 2 to the condensed consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt on the Group’s ability to continue as a going concern.

The directors of the Company have been undertaking measures to improve the Group’s liquidity and financial position, which are set out in note 2 to the condensed consolidated financial statements. The validity of the going concern assumptions on which the condensed consolidated financial statements have been prepared depends on the outcome of these measures, which are subject to multiple uncertainties, including: (i) successfully completing the offshore debt restructuring; (ii) successfully carrying out the Group’s business strategy plan including the acceleration of the sales of properties; (iii) successfully disposing of the Group’s equity interest in project development companies when suitable; and (iv) successfully implementing measures to speed up the collection of outstanding sales proceeds and effectively control costs and expenses.

Should the Group be unable to achieve the abovementioned plans and measures, it might not be able to continue to 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 condensed consolidated financial statements.

Disclaimer of Conclusion

Because of the multiple uncertainties related to going concern and its possible cumulative effect on these interim condensed consolidated financial statements described in the "Basis for Disclaimer of Conclusion" section of our report, we do not express a conclusion on the interim financial information.

Prism Hong Kong Limited

Certified Public Accountants

Yip Chi Chiu

Practising Certificate Number: P06934

Hong Kong

29 August 2025

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	NOTES	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue			
Contracts with customers	4	1,772,979	1,526,557
Leases		110,453	114,723
Total revenue	5	1,883,432	1,641,280
Cost of sales and services		(1,554,381)	(1,279,197)
Gross profit		329,051	362,083
Other income		11,101	14,818
Other gains and losses		190,002	(344,185)
Impairment losses under expected credit loss model, net of reversal	19	(179,421)	(183,171)
Change in fair value of investment properties	12	(99,107)	(51,385)
Write-down on properties for sales	15	(643,431)	(499,873)
Selling and distribution expenses		(28,353)	(44,062)
Administrative expenses		(293,753)	(347,727)
Finance costs		(2,217,949)	(1,975,237)
Share of results of associates		(152,508)	(36,221)
Share of results of joint ventures		(165,062)	52,580
Loss before tax		(3,249,430)	(3,052,380)
Income taxation	6	(93,148)	(99,549)
Loss for the period	7	(3,342,578)	(3,151,929)
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss:			
Fair value change on equity instruments designated			
at fair value through other comprehensive income ("FVTOCI")		518	602
Deferred taxation effect		(130)	(151)
Other comprehensive income for the period, net of income tax		388	451
Total comprehensive loss for the period		(3,342,190)	(3,151,478)
Loss for the period attributable to:			
Owners of the Company		(3,171,041)	(3,161,480)
Other non-controlling interests		(171,537)	9,551
		(3,342,578)	(3,151,929)
Total comprehensive loss for the period attributable to:			
Owners of the Company		(3,170,878)	(3,161,252)
Other non-controlling interests		(171,312)	9,774
		(3,342,190)	(3,151,478)
Loss per share – basic (RMB cents)	9	(54.93)	(54.77)
Loss per share – diluted (RMB cents)	9	(54.93)	(54.77)

Condensed Consolidated Statement of Financial Position

At 30 June 2025

	NOTES	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	391,187	403,913
Right-of-use assets	11	292,854	315,530
Investment properties	12	6,349,078	6,475,598
Interests in associates		1,422,029	1,434,385
Interests in joint ventures		2,674,381	2,699,721
Equity instruments designated at FVTOCI		14,084	13,566
Goodwill	13	896,451	896,451
Intangible assets	14	6,738	9,390
Other receivables	17	5,200	5,482
Deposits paid for potential acquisitions of subsidiaries and investments in associates and joint ventures	18	1,842,406	2,144,258
Deferred tax assets		705,273	768,952
		14,599,681	15,167,246
CURRENT ASSETS			
Properties for sale	15	38,781,654	37,854,149
Contract assets	16	17,710	25,453
Contract costs		40,001	44,400
Trade and other receivables	17	10,440,717	11,541,593
Tax recoverable		626,149	607,789
Amounts due from related parties	29(a)	6,177,997	6,241,224
Restricted/pledged bank deposits		428,506	567,934
Bank balances and cash		820,314	1,156,153
		57,333,048	58,038,695
		71,932,729	73,205,941

At 30 June 2025

	NOTES	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
CURRENT LIABILITIES			
Trade and other payables	20	9,524,761	9,113,265
Contract liabilities		2,846,685	2,771,701
Amounts due to related parties	29(a)	200,183	200,183
Tax liabilities		6,469,687	6,588,898
Borrowings due within one year	21	16,429,538	16,040,841
Lease liabilities due within one year		29,502	29,371
Senior notes and bonds due within one year	22	41,060,440	39,119,696
Asset-backed securities issued due within one year	23	297,705	288,601
		76,858,501	74,152,556
NET CURRENT LIABILITIES		(19,525,453)	(16,113,861)
TOTAL ASSETS LESS CURRENT LIABILITIES		(4,925,772)	(946,615)
NON-CURRENT LIABILITIES			
Deferred tax liabilities		156,811	177,750
Borrowings due after one year	21	1,595,270	1,907,078
Lease liabilities due after one year		65,325	78,368
Senior notes and bonds due after one year	22	7,589,009	7,923,296
		9,406,415	10,086,492
NET LIABILITIES		(14,332,187)	(11,033,107)
CAPITAL AND DEFICIT			
Share capital	24	498,787	498,787
Deficit		(17,418,871)	(14,248,040)
Deficit attributable to owners of the Company		(16,920,084)	(13,749,253)
Non-controlling interests		2,587,897	2,716,146
CAPITAL AND DEFICIENCY		(14,332,187)	(11,033,107)

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company									Attributable to non-controlling interests			
	Share capital RMB'000	Share premium RMB'000	Special reserve RMB'000 (note a)	Share-based payments reserve RMB'000 (note b)	Contribution reserve RMB'000 (note c)	Statutory reserve and discretionary reserve RMB'000 (note d)	Revaluation reserve RMB'000 (note e)	Accumulated losses RMB'000	Sub-total RMB'000	Share-based payments reserve of Colour Life RMB'000	Other non-controlling interests RMB'000	Subtotal RMB'000	Total RMB'000
At 1 January 2025 (Audited)	498,787	550,006	2,174,959	13,860	40,600	397,727	(1,226)	(17,423,966)	(13,749,253)	243,034	2,473,112	2,716,146	(11,033,107)
Loss for the period	-	-	-	-	-	-	-	(3,171,041)	(3,171,041)	-	(171,537)	(171,537)	(3,342,578)
Fair value change on equity instruments designated at FVTOCI	-	-	-	-	-	-	217	-	217	-	301	301	518
Deferred taxation effect	-	-	-	-	-	-	(54)	-	(54)	-	(76)	(76)	(130)
Other comprehensive income for the period	-	-	-	-	-	-	163	-	163	-	225	225	388
Total comprehensive income (expense) for the period	-	-	-	-	-	-	163	(3,171,041)	(3,170,878)	-	(171,312)	(171,312)	(3,342,190)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(4,686)	(4,686)	(4,686)
Acquisition of additional interests in subsidiaries from non-controlling shareholders	-	-	47	-	-	-	-	-	47	-	(167)	(167)	(120)
Share issues of Colour Life Services Group Co., Ltd.	-	-	-	-	-	-	-	-	-	-	55,785	55,785	55,785
Capital reduction in a subsidiary by non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	(7,869)	(7,869)	(7,869)
Transfer	-	-	-	-	-	10,044	-	(10,044)	-	-	-	-	-
At 30 June 2025 (Unaudited)	498,787	550,006	2,175,006	13,860	40,600	407,771	(1,063)	(20,605,051)	(16,920,084)	243,034	2,344,863	2,587,897	(14,332,187)
At 1 January 2024 (Audited)	498,787	550,006	2,178,467	13,860	40,600	379,095	(1,334)	(9,093,767)	(5,434,286)	243,034	3,166,640	3,409,674	(2,024,612)
(Loss) profit for the period	-	-	-	-	-	-	-	(3,161,480)	(3,161,480)	-	9,551	9,551	(3,151,929)
Fair value change on equity instruments designated at FVTOCI	-	-	-	-	-	-	305	-	305	-	297	297	602
Deferred taxation effect	-	-	-	-	-	-	(77)	-	(77)	-	(74)	(74)	(151)
Other comprehensive income for the period	-	-	-	-	-	-	228	-	228	-	223	223	451
Total comprehensive income (expense) for the period	-	-	-	-	-	-	228	(3,161,480)	(3,161,252)	-	9,774	9,774	(3,151,478)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(5,165)	(5,165)	(5,165)
Acquisition of additional interests in subsidiaries from non-controlling shareholders	-	-	(3,508)	-	-	-	-	-	(3,508)	-	(405)	(405)	(3,913)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	1,359	1,359	1,359
Transfer	-	-	-	-	-	9,079	-	(9,079)	-	-	-	-	-
At 30 June 2024 (Unaudited)	498,787	550,006	2,174,959	13,860	40,600	388,174	(1,106)	(12,264,326)	(8,599,046)	243,034	3,172,203	3,415,237	(5,183,809)

Notes:

- Special reserve arising from the acquisition or disposal of equity interests in subsidiaries without loss of control. It represented the difference between the consideration paid or received and the adjustment to the non-controlling interests in subsidiaries after re-attribution.
- Share-based payments reserve represented the share-based payments under share option schemes of the Company and Colour Life Service Group Co., Limited ("Colour Life"), which is a non-wholly owned subsidiary of the Company.
- Contribution reserve represented (a) the contribution/distribution to shareholders during the group reorganisation in 2009; (b) the difference between consideration paid and fair value of net assets acquired from related parties; (c) the difference between the consideration received and carrying amount of net assets disposed to related parties during the Group reorganisation in 2009; and (d) the waiver of shareholder loans in 2009.
- The statutory reserve and discretionary reserve attributable to subsidiaries in the People's Republic of China (the "PRC") are non-distributable. Transfers to these reserves are determined by the board of directors or the shareholders' meeting of the PRC subsidiaries in accordance with the relevant laws and regulations of the PRC until the reserve reaches 50% of the registered capital. These reserves can be used to offset accumulated losses, expand the scale of production and business and transfer to capital upon approval from relevant authorities.
- Revaluation reserve mainly represented surplus arose from (a) the transfer of owner-occupied property to investment properties at the date of change in use; and (b) the accumulated changes in fair value of the equity instruments designated at FVTOCI, net of income tax effect.

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Cash used in operations	(291,709)	(467,121)
Income tax paid	(46,015)	(135,314)
Interest paid	(5,313)	(10,993)
NET CASH USED IN OPERATING ACTIVITIES	(343,037)	(613,428)
INVESTING ACTIVITIES		
Placement of restricted/pledged bank deposits	(150,390)	(166,948)
Withdrawal of restricted/pledged bank deposits	289,818	330,216
Purchases of property, plant and equipment	(23,581)	(42,551)
Net proceeds from disposal of property, plant and equipment and early termination of lease contracts	—	239,834
Additions to investment properties	—	(29,833)
Proceeds from disposal of investment properties	—	250
Deposits paid for potential acquisition of subsidiaries and investments in associates and joint ventures	—	(1,100)
Settlement of consideration payables on equity investments	—	(1,286)
Interest received	8,394	4,672
Disposal of associates and joint ventures	4,075	1,049
Payment refundable deposit	(4,406)	-
Capital injection to associates and joint ventures	(490)	-
Joint venture company dividends	843	-
Advances to related parties	(245)	(13,406)
Repayment from related parties	52,357	13,636
NET CASH FROM INVESTING ACTIVITIES	176,375	334,533

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	NOTE	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
FINANCING ACTIVITIES			
New borrowings raised	21	7,669	174,862
Repayment of borrowings	21	(209,598)	(99,459)
Repayment of lease liabilities		(17,621)	(16,932)
Dividend paid to non-controlling shareholders of the subsidiaries		(4,686)	(5,165)
Advances from related parties		344	5,093
Repayments to related parties		(869)	(102,222)
Share issues by Colour Life Services Group Co., Limited		55,785	—
NET CASH USED IN FINANCING ACTIVITIES		(168,976)	(43,823)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(335,638)	(322,718)
CASH AND CASH EQUIVALENTS AT THE BEGINNING			
OF THE PERIOD		1,156,153	1,264,764
Effect of foreign exchange rate changes		(201)	1,634
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD,			
represented by bank balances and cash		820,314	943,680

For the six months ended 30 June 2025

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. GOING CONCERN BASIS

For the period ended 30 June 2025, the Group incurred net loss of RMB3,342,578,000. As at 30 June 2025, the Group’s net current liabilities amounted to RMB19,525,453,000 and net liabilities amounted to RMB14,332,187,000.

As at 30 June 2025, the Group did not repay certain interest-bearing liabilities (including bank and other borrowings, senior notes and bonds) of approximately RMB43,995,318,000 according to their scheduled repayment dates. As a result, as at 30 June 2025, interest-bearing liabilities (including bank and other borrowings, senior notes and bonds) had become default. Subsequent to 30 June 2025, the Group did not repay certain interest-bearing liabilities according to the scheduled repayment dates. These events or conditions indicate that material uncertainties exist that may cast significant doubt on the Group’s ability to continue as a going concern.

In view of such circumstances, the directors of the Company (the “Directors”) have given careful consideration to the future liquidity and performance of the Group and the Group’s available sources of financing and have considered the Group’s cash flow projections prepared by the management for a period of not less than 12 months from the date of reporting period. The following plans and measures have been formulated with the objective to mitigate the liquidity pressure of the Group:

- The Company has appointed Alvarez & Marsal Corporate Finance Limited as its financial adviser for its offshore debt restructuring. The Group is actively in discussions with the existing lenders on the renewal of certain of the Group’s borrowings. These discussions have been constructive and focused on possible actions in light of current circumstances but do require time to formulate or implement due to the ongoing changes in market conditions. In addition, the Group will continue to seek for new sources of financing or accelerate asset sales to address upcoming financial obligations and future operating cash flow requirements whilst engaging with existing lenders;
- 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 trade receivables. The Group will also continue to actively adjust sales and pre-sale activities to better respond to the changing markets to achieve the latest budgeted sales and pre-sales volumes and amounts;
- The Group will continue to seek suitable opportunities to dispose of its equity interest in certain project development companies to generate additional cash inflows; and
- The Group has already taken measures to control administrative costs and contain unnecessary capital expenditures to preserve liquidity. The Group will continue to actively assess additional measures to further reduce discretionary spending.

2. GOING CONCERN BASIS (continued)

The Directors, taking into account the above plans and measures, are of the opinion that, they are satisfied that it is appropriate to prepare the condensed consolidated financial statements for the period ended 30 June 2025 on a going concern basis.

Notwithstanding the above, given the volatility of the property sector in Mainland China and the uncertainties to obtain support from the Group's creditors, material uncertainties exist as to whether or not the Group will be able to achieve its plans and measures as described above.

Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the carrying amounts of the assets to their net recoverable amounts, to provide for any further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the condensed consolidated financial statements of the Group for the period ended 30 June 2025.

3. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

Other than change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standard

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by HKICPA, for the first time which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

For the six months ended 30 June 2025

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue from contracts with customers

Segment	For the period ended 30 June 2025				
	Property development	Property operation services	Hotel operations	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Types of goods and services					
<i>Property development</i>					
Sales of completed properties	379,710	–	–	–	379,710
<i>Property operation services</i>					
Provision of property management services	–	1,339,579	–	–	1,339,579
Provision of value-added service	–	43,460	–	–	43,460
Provision of engineering services	–	1,947	–	–	1,947
<i>Hotel operations</i>					
Provision of hotel accommodation services	–	–	8,039	–	8,039
<i>Others</i>					
Property project management and other related services	–	–	–	244	244
	379,710	1,384,986	8,039	244	1,772,979
Timing of revenue recognition					
A point in time	379,710	2,958	–	244	382,912
Over time	–	1,382,028	8,039	–	1,390,067
	379,710	1,384,986	8,039	244	1,772,979

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

Segment	Property development	Property investment	Property operations services	Hotel operations	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue disclosed in segment information	379,710	110,453	1,387,084	8,039	244	1,885,530
Elimination	–	–	(2,098)	–	–	(2,098)
Leases	–	(110,453)	–	–	–	(110,453)
Revenue from contracts with customers	379,710	–	1,384,986	8,039	244	1,772,979

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

Disaggregation of revenue from contracts with customers (continued)

Segment	For the period ended 30 June 2024				
	Property development RMB'000 (Unaudited)	Property operation services RMB'000 (Unaudited)	Hotel operations RMB'000 (Unaudited)	Others RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Types of goods and services					
<i>Property development</i>					
Sales of completed properties	166,188	–	–	–	166,188
<i>Property operation services</i>					
Provision of property management services	–	1,287,440	–	–	1,287,440
Provision of value-added service	–	40,933	–	–	40,933
Provision of engineering services	–	3,713	–	–	3,713
<i>Hotel operations</i>					
Provision of hotel accommodation services	–	–	25,605	–	25,605
<i>Others</i>					
Property project management and other related services	–	–	–	2,678	2,678
	166,188	1,332,086	25,605	2,678	1,526,557
Timing of revenue recognition					
A point in time	166,188	5,784	–	2,678	174,650
Over time	–	1,326,302	25,605	–	1,351,907
	166,188	1,332,086	25,605	2,678	1,526,557

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

Segment	Property development RMB'000 (Unaudited)	Property investment RMB'000 (Unaudited)	Property operations services RMB'000 (Unaudited)	Hotel operations RMB'000 (Unaudited)	Others RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue disclosed in segment information	166,188	114,723	1,333,711	25,605	2,678	1,642,905
Elimination	–	–	(1,625)	–	–	(1,625)
Leases	–	(114,723)	–	–	–	(114,723)
Revenue from contracts with customers	166,188	–	1,332,086	25,605	2,678	1,526,557

For the six months ended 30 June 2025

5. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended 30 June 2025

Segment revenue and results (Unaudited)	Property development RMB'000	Property investment RMB'000	Property operations services RMB'000	Hotel operations RMB'000	Others RMB'000	Total RMB'000
Segment revenues	379,710	110,453	1,387,084	8,039	244	1,885,530
Segment results	(881,505)	(96,560)	127,146	(6,526)	10	(857,435)

Six months ended 30 June 2024

Segment revenue and results (Unaudited)	Property development RMB'000	Property investment RMB'000	Property operations services RMB'000	Hotel operations RMB'000	Others RMB'000	Total RMB'000
Segment revenues	166,188	114,723	1,333,711	25,605	2,678	1,642,905
Segment results	(808,078)	(30,909)	142,076	(80,653)	(4,089)	(781,653)

Note: For the six months ended 30 June 2025, others are engaged in provision of property project management services.

Segment results represents the profit earned or loss incurred by each segment without allocation of exchange loss, interest income, share of results of associates and joint ventures, gain or loss on disposal of subsidiaries, associates and joint ventures, gain on debt restructuring, certain other income, gains and losses, finance costs, central administration costs and directors' salaries. This is the measure reported to the directors of the Company, chief operating decision makers for the purposes of resources allocation and assessment of segment performance.

5. SEGMENT INFORMATION (continued)

Reconciliation:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue:		
Total revenue for operating and reportable segments	1,885,530	1,642,905
Elimination of inter-segment revenues	(2,098)	(1,625)
Group's total revenue	1,883,432	1,641,280
Total segment results	(857,435)	(781,653)
Unallocated amounts:		
Interest income	8,394	4,672
Net exchange gain/(loss)	185,127	(247,893)
Finance costs	(2,217,949)	(1,975,237)
Share of results of associates and joint ventures	(317,570)	16,359
Net gain/(loss) on disposal of subsidiaries, associates and joint ventures	486	(38,042)
Gain on debt restructuring	8,186	–
Other unallocated gains and losses	(1,090)	1,560
Other unallocated expenses	(57,579)	(32,146)
Loss before tax	(3,249,430)	(3,052,380)

For the six months ended 30 June 2025

5. SEGMENT INFORMATION (continued)

The following is an analysis of the Group's assets by reportable and operating segments:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Property development	47,458,827	47,863,818
Property investment	6,349,078	6,475,598
Property operation services	4,633,502	4,514,380
Hotel operations	19,297	28,098
Others	73,535	66,806
Total segment assets	58,534,239	58,948,700
Total unallocated assets	13,398,490	14,257,241
Group's total assets	71,932,729	73,205,941

For the purpose of monitoring segment performance and allocating resources between segments, the chief operating decision makers also review the segment assets attributable to each operating segment, which comprises assets other than interests in associates and joint ventures, equity instruments designated at FVTOCI, deposits paid for potential acquisitions of subsidiaries and investments in associates and joint ventures, amounts due from related parties, restricted/pledged bank deposits, bank balances and cash and other corporate assets.

6. INCOME TAXATION

	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current tax in the PRC		
Enterprise income tax	55,040	73,397
Provision of		
Land appreciation tax, net of (over)/under-provision in the prior periods	(4,502)	35,898
	50,538	109,295
Deferred tax		
Charge/(credit) to profit and loss	42,610	(9,746)
	93,148	99,549

7. LOSS FOR THE PERIOD

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss for the period has been arrived at after (crediting)/charging:		
Government grant and partial exemption of PRC value-added tax (included in other income)	(2,707)	(4,122)
Interest income (included in other income)	(8,394)	(4,672)
Net exchange (gain)/loss	(185,127)	247,893
Loss on disposal of subsidiaries, net	–	3,055
(Gain)/loss on disposal of associates and joint ventures (included in other gains and losses)	(486)	34,987
Loss on disposal of property, plant and equipment and early termination of lease contracts (included in other gains and losses)	1,499	47,585
Write-down of properties for sales	643,431	499,873
Gain on debt restructuring	(8,186)	–

8. DIVIDENDS

During the six months ended 30 June 2025, no dividend in respect of the year ended 31 December 2024 was declared.

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

For the six months ended 30 June 2025

9. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss for the period:		
Loss for the purposes of basic and diluted loss per share		
(loss for the period attributable to owners of the Company)	(3,171,041)	(3,161,480)
Number of shares ('000):		
Weighted average number of ordinary shares for the purpose of		
basic and diluted loss per share	5,772,598	5,772,598

For the six months ended 30 June 2025 and 2024, the computation of diluted loss per share does not assume the exercise of the Company's share options since their exercise would result in a decrease in loss per share.

10. PROPERTY, PLANT AND EQUIPMENT

The movements in property, plant and equipment during the six months ended 30 June 2025 are summarized as follows:

	RMB'000
At 1 January 2025 (Audited)	403,913
Additions	23,581
Disposals	(4,172)
Depreciation for the period	(32,135)
At 30 June 2025 (Unaudited)	391,187

11. RIGHT-OF-USE ASSETS

The movements in right-of-use assets during the six months ended 30 June 2025 are summarised as follows:

	RMB'000
At 1 January 2025 (Audited)	315,530
Depreciation for the period	(22,676)
At 30 June 2025 (Unaudited)	292,854

12. INVESTMENT PROPERTIES

The movements in investment properties during the six months ended 30 June 2025 are summarised as follows:

	RMB'000
At 1 January 2025 (Audited)	6,475,598
Net change in fair value recognised in profit or loss	(99,107)
Disposals	(27,413)
At 30 June 2025 (Unaudited)	6,349,078

As at 30 June 2025 the fair value of the Group's completed investment properties was amounting to RMB5,129,248,000 (31 December 2024: RMB5,197,183,000) and investment properties under development was amounting to RMB1,219,830,000 (31 December 2024: RMB1,278,415,000).

13. GOODWILL

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Property Operation CGU	896,451	896,451

For the purpose of impairment testing, goodwill above has comprised a group of subsidiaries in property operation services collectively as the property operation cash-generating units ("Property Operation CGU").

During the period ended 30 June 2025, the management of the Group determined that there is no impairment of any of these groups of CGU containing goodwill arising from the acquisition of businesses and/or business combination under common control.

The recoverable amounts of Property Operation CGU have been determined based on a value in use calculation. The calculation uses cash flow projection based on financial budgets approved by the management covering a five-year period, including the growth rates, the pre-tax discount rates, estimated revenue, estimated gross profit, estimated operating expenses as at 30 June 2025 and 31 December 2024.

For the six months ended 30 June 2025

13. GOODWILL (continued)

The discount rates reflect specific risks relating to Property Operation CGU. The growth rates within the five-year period have been based on past experience and management's expectation of market development. The cash flows beyond the five-year period are extrapolated using zero growth rate.

	30 June 2025	31 December 2024
Pre-tax discount rates	14.6%	14.6%
Growth rate within the five-year period	2% – 8%	2% – 8%

The management of the Group believes that any reasonably possible change in the key estimation of the value-in-use calculation would not cause the carrying amounts of Property Operation CGU to exceed its recoverable amounts.

14. INTANGIBLE ASSETS

The movements in intangible assets during the six months ended 30 June 2025 are summarised as follows:

	RMB'000
At 1 January 2025 (Audited)	9,390
Amortisation of intangible assets	(2,652)
At 30 June 2025 (Unaudited)	6,738

The intangible assets represent the property management contracts and customers' relationship were acquired from third parties through business combination.

15. PROPERTIES FOR SALE

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Completed properties for sale	12,249,718	12,612,887
Properties under development for sale	38,786,516	36,852,411
	51,036,234	49,465,298
Less: Provisions for net realisable value	(12,254,580)	(11,611,149)
	38,781,654	37,854,149

For the six months ended 30 June 2025, a provision for impairment loss on properties for sales of RMB643,431,000 was recognised to reflect the change in relevant net realisable value (six months ended 30 June 2024: RMB499,873,000).

16. CONTRACT ASSETS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Unbilled revenue of engineering services	58,167	61,514
Less: allowance for impairment losses	(40,457)	(36,061)
	17,710	25,453

The contract assets primarily relate to the Group's right to consideration for work completed and not billed because the rights are conditional upon the satisfaction by engineering services rendered by the Group. The amounts are transferred out of contract assets to trade receivables when the rights become unconditional.

Details of the impairment assessment are set out in note 19.

17. TRADE AND OTHER RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables		
– contracts with customers	1,751,141	1,701,752
– leasing	80,831	69,527
Other receivables	2,200,858	2,570,373
Loan receivables	126,445	103,785
Prepayments and other deposits	1,967,908	2,050,105
Prepayments to suppliers	339,151	341,815
Prepayments for construction work	1,137,375	1,308,262
Consideration receivables on disposal of equity interests in subsidiaries and an associate	2,091,752	2,661,583
Other tax prepayments	750,456	739,873
	10,445,917	11,547,075
Less: Amounts shown under non-current assets	(5,200)	(5,482)
Amounts shown under current assets	10,440,717	11,541,593

For the six months ended 30 June 2025

17. TRADE AND OTHER RECEIVABLES (continued)

Consideration in respect of properties sold is paid in accordance with the terms of the related sales and purchase agreements, normally within 90 days from the date of agreement.

Property operation service fee is received in accordance with the terms of the relevant service agreements, normally within 30 days to 1 year after the issuance of demand note. Each customer from property operation services has a designated credit limit.

Hotel operation income are mainly in form of settlement in cash and credit cards.

Rental income from investment properties is received in accordance with the terms of the relevant lease agreements, normally within 30 days from the issuance of invoices.

The following is an aged analysis of trade receivables of the Group net of allowance for impairment losses presented based on the date of delivery of the properties to the customers for property sale or the invoice date or date of demand note for rendering of services at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
0 to 30 days	251,592	1,208,272
31 to 90 days	224,271	136,741
91 to 180 days	227,992	127,630
181 to 365 days	889,972	112,064
Over 1 year	238,145	186,572
	1,831,972	1,771,279

18. DEPOSITS PAID FOR POTENTIAL ACQUISITIONS OF SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

As at 30 June 2025, the Group had made deposits of RMB123,475,000 (31 December 2024: RMB123,475,000) in relation to the acquisition of equity interests in certain companies which are principally engaged in property operation in the PRC from independent third parties.

As at 30 June 2025, the Group had made deposits of RMB1,718,931,000 (31 December 2024: RMB2,020,783,000) in relation to the investments in a property project company and certain associates and joint ventures, which are principally engaged in property development in the PRC, and cooperation in the property development projects with a number of independent investors.

19. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Impairment loss recognised on		
– trade and other receivables	(163,909)	(181,878)
– amount due from a related party	(11,115)	(1,289)
– contract assets	(4,397)	(4)
	(179,421)	(183,171)

The balances of other receivables (excluding payments on behalf of residents), amounts due from non-controlling shareholders of the subsidiaries of the Company, joint ventures, associates and related parties are all not past due. In the opinion of the Directors, the risk of default by these counterparties is not significant and thus the Group assessed that the ECL on these balances at 30 June 2025 and 2024 are insignificant.

20. TRADE AND OTHER PAYABLES

	30 June	31 December
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Trade payables	3,224,654	3,284,905
Deposit received	198,288	273,840
Other tax payables	954,408	878,575
Accrued staff costs	165,117	198,367
Other payables and accruals	4,982,294	4,477,578
	9,524,761	9,113,265

For the six months ended 30 June 2025

20. TRADE AND OTHER PAYABLES (continued)

Trade payables principally comprise amounts outstanding for purchase of materials and subcontracting fee for the construction of properties for sale. The average credit period for purchase of construction materials and settlement of subcontracting fee ranged from two months to one year.

The following is an aged analysis of the Group's trade payables presented based on the invoice date at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	483,698	3,089,459
Over 1 year	2,740,956	195,446
	3,224,654	3,284,905

21. BORROWINGS

During the six months ended 30 June 2025, new borrowing amounting to RMB7,669,000 (six months ended 30 June 2024: RMB174,862,000) was obtained by the Group and borrowings amounting to RMB209,598,000 (six months ended 30 June 2024: RMB99,459,000) was repaid by the Group.

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Secured	13,877,273	13,687,081
Unsecured	4,147,535	4,260,838
	18,024,808	17,947,919
Less: Amounts shown under current liabilities	(16,429,538)	(16,040,841)
Amounts shown under non-current liabilities	1,595,270	1,907,078

The borrowings represented loans from bank, other facilities and related companies. Certain borrowings were secured by properties for sale, investment properties, pledged bank deposits and property, plant and equipment. Details are set out in note 28.

22. SENIOR NOTES AND BONDS

Senior notes and bonds	Maturity	Principal '000	Nominal interest rate	Effective interest rate	Carrying amount at	
					30 June	31 December
					2025	2024
					RMB'000 (Unaudited)	RMB'000 (Audited)
Senior notes:						
2016 USD500 million senior notes due 2021	5 years	USD500,000	7.38%	7.70%	1,932,448	1,886,282
2017 USD300 million senior notes due 2022	5 years	USD300,000	7.95%	8.26%	2,816,355	2,743,189
2018 USD200 million senior notes due 2021	3 years	USD200,000	15.00%	15.64%	2,286,411	2,189,239
2019 USD100 million senior notes due 2021	2 years	USD100,000	15.00%	15.51%	1,148,955	1,100,125
2019 USD300 million senior notes due 2022	3 years	USD300,000	11.75%	13.20%	3,181,377	3,069,679
2019 USD350 million senior notes due 2022	3 years	USD350,000	12.25%	13.83%	3,794,595	3,657,146
2020 USD450 million senior notes due 2023	3 years	USD450,000	10.88%	11.31%	4,576,484	4,422,040
2020 USD300 million senior notes due 2023	3 years	USD300,000	11.88%	12.20%	3,103,205	2,992,186
2020 USD200 million senior notes due 2022	2 years	USD200,000	7.95%	7.55%	1,885,426	1,836,445
2020 USD350 million senior notes due 2023	3 years	USD350,000	9.25%	9.46%	3,351,110	3,251,494
2020 USD320 million senior notes due 2023	3 years	USD320,000	9.88%	10.18%	3,083,265	2,988,625
2020 USD250 million senior notes due 2021	1 year	USD250,000	6.95%	7.32%	2,287,081	2,234,624
2021 USD150 million senior notes due 2023	2 years	USD150,000	11.88%	10.96%	1,594,112	1,537,082
2021 USD250 million senior notes due 2024	3 years	USD250,000	10.88%	11.72%	2,337,942	2,258,041
2021 USD50 million senior notes due 2022	1 year	USD50,000	14.50%	15.45%	554,429	530,823
2021 USD100 million senior notes due 2023	2 years	USD100,000	11.88%	14.08%	1,020,237	982,040
2021 USD200 million senior notes due 2024	3 years	USD200,000	14.50%	15.24%	1,302,376	1,248,195
					40,255,808	38,927,255
Corporate bonds:						
2018 RMB1,000 million bonds originally due 2021	5 years	RMB1,000,000	7.50%	6.59%	1,257,757	1,217,824
2019 RMB800 million bonds originally due 2022	5 years	RMB800,000	8.20%	7.40%	938,541	905,223
2019 RMB730 million bonds originally due 2022	5 years	RMB730,000	7.80%	6.82%	980,139	947,979
2020 RMB2,500 million bonds originally due 2023	5 years	RMB2,500,000	7.50%	7.15%	3,158,917	3,050,509
2020 RMB1,543 million bonds originally due 2023	5 years	RMB1,543,000	7.50%	7.17%	2,058,287	1,994,202
					8,393,641	8,115,737
					48,649,449	47,042,992
Carrying amounts repayable:						
Within one year or on demand					41,060,440	39,119,696
More than one year, but not exceeding two years					2,104,571	1,403,596
More than two years, but not exceeding five years					5,484,438	6,519,700
Less: Amounts shown under current liabilities					(41,060,440)	(39,119,696)
Amounts shown under non-current liabilities					7,589,009	7,923,296

Senior notes were issued on the Singapore Exchange Securities Trading Limited and guaranteed by certain subsidiaries of the Company. Corporate bonds were issued by Fantasia Group (China) Co., Ltd. ("Fantasia Group China"), a wholly owned subsidiary of the Company, on Shanghai Stock Exchange ("SSE").

For the six months ended 30 June 2025

22. SENIOR NOTES AND BONDS (continued)

Based on the modification of repayment arrangements approved with bondholders' meeting of the aforesaid corporate bonds in September 2023, the maturity date in respect of the principal and related interests amounting to approximately RMB7,593 million in aggregate, had been extended to between 2023 and 2028.

As at 30 June 2025, the Group has not repaid the senior notes amounting to RMB40,255,808,000 (31 December 2024: RMB38,927,255,000) according to their scheduled repayment dates. As a result, all note holders have right to demand immediate repayment of the principal. As at 30 June 2025, all senior notes are classified as current liabilities.

The movements of the senior notes and bonds during the six months ended 30 June 2025 are set out below:

	RMB'000
At 1 January 2025 (Audited)	47,042,992
Exchange gains	(167,578)
Interest expenses	1,774,035
At 30 June 2025 (Unaudited)	48,649,449

23. ASSET-BACKED SECURITIES ISSUED

In 2021, a subsidiary of the Company issued asset-backed securities ("2021 ABS") under securitisation arrangements collateralised by the future earnings relating to the operation of car parks and guaranteed by Fantasia Group China.

The aggregate nominal value of 2021 ABS were RMB255,000,000 and the interest rate of 2021 ABS were ranging from 7% to 7.5% per annum.

The movement of the assets backed securities during the period is set out below:

	RMB'000
At 1 January 2025 (Audited)	288,601
Effective interest recognised	9,104
At 30 June 2025 (Unaudited)	297,705

24. SHARE CAPITAL

	Number of shares	Amount HK\$	Equivalent to RMB'000
Ordinary Shares of HK0.1 each			
Authorised:			
At 1 January 2025 and 30 June 2025	8,000,000,000	800,000,000	704,008
Issued and fully paid:			
At 1 January 2025 (Audited) and 30 June 2025 (Unaudited)	5,772,597,864	577,259,786	498,787

25. CAPITAL AND OTHER COMMITMENTS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Construction commitments in respect of investment properties contracted for but not provided in the condensed consolidated financial statements	125,706	184,291
Consideration commitments in respect of acquisition of subsidiaries contracted for but not provided in the condensed consolidated financial statements	369,979	370,979
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	28,041	25,447

For the six months ended 30 June 2025

26. SHARE-BASED PAYMENT TRANSACTIONS

(a) Share option scheme of Colour Life

The following table discloses movements of Colour Life's share options held by directors, employees and non-controlling shareholders of certain subsidiaries of Colour Life during the six months ended 30 June 2025:

	Number of share options under share option schemes (‘000)
Outstanding as at 1 January 2025	34,960
Share issues the period	84
Lapsed during the period	(8,668)
Outstanding as at 30 June 2025	26,376

No expense was recognised by Colour Life for the six months ended 30 June 2025 and 2024 in share option reserve of Colour Life included in non-controlling interests in relation to share options granted by Colour Life.

(b) Share award scheme of Colour Life

The directors of Colour Life has adopted a share award scheme (the “Colour Life’s Share Award Scheme”) on 4 July 2016 for certain employees of Colour Life and consultants to Colour Life as incentives or rewards for their contribution to Colour Life by way of the Colour Life’s shares acquired by and held through an independent trustee appointed by Colour Life (the “Trustee”) until fulfilment of special conditions before vesting.

During the six months ended 30 June 2025 and 2024, no shares held for the Colour Life Share Award Scheme were awarded.

27. CONTINGENT LIABILITIES

- (a) The Group provided guarantees amounting to RMB2,575 million (31 December 2024: RMB5,972 million) given to banks for mortgage facilities granted to purchasers of the Group's properties for sales as at 30 June 2025.
- (b) The Group provided guarantees on several basis covering its respective shares of outstanding obligations under the bank borrowings incurred by the joint ventures and associates for developing their projects. As at 30 June 2025, the Group's aggregate shares of such guarantees provided in respective of loans borrowed by these joint ventures amounted to RMB1,921 million (31 December 2024: RMB1,921 million) and associates amounted to RMB4,004 million (31 December 2024: RMB3,133 million).

In the opinion of the directors, the possibility of the default of the parties is remote and the fair value of guarantee contracts is insignificant at the inception and at the end of each reporting period.

28. PLEDGE OF ASSETS

The following assets were pledged to secure certain banking and other facilities granted to the Group at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Properties for sale	33,469,920	32,310,721
Investment properties	5,654,480	5,676,142
Pledged bank deposits	99,738	147,295
Property, plant and equipment	271,284	301,709
	39,495,422	38,435,867

For the six months ended 30 June 2025

29. RELATED PARTY DISCLOSURES

In addition to those disclosed in elsewhere in the condensed consolidated financial statements, the Group had following significant transactions with related parties:

(a) Related party balances

The Group had the following significant balances due from related parties at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Non-controlling shareholders of the subsidiaries of the Company	648,084	648,084
Joint ventures	2,776,499	2,905,970
Associates	2,619,194	2,577,146
Related parties	134,220	110,024
	6,177,997	6,241,224

Amounts due from non-controlling shareholders of the Company's subsidiaries, joint ventures, associates and related parties are non-trade in nature, unsecured, non-interest bearing and repayable on demand.

The subsidiaries, joint ventures, associates and related parties are principally engaged in property development, property management and property leasing business. The Group determines the current or non-current portion of the advances based on the expected date of recovery with reference to the status of the property projects and the financial position of the subsidiaries, joint ventures, associates and related parties.

Details of the impairment assessment are set out in note 19.

The Group had the following significant balances due to related parties at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Joint ventures	137,378	181,574
Associates	62,680	18,294
Related parties	125	315
	200,183	200,183

Amounts due to related parties are non-trade in nature, unsecured, non-interest bearing and repayable on demand.

29. RELATED PARTY DISCLOSURES (continued)

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the six months ended 30 June 2025 and 2024 is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Short-term benefit	4,035	12,688
Post-employment benefit	352	610
	4,387	13,298

30. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair values of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

The following table gives information about the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Fair value at		Fair value hierarchy	Valuation technique and key input
	30 June 2025	31 December 2024		
	RMB'000	RMB'000		
	(Unaudited)	(Audited)		
Equity instruments designated at FVTOCI	14,084	13,566	Level 3	Discounted cash flow – Future cash flows are estimated based on expected return, and the contracted investment costs, discounted at a rate that reflects the internal rate of return.

For the six months ended 30 June 2025

30. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Fair values of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

Except as detailed in the following table, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the condensed consolidated financial statements approximate to their fair values.

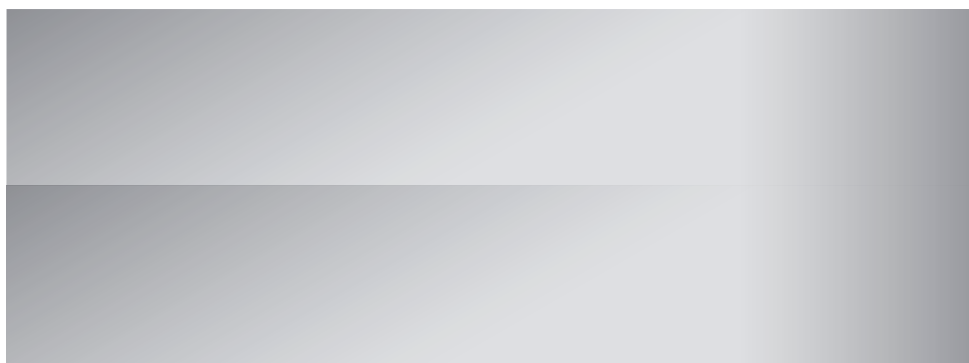
	Fair value hierarchy	30 June 2025	Fair value RMB'000	31 December 2024	
		Carrying amount RMB'000 (Unaudited)		Carrying amount RMB'000 (Audited)	Fair value RMB'000
Senior notes	Level 1	40,255,808	823,105	38,927,255	782,974

The management of the Group estimates the fair value of other financial assets and financial liabilities measured at amortised cost using the discounted cash flows analysis.

31. EVENTS AFTER REPORTING PERIOD

Subsequent to 30 June 2025 and up to the date of the condensed consolidated financial statements, the Group has certain litigations with its business partners regarding the settlement of the outstanding/overdue operational payables, banks and other borrowings and senior notes. The Group has been proactive in seeking ways to settle the outstanding litigation of the Group, however, the outcome of the claims and disputes is not certain at current stage.

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