Shenzhen Properties Group

深房集团

Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

2026 Interim Report

2026-039

[August 26, 2026]

Section I Important Notes, Table of Contents and Interpretations

The Board of Directors, the directors, and the executives of the Company guarantee that there are no significant omissions, fictitious or misleading statements carried in the Report and we will accept individual and joint responsibilities for the truthfulness, accuracy and completeness of the Report.

Principal CHEN Ming, Chief Finance Officer WANG Jianfei and Chief Accountant (accounting officer) ZHOU Hongpu declare that they guarantee the authenticity, accuracy and completeness of the financial report in the Semi-annual Report.

All directors attended the board meeting at which this Semi-annual Report was considered.

Some of the descriptions in the Company's semi-annual report relating to future business plans or business work arrangements are subject to various factors and do not constitute a substantial commitment by the Company to investors. Investors and related persons should maintain sufficient risk awareness and understand the differences between plans, forecasts and commitments.

The Company plans not to distribute cash dividends, issue bonus shares, or increase share capital through capitalization of reserves.

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List of Reference Documents

1. The financial statements with the personal signatures and stamps of the Company's legal representative, Chief Financial Officer and head of the financial department.

2. The originals of all the documents and announcements disclosed by the Company on the designated information disclosure media during the Reporting Period.

Interpretations

Item of interpretations	Refers to	Interpretations
"Shenzhen SASAC" or the "Municipal SASAC"	Refers to	The State-owned Assets Supervision and Administration Commission of the People's Government of Shenzhen Municipal
SIHC, Shenzhen Investment Holdings	Refers to	Shenzhen Investment Holdings Co., Ltd.
The Company, the Group, SPG or "we"	Refers to	Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.
Petrel Hotel	Refers to	Shenzhen Petrel Hotel Co., Ltd.
Zhentong Engineering	Refers to	Shenzhen Zhentong Engineering Co., Ltd.
Huazhan Construction Supervision	Refers to	Shenzhen Huazhan Construction Supervision Co., Ltd
Jianbang Group	Refers to	Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.
Chuanqi Real Estate Development	Refers to	Shenzhen Shenfang Chuanqi Real Estate Development Co., Ltd.
Guangmingli	Refers to	SPG Guangmingli Project
Linxinyuan	Refers to	SPG Linxinyuan Project
Cuilinyuan	Refers to	SPG Cuilinyuan Project

Section II Company Profile and Major Financial Indicators

I. Company Profile

Stock name	SPG, SPG-B	Stock code	000029（200029）
Stock exchange where the Company's stocks are listed	Shenzhen Stock Exchange		
Chinese name	深圳经济特区房地产(集团)股份有限公司		
Chinese abbreviation of the Company (if any)	深房集团		
Foreign name of the Company (if any)	Shenzhen Special Economic Zone Real Estate&Properties (Group) Co.，Ltd.		
Abbreviation of the Company's foreign name (if any)	SPG		
Legal representative	Chen Ming		

II. Contact information

	Secretary of the Board of Directors	Securities affairs representative
Name	Luo Yi	Hong Lu
Contact address	47/F, SPG Plaza, Renmin South Road, Luohu District, Shenzhen, Guangdong, P.R.China	47/F, SPG Plaza, Renmin South Road, Luohu District, Shenzhen, Guangdong, P.R.China
Tel.	（86 755）25108897	（86 755）25108837
Fax	（86 755）82294024	（86 755）82294024
E-mail	spg@sfjt.sihc.com.cn	spg@sfjt.sihc.com.cn

III. Other Information

1. Company contact information

Whether the Company's registered address, office address and their postal codes, Company website, email address, etc. changed during the reporting period

□ Applicable ☑Not applicable

The Company's registered address, office address and their postal codes, Company website, email address, etc. did not change during the reporting period. Please refer to the 2025 Annual Report for details.

2. Information disclosure and storage location

Whether the information disclosure and storage location changed during the reporting period

□ Applicable ☑Not applicable

The stock exchange website and media names and websites where the Company discloses its semi-annual report, and the storage location of the Company's semi-annual report did not change during the reporting period. Please refer to the 2025 Annual Report for details.

3. Other related information

Whether other related information changed during the reporting period

□ Applicable ☑Not applicable

IV. Key Accounting Data and Financial Indicators

Whether the Company needs to retroactively adjust or restate the accounting data of previous years

☐ Yes ☑No

	The reporting period	Same period last year	Increase/decrease
Operating revenue (RMB)	149,256,953.04	637,366,221.35	-76.58%
Net profit attributable to the shareholders of the listed company (RMB)	-8,560,110.26	103,027,646.42	-108.31%
Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss (RMB)	-15,629,926.78	94,352,487.97	-116.57%
Net cash flows from operating activities (RMB)	24,947,099.48	-87,422,241.58	128.54%
Basic earnings per share (RMB/share)	-0.0085	0.1018	-108.35%
Diluted earnings per share (RMB/share)	-0.0085	0.1018	-108.35%
Weighted average rate of return on net assets	-0.24%	2.89%	-3.13%
	End of the reporting period	End of the previous year	Increase/decrease at the end of the reporting period compared to the end of the previous year
Total assets (RMB)	3,803,877,936.08	3,882,782,985.57	-2.03%
Net assets attributable to shareholders of the listed company (RMB)	3,574,457,510.49	3,612,323,196.38	-1.05%

V. Differences Between Accounting Data Under Domestic and Foreign Accounting Standards

1. Differences in net profit and net assets in the financial reports disclosed in accordance with the international accounting standards and the Chinese accounting standards

□ Applicable ☑Not applicable

During the reporting period of the Company, there was no difference in net profits and net assets in financial reports disclosed in accordance with international accounting standards and Chinese accounting standards

2. Differences in net profit and net assets in financial reports disclosed in accordance with both the international accounting standards and Chinese accounting standards

□ Applicable ☑Not applicable

During the reporting period of the Company, there was no difference in net profits and net assets in financial reports disclosed in accordance with the international accounting standards and Chinese accounting standards

VI. Non-recurring Profit or Loss Items and Amounts

☑☑ Applicable ☐ Not applicable

Unit: RMB

Item	Amount	Notes
Government grants included in profit and loss of the current period (except for government subsidies that are closely related to the Company's normal business operation, comply with national policies and are enjoyed in accordance with defined criteria, and have a continuing impact on the Company's profit or loss)	2,000.00	
Profit or loss from changes in fair value of financial assets and liabilities held by non-financial enterprises and profit or loss from the disposal of financial assets and financial liabilities, except for effective hedging operations related to the Company's normal business operations	7,069,256.29	Changes in fair value arising from investments in money market funds
Non-operating revenue and expenses other than the above-mentioned items	-1,253.02	
Less: income tax effects	186.75	
Total	7,069,816.52	

Specific circumstances of other profit or loss items that meet the definition of non-recurring profit or loss:

□ Applicable ☑Not applicable

The Company had no specific profit or loss items that meet the definition of non-recurring profit or loss.

Notes on the definition of the non-recurring profit or loss items listed in the "Interpretive Announcement No. 1 on Information Disclosure of Companies Issuing Securities to the Public - Non-recurring Profit or Loss" as recurring profit or loss items

☑☑ Applicable ☐ Not applicable

Item	Amount involved (RMB)	Reasons
Refund of service fee for withholding individual income tax	52,026.64	Continuously occurring from year to year, not occasional, recognized as recurring gains and losses

Section III Management's Discussion and Analysis

I. Main business engaged in by the Company during the reporting period

(I) Industry development during reporting period

On July 15, the official website of the National Bureau of Statistics released the national economic performance for the first half of 2026. In the first half of the year, China's economy withstood pressure and operated within a reasonable range, with production and supply growing relatively fast, employment generally stable, prices rising moderately, foreign trade maintaining a good momentum, new drivers of growth developing rapidly, people's livelihood effectively secured, and development resilience continuously demonstrated. In terms of the industry, in recent years, various regions have implemented city-specific policies, continuously optimized and adjusted real estate policies to control increments, reduce inventory destocking pressure, and improve supply. They have orderly relaxed house purchase restrictions, deepened the reform of the housing provident fund system, increased the supply of affordable housing, and promoted urban renewal and renovation. By working from both the supply and demand sides, a coordinated set of policy measures has been introduced. The supply and demand relationship in the real estate market has gradually improved, and market expectations have picked up.

(II) Company's operations during reporting period

In the first half of the year, facing a complex and volatile external environment and arduous development tasks, all cadres and employees of the Company overcame difficulties and forged ahead with determination, making certain progress in all tasks:

1. Main businesses operated under pressure with obvious structural differentiation. First, real estate sales fell short of expectations, and destocking pressure remained prominent; Second, property leasing and operation advanced steadily, with rental income in the first half of the year reaching 40% of the annual target; Third, operations of affiliated enterprises showed mixed results; some affiliated enterprises remained in a state of loss, and there was a certain gap between major economic indicators and annual assessment targets.

2. Exploration of future development steadily advanced, continuously consolidating foundational support. First, focusing on key fields and critical industries, the Company successively engaged in research on multiple industrial projects, laying a theoretical foundation for its future development; Second, a project expansion and screening mechanism was established to connect with high-quality internal and external resources and actively explore diversified capital cooperation models.

3. Risk mitigation remained controllable, and safety defense line was continuously strengthened. First, regarding the bankruptcy liquidation of Jianbang Company, the Company maintained

continuous communication with the special task force, the court, and the administrator to safeguard its legitimate rights and interests. Second, 30 safety inspections were cumulatively carried out, and over 70 hidden dangers were rectified in a closed-loop manner, effectively preventing safety risks; Third, risk and hidden danger screening and early warning were carried out on a regular basis, and no major petition-related matters or public opinion incidents occurred during the Reporting Period.

4. Comprehensive capabilities were continuously improved, and governance efficiency was constantly optimized. First, the revision of the headquarters' compensation and performance assessment systems was completed, human resource allocation was optimized, and organizational effectiveness was steadily improved; Second, information disclosure was strictly managed, compliance reviews were strengthened, and corporate governance became more standardized and orderly; Third, the centralized management of funds was strengthened, budget and settlement reviews were strictly conducted, and results in cost reduction and efficiency enhancement were evident.

5. Party-building integration deepened continuously, and political guidance was consistently strengthened. First, study and education on establishing and practicing a correct view of performance were solidly advanced, promoting the organic unity of "immediate rectification" and "long-term establishment" through a supervisory mechanism of "three inspections and three rectifications"; Second, the Group's leadership team members visited the frontline at the primary level and provided point-to-point support to designated enterprises on 21 occasions, continuously deepening the construction of the "one enterprise, one brand" initiative in Party building; Third, responsibility letters for Party conduct and clean governance were signed at each level, pre-holiday integrity education was organized, and supervision and discipline enforcement were strengthened by focusing on key links such as bidding and procurement, building a solid defense line against integrity risks.

The Company shall comply with the disclosure requirements for the real estate industry as set out in the Guidelines for Self-Regulation of Listed Companies of Shenzhen Stock Exchange No. 3 - Industry Information Disclosure

New land reserve projects

Land parcel or project name	Location	Land planning purpose	Land area (㎡)	Capacity building area (㎡)	Land Acquisition Method	Equity ratio	Total land price (RMB10,000)	Equity consideration (RMB10,000)

Cumulative Land Reserve

Project/Area name	Total floor area (10,000 ㎡)	Total construction area (10,000 ㎡)	Remaining developable floor area (10,000 ㎡)
Shantou Xinfeng Building	0.59	2.66	2.66
Total	0.59	2.66	2.66

Development of main projects

City/Region	Project	Location	Project	Equity	Commencement	Development	Schedule of	Land	Planned	Completed	Cumulative	Estimated total	Total accumu

			format	ratio	time	progress	completion	area (㎡)	capacity building area (㎡)	area of the current period (㎡)	completed area (㎡)	investment amount (RMB10,000)	lated investment amount (RMB10,000)

Sales of main projects

City/Region	Project	Location	Project format	Equity ratio	Capacity building area (㎡)	Salable area (㎡)	Cumulative pre-sale (sales) area (㎡)	The current period pre-sale (sales) area (m2)	Amount of pre-sale (sale) in the current period (RMB10,000)	Cumulative settlement area (㎡)	Settlement area in the current period (㎡)	Settlement amount in the current period (RMB10,000)
Shenzhen	Cuilinyuan	Longgang District	Ready for sale	100.00%	60111	56137	56137	1745.84	1,309.38	54393.38	1745.84	1,247.03
Shantou	Tianyuewan Phase I	Chaoyang District	Ready for sale	100.00%	153470	160372	122839.3	352.44	285.8	122317.55	670.94	360.46
Shantou	Tianyuewan Phase II	Chaoyang District	Ready for sale	100.00%	127770	137059	54977.58	4119	2,803.4	53779.52	5241.81	3,174.75
Shenzhen	Guangmingli	Guangming area	Ready for sale	100.00%	53605	51975	36041.35			35742.02		

Leasing of main projects

Project	Location	Project format	Equity ratio	Rentable area (㎡)	Accumulated leased area (㎡)	Average occupancy rate
Real Estate Mansion	Shenzhen	Commercial	100.00%	3413.88	3413.88	100.00%
North Tower of Guoshang Mansion	Shenzhen	Commercial	100.00%	4819.71	4819.71	100.00%
Petrel Building	Shenzhen	Commercial	100.00%	22475.47	22475.47	100.00%
SPG Plaza	Shenzhen	Office building	100.00%	58407.55	32979.41	56.46%
Podium of SPG Plaza	Shenzhen	Commercial	100.00%	20796.84	20796.84	100.00%
Wenjin Garden	Shenzhen	Commercial	100.00%	3531.6	3531.6	100.00%

Level-I land development

□ Applicable ☑Not applicable

Financing approach

Financing approach	Financing balance at the end of the	Financing cost range/average financing cost	Term structure			
			Within 1 year	1-2 years	2-3 years	Over 3 years

	period (RMB10,000)	(RMB10,000)				
Others	765.14[1]	1.95%-3.1%	765.14	0.00	0.00	0.00
Total	765.14		765.14	0.00	0.00	0.00

Note: 1 Factoring of accounts receivable

Development strategy and business plan for the next year

In the second half of the year, the Company will overcome difficulties and comprehensively advance the following five key areas of work:

(I) Focusing on main business breakthroughs and making every effort to sprint toward annual business objectives. First, focus on advancing the destocking of existing housing while making every effort to advance the US land sale task, fighting a tough battle in project marketing; Second, efficiently revitalize self-owned property resources, strengthen daily operation, maintenance and customer services, and improve the quality and efficiency of asset operations; Third, all affiliated enterprises should anchor their annual assessment indicators, close gaps, catch up on progress, and promote the achievement of production and efficiency targets.

(II) Focusing on future development and accelerating the cultivation of a second growth curve. First, focusing on "what the country needs, where the industry trends, what Shenzhen requires, and what SPG is capable of," strengthen strategic synergy and communication with the controlling shareholder, accurately target the primary direction of future development, and clarify specific implementation paths and promotion measures; Second, improve the market-oriented operating mechanism, accelerate the adjustment of the business structure towards a direction that better meets market demand and has more development resilience, and consolidate the foundation for long-term development.

(III) Focusing on steady operations and firmly building a bottom line for risk prevention. First, continuously follow up on bankruptcy liquidation cases, accelerate the disposal of "non-core and non-advantageous businesses, inefficient and ineffective assets" and the governance of loss-making enterprises, and make every effort to resolve various operational risks; Second, deepen the construction of a dual preventive mechanism, perfect the assessment and accountability system, and strictly implement closed-loop rectification of hidden dangers to ensure a stable and controllable work safety situation throughout the year; Third, promptly resolve current petition-related matters and resolutely prevent major sudden unstable events, creating a stable and orderly internal and external environment for the Company's development.

(IV) Focusing on lean governance to comprehensively stimulate endogenous development momentum. First, build a high-quality, professional talent team adaptable to the Company's development, solidly conduct annual assessments, and fully stimulate the team's vitality in entrepreneurship and work; Second, continuously deepen ESG governance and sustainable development practices, enhance the quality of information disclosure, strengthen the construction of a compliance management system, and standardize the modern governance system; Third, strengthen the budget management and dynamic monitoring of key expenses, deeply explore the potential of internal cost reduction, and further enhance overall operational efficiency.

(V) Focusing on Party-building integration to foster a clean and upright development environment. First, solidly complete the "second half of the article" in the study and education on establishing and practicing a correct view of performance, guiding cadres at all levels to focus their minds on practical work and devote their energy to implementation; Second, carry out a "review and reassessment" of the implementation of the spirit of the Party building conference for state-owned enterprises, systematically summarize experience, benchmark against standards to identify deficiencies, and lead and guarantee high-quality development with high-quality Party building; Third, regularize Party spirit education and warning education, persistently rectify the "four forms of decadence", comprehensively promote the mechanism ensuring that officials "dare not, cannot, and do not want to be corrupt", and continuously cultivate a clean and upright political ecosystem.

Guarantee to buyers of commercial housing for bank mortgage

☑☑ Applicable ☐ Not applicable

Guaranteed unit	Financial institutions for loans	Guaranteed borrowing amount (RMB’0,000)	Maturity date of guarantee	Remark
Homebuyers	China Construction Bank	36.4	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	Shanglinyuan
Homebuyers	China Construction Bank	631.55	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	Chuanqi Donghu Mingyuan
Homebuyers	Industrial and Commercial Bank of China, Bank of China, Postal Savings Bank	2,580.00	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	Tianyuewan
Homebuyers	Huaxia Bank, Rural Commercial Bank, Postal Savings Bank of China, China Merchants Bank, Bank of China	9,973.66	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	Guangmingli
Sub-total		13,221.61		

Joint investments by directors and senior management and the listed company (applicable for such investments where the directors and senior management are the major source of investment):

□ Applicable ☑Not applicable

II. Analysis of Core Competitiveness

As the earliest real estate developer founded in the Shenzhen Special Economic Zone, the Company helped build the early city, and has created a number of "first places" in the history of real estate development in China. For example, the first to use the paid state-owned land, the first to introduce the foreign investment for the cooperative land development, the first to raise development funds by means of pre-sale of buildings, the first to carry out public bidding for construction projects in accordance with international practices, the first to set up a property management company to the buildings and residences developed in an all-rounded manner, as well as winning the bid in the new China’s first auction of land use rights held in the Shenzhen Special Economic Zone.

After more than 40 years of development, the Company has grown into a business group with real estate development and operation as its main business, integrating engineering and construction, project supervision, asset management and other diversified operations. In the future, the Company will actively cultivate and promote a corporate culture of compliance, integrity and excellence. It will remain committed to giving back to society with high-quality products and building its reputation through quality, striving to become a respected and trustworthy listed company.

III. Analysis of Primary Business

Overview

Please refer to "I. Main businesses engaged in by the Company during the reporting period".

YoY changes in key financial data

Unit: RMB

	The reporting period	Same period last year	YoY change	Reason for changes
Operating revenue	149,256,953.04	637,366,221.35	-76.58%	Mainly driven by the decrease in real estate sales revenue.
Operating costs	123,812,714.67	463,717,990.62	-73.30%	Mainly driven by the decrease in real estate sales revenue and the corresponding reduction in carried-forward costs.
Selling and distribution expenses	6,366,066.93	9,708,711.93	-34.43%	Mainly driven by the decrease in real estate sales revenue and the corresponding reduction in selling expenses.
G&A expenses	27,112,672.76	32,175,388.99	-15.73%	Mainly driven by the decrease in litigation expenditures.

Financial expenses	370,341.93	1,213,306.62	-69.48%	Mainly driven by the decrease in interest expenses.
Income tax expenses	950,501.45	21,496,138.68	-95.58%	Mainly driven by the YoY decrease in total profit.
Net cash flows from operating activities	24,947,099.48	-87,422,241.58	128.54%	Mainly driven by the decrease in operating expenditures.
Net cash flows from the investing activities	27,997.57	-109,975,806.04	100.03%	Mainly driven by the purchase of money market funds in the same period of the previous year.
Net cash flows from financing activities	-35,408,100.00	-34,949,336.04	-1.31%	
Net increase in cash and cash equivalents	-10,581,033.38	-232,411,276.38	95.45%	Mainly driven by the decrease in operating expenditures, as well as the purchase of money market funds in the same period of the previous year while no such investments occurred in the current period.

Significant changes in profit composition or profit sources of the Company during the Reporting Period

□ Applicable ☑Not applicable

There were no significant changes in the profit composition or profit sources of the Company during the Reporting Period.

Composition of operating revenue

Unit: RMB

	The reporting period		Same period last year		YoY change
	Amount	Percentage of operating revenue	Amount	Percentage of operating revenue	
Total operating revenue	149,256,953.04	100%	637,366,221.35	100%	-76.58%
By industry					
Real estate	52,398,397.06	35.11%	567,722,393.42	89.07%	-90.77%
Engineering construction	59,153,878.17	39.63%	35,772,588.06	5.61%	65.36%
Property management	1,624,178.41	1.09%	1,631,793.56	0.26%	-0.47%
Rental and others	36,080,499.40	24.17%	32,239,446.31	5.06%	11.91%
By product					
Residence	52,228,873.25	34.99%	567,560,925.52	89.05%	-90.80%
Shops and parking lots	169,523.81	0.11%	161,467.90	0.03%	4.99%
Others	96,858,555.98	64.89%	69,643,827.93	10.93%	39.08%

By region					
Guangdong Province	148,895,064.38	99.76%	637,317,371.33	99.99%	-76.64%
Overseas	361,888.66	0.24%	48,850.02	0.01%	640.82%

Industry, product or region accounting for more than 10% of the Company's operating revenue or operating profit

☑☑ Applicable ☐ Not applicable

Unit: RMB

	Operating revenue	Operating costs	Gross margin	YoY change in operating revenue	YoY change in operating costs	YoY change in gross margin
By industry						
Real estate	52,398,397.06	40,173,306.95	23.33%	-90.77%	-90.08%	-18.57%
Engineering construction	59,153,878.17	57,963,722.26	2.01%	65.36%	64.43%	37.67%
Rental and others	36,080,499.40	24,456,901.89	32.22%	11.91%	9.53%	4.81%
By product						
Residence	52,228,873.25	40,029,549.07	23.36%	-90.80%	-90.11%	-18.46%
By region						
Guangdong Province	148,895,064.38	122,593,931.10	17.66%	-76.64%	-73.50%	-35.55%

Under the circumstances that the calculation method of the Company's main business data is adjusted during the reporting period, the Company's main business data for the latest period is adjusted according to the calculation method at the end of the reporting period

□ Applicable ☑Not applicable

IV. Analysis of Non-primary Business

□ Applicable ☑Not applicable

V. Analysis of Assets and Liabilities

1. Major changes in asset composition

Unit: RMB

	End of the reporting period		End of the last year		Increase/decrease in percentage	Explanation of significant changes
	Amount	Ratio of total assets	Amount	Ratio of total assets		
Monetary funds	270,648,313.66	7.12%	284,686,525.04	7.33%	-0.21%	
Accounts receivable	45,419,725.16	1.19%	44,898,083.74	1.16%	0.03%	
Contract assets	21,855,722.04	0.57%	29,035,256.28	0.75%	-0.18%	
Inventories	653,640,319.20	17.18%	1,099,359,619.25	28.31%	-11.13%	Mainly driven by the transfer of some self-held shops to investment

						properties for accounting.
Investment properties	937,519,655.46	24.65%	522,634,659.17	13.46%	11.19%	Mainly driven by the transfer of some self-held shops to investment properties for accounting.
Long-term equity investments	0.00	0.00%	0.00	0.00%	0.00%	
Fixed assets	13,578,063.33	0.36%	14,949,900.45	0.39%	-0.03%	
Construction in progress	0.00	0.00%	571,822.67	0.01%	-0.01%	
Right-of-use assets	0.00	0.00%	0.00	0.00%	0.00%	
Short-term borrowings	1,065,508.63	0.03%	50,000.00	0.00%	0.03%	
Contract liabilities	21,426,300.03	0.56%	28,400,659.20	0.73%	-0.17%	
Long-term borrowings	0.00	0.00%	0.00	0.00%	0.00%	
Lease liabilities	0.00	0.00%	0.00	0.00%	0.00%	
Financial assets held for trading	1,057,325,314.70	27.80%	1,050,256,058.41	27.05%	0.75%	
Accounts payable	168,578,885.71	4.43%	171,738,333.04	4.42%	0.01%	
Taxes payable	18,826,842.10	0.49%	26,922,082.58	0.69%	-0.20%	
Other payables	119,077,007.22	3.13%	144,280,409.16	3.72%	-0.59%	
Other receivables	729,582,117.04	19.18%	747,900,491.52	19.26%	-0.08%	

2. Major overseas assets

□ Applicable ☑Not applicable

3. Assets and liabilities measured at fair value

☑☑ Applicable ☐ Not applicable

Unit: RMB

Item	Beginning balance	Profit or loss from changes in fair value in the current	Cumulative changes in fair value included in equity	Impairment provision in the current period	Amount purchased in the current period	Amount sold in the current period	Other changes	Ending balance

		period						
Financial assets								
1. Financial assets held for trading (excluding derivative financial assets)	1,050,256,058.41	7,069,256.29			0.00	0.00		1,057,325,314.70
4. Other equity instrument investments	14,571,511.81		-2,841,991.42					11,729,520.39
Total of the above	1,064,827,570.22	7,069,256.29	-2,841,991.42	0.00	0.00	0.00	0.00	1,069,054,835.09
Financial liabilities	0.00							0.00

Other changes

Whether there were significant changes in the measurement attributes of the Company's major assets during the reporting period

☐ Yes ☑No

4. Restrictions on asset rights as of the end of the reporting period

Unit: RMB

Item	Closing book value	Reason for restriction
Monetary funds	16,132.40	Special account funds for migrant workers
Monetary funds	2,201,283.57	Funds frozen due to litigation
Monetary funds	50,000.00	Construction deposit
Monetary funds	70,010.20	Stop payments, suspend accounts
Accounts receivable	7,651,398.78	Put in pledge for short-term borrowings
Total	9,988,824.95	

VI. Investments Analysis

1. Overall situation

☑☑ Applicable ☐ Not applicable

Amount of Reporting Period (RMB)	Amount of the same period of last	Change (%)

	year (RMB)	
25,104,700.00	25,060,000.00	0.18%

2. Major equity investments acquired during the reporting period

□ Applicable ☑Not applicable

3. Major non-equity investments in progress during the reporting period

□ Applicable ☑Not applicable

4. Investment in the financial assets

(1) Securities investment

□ Applicable ☑Not applicable
The Company had no securities investment during the reporting period.

(2) Derivative investment

□ Applicable ☑Not applicable

The Company had no derivative investment during the reporting period.

5. Use of funds raised

□ Applicable ☑Not applicable
The Company had no use of funds raised during the reporting period.

VII. Sales of Major Assets and Equities

1. Sales of major assets

□ Applicable ☑Not applicable
The Company did not sell major assets during the reporting period.

2. Sale of major equity

□ Applicable ☑Not applicable

VIII. Major Subsidiaries

☑☑ Applicable ☐ Not applicable
Major subsidiaries and participating companies with an impact of 10% or more on the Company's net profit

Unit: RMB

Company name	Company type	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Shenzhen Shenfang	Subsidiaries	Real estate	30000000	1,628,336,806.56	1,210,639,849.00	51,815.14	5,647,955.62	5,647,956.56

Chuanqi Real Estate Development Co., Ltd.		development						
Shenzhen Properties Group Longgang Development Co., Ltd.	Subsidiaries	Real estate development	30000000	97,587,521.67	66,579,141.26	13,405,320.94	2,998,415.45	2,248,811.59
Shantou Hualin Real Estate Development Co., Ltd.	Subsidiaries	Real estate development	91226120.44	104,996,712.66	52,906,201.68	437,930.20	517,706.24	517,706.24
Shantou Huafeng Real Estate Development Co., Ltd.	Subsidiaries	Real estate development	80000000	678,944,641.78	-53,894,019.30	35,685,788.34	-1,068,536.20	-1,068,535.34
Great Wall Real EstateCo., Ltd. in the UnitedStates	Subsidiaries	Real estate development	2051146	19,191,575.83	-89,193,808.19	361,888.66	-156,192.49	-156,192.49
Shenzhen Zhentong Engineering Co., Ltd.	Subsidiaries	Installation and maintenance	10000000	84,986,773.32	2,911,895.81	72,375,316.09	40,187.93	40,187.93
Shenzhen Petrel Hotel Co., Ltd.	Subsidiaries	Property leasing and management	30000000	56,598,961.57	42,825,628.79	9,196,297.93	771,527.27	577,337.23
Shenzhen Huazhan Construction Supervision Co., Ltd	Subsidiaries	Supervision	8000000	10,542,958.98	10,273,174.36	598,468.57	-411,159.25	-411,159.25
Xinfeng Enterprise Co., Ltd.	Subsidiaries	Investment, management	502335	318,961,458.69	-225,620,551.75	0.00	-849,251.59	-849,251.59

Information on acquisition and disposal of subsidiaries during the reporting period

□ Applicable ☑Not applicable

Notes to main holding and participating companies

1. The subordinate subsidiaries engaged in real estate development include: Shenzhen Shenfang Chuanqi Real Estate Development Co., Ltd., Shenzhen SPG Longgang Development Co., Ltd., Shantou SEZ Wellam FTY Building Development, Co., Ltd., Shantou Huafeng RealEstate Development Co., Ltd. Among them, the SPG Guangmingli project developed by Chuanqi Company (excluding the commercial part) and the Cuilinyuan project developed by Longgang Company have been completely sold out; the Jinyedao and Yuejing Dongfang developed by Shantou SEZ Wellam FTY Building Development, Co., Ltd. left a few amount of remaining buildings for sale; Shantou Huafeng Real Estate Development Co., Ltd. was responsible for the development of Tianyuewan project (divided into Phase I and Phase II). Tianyuewan Phase I was open for sale in October 2016 and completed in December 2019. The Phase II started construction in November 2018 and was completed at the end of June2021. As of June 30, 2026, the overall sales progress is relatively slow with an accumulated sales rate of 76.6% for Tianyuewan Phase I and 10.11% for Phase II.
2. Shenzhen Zhentong Engineering Co., Ltd. was engaged in the business of building installation and maintenance with the operating revenues of RMB 72.3753 million in the first half of 2026, accounting for 48.49% of the Group's operating revenues.
3. The 2026 net profit of Xin Feng Enterprise Co., Ltd. was RMB -849,300, which is mainly due to the depreciation and amortization of investment property.

IX. Structured Bodies Controlled by the Company

□ Applicable ☑Not applicable

X. Risks Faced by the Company and Countermeasures

(I) Macroeconomic risks and countermeasures

Currently, the external environment is confronted with complex challenges such as frequent geopolitical conflicts and accelerated anti-globalization. However, China's economy has a solid foundation, numerous advantages, strong resilience, and great potential, with the supporting conditions and fundamental trend of long-term positive growth unchanged. The real estate industry has a greater correlation with the macroeconomy andis more influenced by the macroeconomic cycle. The Company will continue paying close attention to the international and domestic macroeconomic situations and proactively adjust its operation strategies.

(II) Industry development risks and countermeasures

At this stage, as existing policies continue to show effects, new policies are effectively implemented, and the combined impact of policies is continuously released, the real estate market is in the critical stage of stabilizing and halting the decline amid fluctuations. Nevertheless, for some time to come, the real estate industry will still face many risks and potential hidden dangers, and the market competition pattern will present a new situation. The Company will closely monitor industry policies, follow national strategic direction, continuously optimize the business development path, and actively explore innovative operating models to better adapt to changes in the external environment.

(III) Business operating risks and countermeasures

Against the backdrop of increasingly fierce competition in the real estate market, the Company is facing challenges such as insufficient reserves of development land resources, difficulties in selling inventory projects, and a lack of substantial results in new business expansion, all of which are putting pressure on corporate operation and development. The Company will closely monitor market dynamics and industry policy trends, focus on property leasing and sales, the operations of its subsidiaries, and business expansion, and actively seek innovative models and paths that align with its actual development needs to flexibly respond to market challenges and explore broader development space.

XI. Formulation and Implementation of Market Capitalization Management System and Valuation Enhancement Plan

Whether the Company has formulated a market value management system.

☐ Yes ☑No

Whether the Company has disclosed plans for valuation enhancement.

☐ Yes ☑No

XII. Implementation of the "Quality and Return Dual Enhancement" Action Plan

Whether the company has disclosed the announcement of the action plan of "double improvement of quality return".

☐ Yes ☑No

Section IV Corporate Governance, Environment and Society

I. Changes in Directors and Senior Management of the Company

☑☑ Applicable ☐ Not applicable

Name	Position	Type	Date	Reasons
Zhang Manhua	Director	Resigned	March 6, 2026	Job transfer
Peng Xingting	Director	Elected	March 6, 2026	
Mi Xuming	Independent director	Resigned	May 21, 2026	Personal reasons
Song Botong	Independent director	Elected	May 21, 2026	

II. Profit Distribution and Conversion of Capital Reserves into Share Capital during the Reporting Period

□ Applicable ☑Not applicable

The Company plans not to distribute cash dividends, issue bonus shares, or convert capital reserve into share capital for the half year.

III. Implementation of the Company's Equity Incentive Plan, Employee Stock Ownership Plan or Other Employee Incentive Measures

□ Applicable ☑Not applicable

During the reporting period, the Company had no equity incentive plan, employee stock ownership plan or other employee incentive measures and their implementation.

IV. Disclosure of Environmental Information

Whether the listed company and its main subsidiaries are included in the list of enterprises required to disclose the environmental information by law

☐ Yes ☑No

V. Social Responsibilities

While pursuing economic benefits and protecting shareholders' interests, the Company actively fulfilled its social responsibilities, demonstrating its corporate social value and sense of responsibility. During the reporting period, the Company actively participated in special poverty alleviation through consumption campaigns to promote consumption assistance and rural revitalization in Shenzhen; continuously implemented the assistance project in Longdou Town, Chenghai District, Shantou City; and organized comprehensive fire emergency drills for merchants in the property buildings under its jurisdiction to enhance public awareness of fire safety and prevention.

Section V Significant Events

I. Commitments made by the Company's De Facto Controller, shareholders, related parties, acquirers, the Company and other related parties that have been fulfilled within the reporting period and those that have not been fulfilled as of the end of the reporting period

□ Applicable ☑Not applicable

During the reporting period, there were no commitments made by the Company's De Facto Controller, shareholders, related parties, acquirers, the Company and other related parties that have been fulfilled within the reporting period and those that have not been fulfilled as of the end of the reporting period.

II. Non-operational occupation of funds by the controlling shareholders and other related parties of the listed company

□ Applicable ☑Not applicable

During the reporting period, there were no non-operational funds occupied by the controlling shareholders and other related parties for the listed company.

III. Illegal external guarantees

□ Applicable ☑Not applicable

The Company had no illegal external guarantee during the reporting period.

IV. Appointment and Dismissal of Accounting Firm

Whether the semi-annual financial report has been audited

☐ Yes ☑No

The Company's semi-annual report has not been audited.

V. Explanations Given by the Board of Directors Regarding the Accounting Firm's "Modified Opinion" on the Financial Statements of the Reporting Period

□ Applicable ☑Not applicable

VI. Explanations Given by the Board of Directors Regarding the "Modified Opinion" on the Financial Statements of the Previous Year

□ Applicable ☑Not applicable

VII. Matters Related to Bankruptcy and Reorganization

□ Applicable ☑Not applicable

During the reporting period, the Company had no bankruptcy restructuring related matters.

VIII. Litigation Matters

Major litigations and arbitrations

☑☑ Applicable ☐ Not applicable

General information	Amount involved (RMB10,000)	Whether estimated liabilities are formed	Progress	Decisions and effects	Execution of decisions	Date of disclosure	Disclosure index
Lawsuit of bill dispute	17,715.14	No	This enforcement procedure is terminated. Jianbang Company has entered the bankruptcy and liquidation proceedings, and creditors may file claims with the administrator.	As Jianbang Group is incapable of paying the commercial bills due in January 2022, which total RMB177,151,400, Huizhou Mingxiang Economic Information Consulting Co., Ltd., Huizhou Huiyang Hongfa Industry & Trade Co., Ltd. and Huizhou Jinlongsheng Industrial Co., Ltd. brought a lawsuit on the bill dispute to the People’s Court of Huiyang District. The Huiyang District Court ruled at first instance in March 2023 that Jianbang Group should pay the acceptance bill amount and interest.	Huizhou Mingxiang Economic Information Consulting Co., Ltd., Huizhou Huiyang Hongfa Industry & Trade Co., Ltd., and Huizhou Jinlongsheng Industrial Co., Ltd. have applied for execution to the Huizhou Intermediate People's Court. In February 2026, the Huizhou Intermediate People's Court issued an Enforcement Order, ruling to terminate this enforcement	October 30, 2025	The Announcement on the Court's Ruling to Accept the Bankruptcy and Liquidation Application against a Controlling Subsidiary and Appointment of an Administrator (Announcement No.: 2025-030) disclosed on cninfo.com.cn

					procedure.		
Contractual disputes over loans	39,568.85	No	The enforcement procedure is terminated. Jianbang Company has entered the bankruptcy and liquidation proceedings, and filed claims with the administrator.	In January 2024, the Company received a civil judgment of the first instance issued by the Shenzhen Luohu District People's Court, and the Company won the case.	The Company has applied to the Shenzhen Luohu District People's Court for mandatory enforcement. On December 2, 2025, the Company received the Enforcement Order, ruling to terminate the enforcement procedure.	May 13, 2025	The Litigation Matters (Announcement No.: 2025-013) and the Announcement on the Court's Ruling to Accept the Bankruptcy and Liquidation Application against a Controlling Subsidiary and Appointment of an Administrator (Announcement No.: 2025-030) disclosed on cninfo.com.cn
Joint venture and cooperative real estate development contract disputes	74,357.5	No	Under retrial. Guangzhou Bopi and Evergrande Pearl River Delta have entered bankruptcy and liquidation proceedings, and filed claims with the administrator. Shenzhen Qijin is undergoing liquidation and deregistration, and claims have been filed with the liquidation team.	On January 8, 2025, our Company received the first instance Civil Judgment, and the judgment made by the Huizhou Intermediate People's Court of the first instance supported some of our company's litigation claims, but the profit make-up part was not supported as the term had not yet expired. On January 22, 2025, our Company filed an appeal regarding unsupported	Under retrial.	December 08, 2023	Announcement on Litigation Matters (No.: 2023-048) on www.cninfo.com.cn

				claims. In June 2026, the second-instance court, Guangdong High People's Court, issued a Civil Ruling, ruling to revoke the first-instance judgment and remand the case for retrial.			
Contractual disputes over loans	41,952.29	No	Jianbang Company, Guangzhou Bopi, and Evergrande Pearl River Delta have all entered bankruptcy and liquidation proceedings, and claims have been filed with their respective administrators. Shenzhen Qijin is undergoing liquidation and deregistration, and claims have been filed with the liquidation team.	In October 2024, our Company received the civil ruling for the second instance of this case, and the case was treated as a withdrawal of the lawsuit. The first-instance judgment has taken effect, and the Company has won the case. The Company applied to the court for compulsory enforcement in January 2025.	Given that Jianbang Company, Guangzhou Bopi, and Evergrande Pearl River Delta have all entered bankruptcy and liquidation proceedings, the Company has filed claims with their respective administrators. Meanwhile, Shenzhen Qijin is undergoing liquidation and deregistration, and the Company has filed claims with the liquidation team.	June 12, 2025	The Litigation Matters (Announcement No.: 2025-016) and the Announcement on the Court's Ruling to Accept the Bankruptcy and Liquidation Application against a Controlling Subsidiary and Appointment of an Administrator (Announcement No.: 2025-030) disclosed on cninfo.com.cn
Application		No	Under	On October 27,	On	October	The

for bankruptcy and liquidation			bankruptcy and liquidation, the administrator has taken over Jianbang Company.	2025, Jianbang Company received the Civil Ruling and the Decision from the Huizhou Intermediate People's Court. The court ruled to accept the bankruptcy and liquidation application filed by Zhongshan Shengtang Advertising Co., Ltd. against Jianbang Company and appointed an administrator.	December 8, 2025, the Company submitted its claim declaration materials to the administrator of Jianbang Company based on the claim amount confirmed by the effective civil judgment, the confirmation letter of claims and debts, and transfer vouchers. The Company actively participated in creditors' meetings to exercise its rights as a creditor in accordance with the law.	30, 2025	Announcement on the Court's Ruling to Accept the Bankruptcy and Liquidation Application against a Controlling Subsidiary and Appointment of an Administrator (Announcement No.: 2025-030) disclosed on cninfo.com.cn

Other litigation matters

□ Applicable ☑Not applicable

IX. Punishments and Rectifications

□ Applicable ☑Not applicable

There was no punishment or rectification during the reporting period.

X. Credit Quality of the Company as well as Its Controlling Shareholder and De Facto Controller

□ Applicable ☑Not applicable

XI. Major Related-Party Transactions

1. Related party transactions related to daily operations

□ Applicable ☑Not applicable

During the reporting period, the Company had no related party transactions related to daily operations.

2. Related party transactions arising from the acquisition and sale of assets or equity

□ Applicable ☑Not applicable

During the reporting period, the Company had no related party transactions arising from the acquisition or sale of assets or equity.

3. Related party transactions arising from joint external investment

□ Applicable ☑Not applicable

During the reporting period, the Company had no related party transactions arising from joint external investment.

4. Related claims and debts

□ Applicable ☑Not applicable

During the reporting period, the Company had no related debt transactions.

5. Information on transactions with finance companies with related relationship

□ Applicable ☑Not applicable

There was no deposit, loan, credit or other financial business between the Company and the finance companies with related relationship and their related parties.

6. Transactions between the Company's holding finance companies and its related parties

□ Applicable ☑Not applicable

There was no deposit, loan, credit or other financial business between the Company's holding finance companies and its related parties.

7. Other major related party transactions

□ Applicable ☑Not applicable

The Company had no other major related party transactions during the reporting period.

XII. Major Contracts and Execution Thereof

1. Custody, contracting and lease matters

(1) Custody

□ Applicable ☑Not applicable

During the reporting period, the Company had nothing under custody.

(2) Contracting

□ Applicable ☑Not applicable

During the reporting period, the Company had no contracting.

(3) Leases

□ Applicable ☑Not applicable

During the reporting period, the Company had no leases.

2. Significant guarantees

□ Applicable ☑Not applicable

The Company had no material guarantees during the reporting period.

3. Entrusted wealth management

☑☑ Applicable ☐ Not applicable

Unit: RMB10,000

Product category	Risk characteristics	Balance of entrusted wealth management during the reporting period	Delinquent uncollected amount
Others	Money market funds - low risk	105,732.53	0

Details of high-risk entrusted wealth management where the Company, as a single client, entrusts a financial institution for asset management, or invests in products with low safety and poor liquidity

□ Applicable ☑Not applicable

4. Other major contracts

□ Applicable ☑Not applicable

There were no other major contracts of the Company during the reporting period.

XIII. Registration Form for Reception, Survey, Communication, Interview and Other Activities during Reporting Period

☑☑ Applicable ☐ Not applicable

Reception time	Receptio	Reception	Type of	Reception	Main contents	Index of basic

	n place	mode	reception object	object	discussed and information provided	information of the survey
January 5, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
January 7, 2026	The Company	Telephone communication	Individual	Individual investor	Inquire about the termination of the agreement transfer matter between the controlling shareholder and China Orient Asset Management	Not applicable
January 12, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
January 13, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
January 15, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
January 16, 2026	The Company	Telephone communication	Individual	Individual investor	Inquire about the controlling shareholder's shareholding decrease	Not applicable
January 21, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
January 23, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
January 27, 2026	The Company	Telephone communication	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable
February 2, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
February 11, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
February 11, 2026	The Company	Online communication on the network platform	Individual	Individual investor	Inquire about policies and industry situations	Not applicable
February 12, 2026	The Company	Telephone communication	Individual	Individual investor	Inquire whether the Company has survey activities	Not applicable
February 24, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
February 27, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 2, 2026	The Compan	Written inquiry	Individual	Individual investor	Inquire about the number of	Not applicable

	y				shareholders	
March 4, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 4, 2026	The Company	Online communication on the network platform	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 5, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 9, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 9, 2026	The Company	Online communication on the network platform	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable
March 11, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 12, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 19, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
March 23, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
April 1, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
April 7, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
April 7, 2026	The Company	Online communication on the network platform	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable
April 13, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
April 17, 2026	The Company	Online communication on the network platform	Individual	Individual investor	Inquire about the Company's daily operations	Not applicable
April 21, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
April 22, 2026	The Company	Telephone communication	Individual	Individual investor	Inquire about the Company's primary business and performance	Not applicable
April 28, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
April 28, 2026	The Company	Online communication on the network platform	Individual	Individual investor	Inquiry about the company's future development	Not applicable

					plan	
May 6, 2026	The Company	Telephone communication	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable
May 7, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
May 8, 2026	The Company	Telephone communication	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable
May 11, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
May 21, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
May 25, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 1, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 1, 2026	The Company	Online communication on the network platform	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable
June 5, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 8, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 8, 2026	The Company	Online communication on the network platform	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable
June 11, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 12, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 18, 2026	The Company	Telephone communication	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable
June 22, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 23, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 25, 2026	The Company	Telephone communication	Individual	Individual investor	Inquire about the controlling shareholder's shareholding decrease	Not applicable
June 25, 2026	The Compan	Online communication	Individual	Individual investor	Inquiry about the progress	Not applicable

	y	on the network platform			of non-compete commitment	
June 29, 2026	The Company	Written inquiry	Individual	Individual investor	Inquire about the number of shareholders	Not applicable
June 29, 2026	The Company	Online communication on the network platform	Individual	Individual investor	Inquiry about the progress of non-compete commitment	Not applicable

XIV. Notes to Other Major Matters

□ Applicable ☑Not applicable

The Company had no other major matters to be explained during the reporting period.

XV. Major Matters of the Company's Subsidiaries

□ Applicable ☑Not applicable

Section VI. Share Changes and Shareholder Information

I. Changes in shares

1. Changes in shares

Unit: shares

	Before the change		Increase or decrease in this change (+, -)					After the change	
	Number	Ratio	New shares issued	Bonus issue	Conversion of provident fund into shares	Others	Sub-total	Number	Ratio
I. Shares with restrictive conditions for sales	0	0.00%	0	0	0	0	0	0	0.00%
1. State-owned shares	0	0.00%	0	0	0	0	0	0	0.00%
2. Shares held by the state-owned legal persons	0	0.00%	0	0	0	0	0	0	0.00%
3. Other domestic holdings	0	0.00%	0	0	0	0	0	0	0.00%
Including: shares held by domestic legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by domestic natural persons	0	0.00%	0	0	0	0	0	0	0.00%
4. Foreign	0	0.00%	0	0	0	0	0	0	0.00%

shareholding									
Including: shares held by overseas legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by overseas natural persons	0	0.00%	0	0	0	0	0	0	0.00%
II. Shares without restrictive conditions for sales	1,011,660,000	100.00%	0	0	0	0	0	1,011,660,000	100.00%
1. RMB-denominated ordinary shares	891,660,000	88.14%	0	0	0	0	0	891,660,000	88.14%
2. Domestically listed foreign shares	120,000,000	11.86%	0	0	0	0	0	120,000,000	11.86%
3. Foreign shares listed overseas	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	
III. Total number of shares	1,011,660,000	100.00%	0	0	0	0	0	1,011,660,000	100.00%

Reasons for changes in shares

□ Applicable ☑Not applicable

Approval of changes in shares

□ Applicable ☑Not applicable

Transfer of changes in shares

□ Applicable ☑Not applicable

Implementation progress of share repurchase

□ Applicable ☑Not applicable

Implementation progress of reducing repurchase shares by means of centralized bidding

□ Applicable ☑Not applicable

Effect of changes in shares on financial indicators such as basic earnings per share and diluted earnings per share in the latest year and the latest period, and net assets per share attributable to the Company's ordinary shareholders

□ Applicable ☑Not applicable

Other contents deemed necessary by the Company or required by the securities regulators to be disclosed

□ Applicable ☑Not applicable

2. Changes in restricted shares

□ Applicable ☑Not applicable

II. Issuance and listing of securities

□ Applicable ☑Not applicable

III. Number of the Company's Shareholders and Shareholding Ratios

Unit: shares

Total number of ordinary shareholders at the end of the reporting period.		38,209		Total number of preferred shareholders with restoration of voting rights at the end of the reporting period (if any) (see Note 8)			0	
Shareholdings of shareholders holding more than 5% or the top 10 shareholders (excluding shares lent through refinancing)								
Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares held at the end of the reporting period	Changes during the reporting period	Number of shares held under restricted conditions	Number of shares held without restrictions on sales	Pledge, marking or freezing	
							Share status	Number
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	54.79%	554,247,280	0	0	554,247,280	Not applicable	0
Shenzhen State-owned Equity Operation Management Co., Ltd.	Domestic non-state-owned legal person	6.35%	64,288,426	0	0	64,288,426	Not applicable	0
Yang Jianmin	Domestic natural person	0.95%	9,658,501	-629199	0	9,658,501	Pledged	3,890,000
Wang Yulan	Domestic natural person	0.62%	6,228,591	0	0	6,228,591	Not applicable	0
Zhang	Domestic	0.47%	4,756,900	60300	0	4,756,900	Not	0

Xiujuan	natural person						applicable	
Hong Kong Securities Clearing Company Ltd. (HKSCC)	Overseas legal person	0.45%	4,551,786	-2486697	0	4,551,786	Not applicable	0
He Qiao	Domestic natural person	0.43%	4,384,000	415900	0	4,384,000	Not applicable	0
Wang Zhengying	Domestic natural person	0.29%	2,962,900	1000	0	2,962,900	Not applicable	0
Zhang Tianxue	Domestic natural person	0.28%	2,830,283	0	0	2,830,283	Not applicable	0
Industrial and Commercial Bank of China Limited - China Southern CSI All Share Real Estate ETF Securities Investment Fund	Others	0.28%	2,794,146	546842	0	2,794,146	Not applicable	0
Strategic investors or general legal person becoming the top 10 shareholders due to placement of new shares (if any) (see Note 3)		Not applicable						
Notes to shareholders' related relationship or persons acting in concert		Among the top 10 shareholders of the Company, Shenzhen State-owned Equity Management Co., Ltd. is a wholly-owned subsidiary of Shenzhen Investment Holdings Co., Ltd. The Company does not know whether there exists associated relationship among the other shareholders, or whether they are persons acting in concert as prescribed in the Administrative Measures for the Acquisition of Listed Companies.						
Explanation of the above shareholders' involvement in entrusting/being entrusted voting rights and waiver of voting rights		Not applicable						
Special explanation for the existence of repurchase accounts among the top 10		Not applicable						

shareholders (if any) (see Note 11)			
Shareholdings of the top 10 shareholders without restrictions on sales (excluding shares lent through refinancing and shares locked by senior management)			
Name of shareholder	Number of shares held without restrictions on sales at the end of the reporting period	Type of shares	
		Type of shares	Number
Shenzhen Investment Holdings Co., Ltd.	554,247,280	RMB ordinary shares	554,247,280
Shenzhen State-owned Equity Operation Management Co., Ltd.	64,288,426	RMB ordinary shares	64,288,426
Yang Jianmin	9,658,501	RMB ordinary shares	9,658,501
Wang Yulan	6,228,591	RMB ordinary shares	6,228,591
Zhang Xiujuan	4,756,900	RMB ordinary shares	4,756,900
Hong Kong Securities Clearing Company Ltd. (HKSCC)	4,551,786	RMB ordinary shares	4,551,786
He Qiao	4,384,000	RMB ordinary shares	4,220,000
		Domestically listed foreign shares	164,000
Wang Zhengying	2,962,900	RMB ordinary shares	2,962,900
Zhang Tianxue	2,830,283	Domestically listed foreign shares	2,830,283
Industrial and Commercial Bank of China Limited - China Southern CSI All Share Real Estate ETF Securities Investment Fund	2,794,146	RMB ordinary shares	2,794,146
Explanation of related relationship or concerted actions among the top 10 unrestricted shareholders, and between the top 10 unrestricted shareholders and the top 10 shareholders	Among the top 10 unrestricted public shareholders of the Company, Shenzhen State-owned Equity Management Co., Ltd. is a wholly-owned subsidiary of Shenzhen Investment Holdings Co., Ltd. The Company does not know whether there exists associated relationship among the other shareholders, or whether they are persons acting in concert as prescribed in the Administrative Measures for the Acquisition of Listed Companies.		
Explanation of the top 10 ordinary shareholders' participation in margin financing and securities lending business (if any) (see Note 4)	Among the top 10 shareholders, the shareholder ranked 3rd holds 5,496,000 shares in a credit securities account, the 5th ranked shareholder holds 4,756,900 shares in a credit securities account, the 7th ranked shareholder holds 4,020,000 shares in a credit securities account, and the 8th ranked shareholder holds 2,962,900 shares in a credit securities account.		

Participation of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares in refinancing business and lending shares

□ Applicable ☑Not applicable

Changes of the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares compared with the previous period due to refinancing lending/repayment

□ Applicable ☑Not applicable

Whether the Company's top 10 ordinary shareholders and the top 10 ordinary shareholders without restrictive condition for sales conduct any agreed repurchase transactions during the reporting period

☐ Yes ☑No

The Company's top 10 ordinary shareholders, and top 10 ordinary shareholders without restrictive condition for sales did not conduct any agreed repurchase transaction during the reporting period.

IV. Changes in Shareholding of Directors and Senior Management

□ Applicable ☑Not applicable

There were no changes in the shareholdings of directors and senior management of the Company during the reporting period; please refer to the 2025 Annual Report for details.

V. Changes in Controlling Shareholders or De Facto Controller

If the Company has previously disclosed that the De Facto Controller is planning a change of control but it has not been completed, please explain the progress of the change of control.

□ Applicable ☑Not applicable

Changes in controlling shareholders during the reporting period

□ Applicable ☑Not applicable

There was no change in the controlling shareholder of the Company during the reporting period.

Changes in actual owner during the reporting period

□ Applicable ☑Not applicable

There was no change in the actual owner of the Company during the reporting period.

VI. Preferred Shares

□ Applicable ☑Not applicable

During the reporting period, the Company had no preferred shares.

Section VII Bonds

□ Applicable ☑Not applicable

Section VIII Financial Statements

I. Audit Report

Has the semi-annual report been audited

□ Yes ☑No

The company's semi-annual financial report has not been audited.

II. Financial Statements

The unit of the statements in the financial notes is: yuan

1. Consolidated balance sheet

Prepared by: Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd

June 30, 2026

Unit: Yuan

project	Closing balance	Opening balance
Current assets		
Monetary Funds	270,648,313.66	284,686,525.04
Settlement reserve funds	0.00	0.00
Withdrawal of capital	0.00	0.00
Trading financial assets	1,057,325,314.70	1,050,256,058.41
Derivative financial assets	0.00	0.00
Notes receivable	200,000.00	0.00
accounts receivable	45,419,725.16	44,898,083.74
Accounts receivable financing	0.00	0.00
Prepayments	19,842.94	31,588.45
premiums receivable	0.00	0.00
Reinsurance accounts receivable	0.00	0.00
Reserve for reinsurance contracts receivable	0.00	0.00
Other receivables	729,582,117.04	747,900,491.52
Among them: Interest receivable	0.00	0.00
Dividends receivable	0.00	0.00
Purchase of financial assets held under resale agreements	0.00	0.00
inventory	653,640,319.20	1,099,359,619.25
Among them: data resources	0.00	0.00
contract asset	21,855,722.04	29,035,256.28

Assets held for sale	0.00	0.00
Non-current assets maturing within one year	0.00	0.00
Other current assets	53,237,235.56	66,133,465.24
Total current assets	2,831,928,590.30	3,322,301,087.93
Non-current assets:		
Issuing loans and advances	0.00	0.00
debt investment	0.00	0.00
Other debt investments	0.00	0.00
Long-term receivables	0.00	0.00
Long-term equity investment	0.00	0.00
Other equity instrument investments	11,729,520.39	14,571,511.81
Other non-current financial assets	0.00	0.00
Investment property	937,519,655.46	522,634,659.17
Fixed assets	13,578,063.33	14,949,900.45
construction in progress	0.00	571,822.67
Productive biological assets	0.00	0.00
oil and gas assets	0.00	0.00
right-of-use asset	0.00	0.00
intangible assets	0.00	0.00
Among them: data resources	0.00	0.00
development expenditure	0.00	0.00
Among them: data resources	0.00	0.00
goodwill	0.00	0.00
Long-term deferred expenses	2,706,542.52	1,615,683.92
Deferred tax assets	6,415,564.08	6,138,319.62
Other non-current assets	0.00	0.00
Total non-current assets	971,949,345.78	560,481,897.64
Total Assets	3,803,877,936.08	3,882,782,985.57
Current liabilities		
short-term borrowing	1,065,508.63	50,000.00
Borrow from the central bank	0.00	0.00
Borrowed Funds	0.00	0.00
Trading financial liabilities	0.00	0.00
Derivative financial liabilities	0.00	0.00
Notes Payable	0.00	0.00
accounts payable	168,578,885.71	171,738,333.04
Advance receipts	3,417,122.84	722,042.14
Contract liabilities	21,426,300.03	28,400,659.20
Financial assets sold for repurchase	0.00	0.00
Deposit taking and interbank deposit	0.00	0.00
Securities trading funds on behalf	0.00	0.00
Funds from agency underwriting of	0.00	0.00

securities		
Payroll payable	30,266,318.49	32,757,342.88
Taxes payable	18,826,842.10	26,922,082.58
Other payables	119,077,007.22	144,280,409.16
Among them: interest payable	16,535,277.94	16,535,277.94
Dividends payable	0.00	0.00
Payable handling fees and commissions	0.00	0.00
Accounts payable for reinsurance	0.00	0.00
Liabilities held for sale	0.00	0.00
Non-current liabilities maturing within one year	0.00	0.00
Other current liabilities	7,053,339.82	7,565,002.87
Total current liabilities	369,711,324.84	412,435,871.87
Non-current liabilities:		
Reserve fund for insurance contracts	0.00	0.00
long-term loans	0.00	0.00
Bonds payable	0.00	0.00
Among them: preferred stock	0.00	0.00
perpetual bond	0.00	0.00
lease liability	0.00	0.00
Long-term payables	0.00	0.00
Long-term payroll payable	0.00	0.00
provisions	0.00	0.00
Deferred revenue	0.00	0.00
Deferred income tax liabilities	1,337,604.71	867,914.50
Other non-current liabilities	0.00	0.00
Total non-current liabilities	1,337,604.71	867,914.50
Total Liabilities	371,048,929.55	413,303,786.37
Owners' equity:		
share capital	1,011,660,000.00	1,011,660,000.00
Other equity instruments	0.00	0.00
Among them: preferred shares	0.00	0.00
perpetual bond	0.00	0.00
Capital Reserve	978,244,910.11	978,244,910.11
Less: Treasury Stock	0.00	0.00
Other comprehensive income	29,417,639.89	23,315,115.52
Special reserves	0.00	0.00
Surplus reserve	275,253,729.26	275,253,729.26
General risk provision	0.00	0.00
Retained Earnings	1,279,881,231.23	1,323,849,441.49
Total equity attributable to owners of the parent company	3,574,457,510.49	3,612,323,196.38
Minority shareholders' equity	-141,628,503.96	-142,843,997.18
Total owner's equity	3,432,829,006.53	3,469,479,199.20
Total liabilities and owner's equity	3,803,877,936.08	3,882,782,985.57

Legal Representative: Chen Ming; Person in Charge of Accounting Work: Wang Jianfei; Head of Accounting Organization: Zhou

Hongpu

2. Balance sheet of the parent company

Unit: Yuan

project	Closing balance	Opening balance
Current assets		
Monetary Funds	94,397,236.20	69,884,281.83
Trading financial assets	0.00	0.00
Derivative financial assets	0.00	0.00
Notes receivable	0.00	0.00
accounts receivable	4,665,706.26	4,843,552.76
Accounts receivable financing	0.00	0.00
Prepayments	4,000.00	0.00
Other receivables	1,841,982,042.16	1,880,427,908.13
Among them: Interest receivable	0.00	0.00
Dividends receivable	37,814,622.88	24,222,722.88
inventory	312,474.69	312,474.69
Among them: data resources	0.00	0.00
contract asset	0.00	0.00
Assets held for sale	0.00	0.00
Non-current assets maturing within one year	0.00	0.00
Other current assets	1,036,245.85	1,294,922.05
Total current assets	1,942,397,705.16	1,956,763,139.46
Non-current assets:		
debt investment	0.00	0.00
Other debt investments	0.00	0.00
Long-term receivables	0.00	0.00
Long-term equity investment	1,132,181,561.85	1,132,181,561.85
Other equity instrument investments	14,571,511.81	14,571,511.81
Other non-current financial assets	0.00	0.00
Investment property	375,585,756.47	387,434,080.02
Fixed assets	8,263,705.93	9,186,628.06
construction in progress	0.00	571,822.67
Productive biological assets	0.00	0.00
oil and gas assets	0.00	0.00
right-of-use asset	0.00	0.00
intangible assets	0.00	0.00
Among them: data resources	0.00	0.00
development expenditure	0.00	0.00
Among them: data resources	0.00	0.00
goodwill	0.00	0.00

Long-term deferred expenses	2,454,374.61	1,209,606.83
Deferred tax assets	469,690.21	0.00
Other non-current assets	0.00	0.00
Total non-current assets	1,533,526,600.88	1,545,155,211.24
Total Assets	3,475,924,306.04	3,501,918,350.70
Current liabilities		
short-term borrowing	0.00	0.00
Trading financial liabilities	0.00	0.00
Derivative financial liabilities	0.00	0.00
Notes Payable	0.00	0.00
accounts payable	4,756,898.72	6,692,455.48
Advance receipts	110,143.00	0.00
Contract liabilities	2,255,023.41	94,227.61
Payroll payable	22,241,925.83	21,771,697.06
Taxes payable	4,466,019.01	1,161,124.78
Other payables	115,732,752.35	142,790,324.11
Among them: interest payable	16,535,277.94	16,535,277.94
Dividends payable	0.00	0.00
Liabilities held for sale	0.00	0.00
Non-current liabilities maturing within one year	0.00	0.00
Other current liabilities	5.59	4,711.39
Total current liabilities	149,562,767.91	172,514,540.43
Non-current liabilities:		
long-term loans	0.00	0.00
Bonds payable	0.00	0.00
Among them: preferred stock	0.00	0.00
perpetual bond	0.00	0.00
lease liability	0.00	0.00
Long-term payables	0.00	0.00
Long-term payroll payable	0.00	0.00
provisions	0.00	0.00
Deferred revenue	0.00	0.00
Deferred tax liabilities	1,337,604.71	867,914.50
Other non-current liabilities	0.00	0.00
Total non-current liabilities	1,337,604.71	867,914.50
Total Liabilities	150,900,372.62	173,382,454.93
Owners' equity:		
share capital	1,011,660,000.00	1,011,660,000.00
Other equity instruments	0.00	0.00
Among them: preferred stock	0.00	0.00
perpetual bond	0.00	0.00
Capital Reserve	964,711,931.13	964,711,931.13
Less: Treasury Stock	0.00	0.00
Other comprehensive income	1,928,633.86	1,928,633.86

Special reserves	0.00	0.00
Surplus reserve	252,124,115.85	252,124,115.85
Retained Earnings	1,094,599,252.58	1,098,111,214.93
Total owner's equity	3,325,023,933.42	3,328,535,895.77
Total liabilities and owner's equity	3,475,924,306.04	3,501,918,350.70

3. Consolidated income statement

Unit: Yuan

project	Half-yearly report of 2026	Half-yearly in 2025
1. Total operating income	149,256,953.04	637,366,221.35
Among them: Operating income	149,256,953.04	637,366,221.35
interest income		
Earned Premium	0.00	0.00
Service fee and commission income	0.00	0.00
II. Total operating costs	165,056,813.62	522,377,406.04
Among them: Operating costs	123,812,714.67	463,717,990.62
Interest expense	0.00	0.00
Service fee and commission expense	0.00	0.00
Surrender value	0.00	0.00
Net compensation expenditure	0.00	0.00
Net amount of insurance liability reserve	0.00	0.00
Policy dividend expenses	0.00	0.00
Reinsurance premium	0.00	0.00
Taxes and Surcharges	7,395,017.33	15,562,007.88
sales expenses	6,366,066.93	9,708,711.93
administrative expenses	27,112,672.76	32,175,388.99
R&D expenses	0.00	0.00
financial expenses	370,341.93	1,213,306.62
Among them: Interest expense	0.00	2,788,711.79
interest income	925,667.62	2,154,378.05
Plus: Other income	54,026.64	31,652.46
Investment income (loss indicated with "-")	66,265.23	99,669.36
Including: Investment income from associated enterprises and joint ventures	0.00	0.00
Gain on derecognition of financial assets measured at amortized cost	0.00	0.00
Exchange gains (losses are indicated by a "-" sign)	0.00	0.00
Net open hedge gains (losses are	0.00	0.00

indicated by a "-" sign)		
Income from changes in fair value (loss is indicated by a "-" sign)	7,069,256.29	8,662,388.50
Credit impairment loss (loss is indicated by a "-" sign)	554,041.03	-77,782.93
Asset impairment loss (loss is indicated by a "-" sign)	0.00	-15,230.21
Gains from asset disposal (losses are indicated by a "-" sign)	357.10	0.00
III. Operating profit (loss indicated with a "-" sign)	-8,055,914.29	123,689,512.49
Plus: Non-operating income	491.27	20,130.74
Less: Non-operating expenses	1,744.29	1,634.14
IV. Total profit (total loss indicated with a "-" sign)	-8,057,167.31	123,708,009.09
Less: Income tax expense	950,501.45	21,496,138.68
V. Net profit (net loss indicated with "-")	-9,007,668.76	102,211,870.41
(1) Classification based on business continuity		
1. Net profit from continuing operations (net loss indicated with a "-")	-9,007,668.76	102,211,870.41
2. Net profit from discontinued operations (net loss indicated with a "-" sign)	0.00	0.00
(II) Classification by ownership		
1. Net profit attributable to shareholders of the parent company (net loss indicated with a "-" sign)	-8,560,110.26	103,027,646.42
2. Minority shareholders' profit and loss (net loss indicated with a "-" sign)	-447,558.50	-815,776.01
VI. Net amount after tax of other comprehensive income	7,765,576.09	6,797,849.82
Net amount of other comprehensive income after tax attributable to owners of the parent company	6,102,524.37	6,368,897.45
(1) Other comprehensive income that cannot be reclassified into profit and loss	-2,841,991.42	241,517.87
1. Remeasure the change amount of the defined benefit plan	0.00	0.00
2. Other comprehensive income that cannot be transferred to profit and loss under the equity method	0.00	0.00
3. Changes in fair value of other equity instrument investments	-2,841,991.42	241,517.87
4. Changes in fair value of enterprise's own credit risk	0.00	0.00
5. Others	0.00	0.00
(II) Other comprehensive income reclassified into profit and loss	8,944,515.79	6,127,379.58
1. Other comprehensive income that can be transferred to profit and loss under the equity method	0.00	0.00
2. Changes in fair value of other	0.00	0.00

debt investments		
3. Amount of financial assets reclassified and recorded in other comprehensive income	0.00	0.00
4. Provision for credit impairment of other debt investments	0.00	0.00
5. Cash flow hedging reserve	0.00	0.00
6. Translation differences in foreign currency financial statements	8,944,515.79	6,127,379.58
7. Others	0.00	0.00
Net amount of other comprehensive income attributable to minority shareholders after tax	1,663,051.72	428,952.37
VII. Total comprehensive income	-1,242,092.67	109,009,720.23
Total comprehensive income attributable to owners of the parent company	-2,457,585.89	109,396,543.87
Total comprehensive income attributable to minority shareholders	1,215,493.22	-386,823.64
8. Earnings per share:		
(I) Basic earnings per share	-0.0085	0.1018
(II) Diluted earnings per share	-0.0085	0.1018

For the business combination under the same control in this period, the net profit realized by the combined party before the combination is: 0.00 yuan, and the net profit realized by the combined party in the previous period is: 0.00 yuan.

Legal Representative: Chen Ming; Person in Charge of Accounting Work: Wang Jianfei; Head of Accounting Organization: Zhou Hongpu

4. Income statement of the parent company

Unit: Yuan

project	Half-yearly report of 2026	Half-yearly in 2025
1. Operating income	27,666,413.33	23,097,217.24
Less: Operating costs	16,614,407.10	15,530,601.07
Taxes and Surcharges	5,165,372.07	7,010,315.64
sales expenses	1,678,549.84	1,752,440.34
administrative expenses	21,302,074.63	18,361,484.35
R&D expenses	0.00	0.00
financial expenses	1,127,730.78	2,423,621.13
Among them: interest expenses	0.00	2,414,263.08
interest income	102,806.10	507,352.13
Plus: Other income	51,104.04	28,158.18
Investment income (loss indicated with "-")	50,066,265.23	99,669.36
Including: Investment income from associated enterprises and joint ventures	0.00	0.00
Gain on derecognition of financial assets measured at amortized cost (loss is indicated by a "-" sign)	0.00	0.00
Net open hedge gains (losses are	0.00	0.00

indicated by a "-" sign)		
Income from changes in fair value (loss is indicated by a "-" sign)	0.00	8,662,388.50
Credit impairment loss (loss is indicated by a "-" sign)	0.00	0.00
Asset impairment losses (losses are indicated by a "-" sign)	0.00	0.00
Gains from asset disposal (losses are indicated by a "-" sign)	0.00	0.00
II. Operating profit (loss indicated with "-")	31,895,648.18	-13,191,029.25
Plus: Non-operating income	489.47	8,398.00
Less: Non-operating expenses	0.00	32.50
III. Total profit (total loss indicated with a "-" sign)	31,896,137.65	-13,182,663.75
Less: Income tax expense	0.00	0.00
IV. Net profit (net loss indicated with a "-" sign)	31,896,137.65	-13,182,663.75
(I) Net profit from continuing operations (net loss indicated with a "-" sign)	31,896,137.65	-13,182,663.75
(II) Net profit from discontinued operations (net loss indicated with a "-" sign)		
V. Net amount after tax of other comprehensive income	0.00	0.00
(1) Other comprehensive income that cannot be reclassified into profit and loss	0.00	0.00
1. Remeasure the change amount of the defined benefit plan	0.00	0.00
2. Other comprehensive income that cannot be transferred to profit and loss under the equity method	0.00	0.00
3. Changes in fair value of other equity instrument investments	0.00	0.00
4. Changes in fair value of enterprise's own credit risk	0.00	0.00
5. Others	0.00	0.00
(II) Other comprehensive income reclassified into profit and loss		
1. Other comprehensive income that can be transferred to profit and loss under the equity method	0.00	0.00
2. Changes in fair value of other debt investments	0.00	0.00
3. Amount of financial assets reclassified and recorded in other comprehensive income	0.00	0.00
4. Provision for credit impairment of other debt investments	0.00	0.00
5. Cash flow hedging reserve	0.00	0.00
6. Translation differences in foreign currency financial statements	0.00	0.00

7. Others	0.00	0.00
VI. Total comprehensive income	31,896,137.65	-13,182,663.75
VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated cash flow statement

Unit: Yuan

project	Half-yearly report for 2026	Half-yearly in 2025
I. Cash flows from operating activities:		
Cash received from selling goods and providing services	149,907,409.47	107,961,865.12
Net increase in customer deposits and interbank deposits	0.00	0.00
Net increase in borrowings from the central bank	0.00	0.00
Net increase in funds borrowed from other financial institutions	0.00	0.00
Cash received from premiums of original insurance contracts	0.00	0.00
Net cash received from reinsurance business	0.00	0.00
Net increase in policyholder deposits and investment funds	0.00	0.00
Cash collected from interest, handling fees, and commissions	0.00	0.00
Net increase in interbank borrowing	0.00	0.00
Net increase in funds for repurchase business	0.00	0.00
Net cash received from securities trading as an agent	0.00	0.00
Tax refund received	13,450,960.28	14,257,792.80
Received other cash related to operating activities	18,815,550.68	120,662,833.73
Subtotal of cash inflows from operating activities	182,173,920.43	242,882,491.65
Cash paid for purchasing goods and receiving services	84,617,506.24	79,091,286.46
Net increase in loans and advances to customers	0.00	0.00
Net increase in deposits with central bank and interbank deposits	0.00	0.00
Cash paid for compensation under the original insurance contract	0.00	0.00
Net increase in funds lent out	0.00	0.00
Cash paid for interest, fees, and commissions	0.00	0.00
Cash paid for policy dividends	0.00	0.00
Cash paid to and for employees	30,986,998.71	31,933,948.07
Various taxes and fees paid	23,973,777.86	65,156,436.59
Cash paid for other activities related to	17,648,538.14	154,123,062.11

operating activities		
Subtotal of cash outflows from operating activities	157,226,820.95	330,304,733.23
Net cash flow from operating activities	24,947,099.48	-87,422,241.58
II. Cash flows from investing activities:		
Cash received from investment recovery	0.00	0.00
Cash received from investment income	66,265.23	99,669.36
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	0.00	0.00
Net cash received from the disposal of subsidiaries and other business units	0.00	0.00
Received other cash related to investing activities	0.00	0.00
Subtotal of cash inflows from investing activities	66,265.23	99,669.36
Cash paid for the acquisition and construction of fixed assets, intangible assets, and other long-term assets	38,267.66	75,475.40
Cash paid for investment	0.00	0.00
Net increase in pledge loans	0.00	0.00
Net cash paid to acquire subsidiaries and other business entities	0.00	0.00
Cash paid for other activities related to investment	0.00	110,000,000.00
Subtotal of cash outflows from investing activities	38,267.66	110,075,475.40
Net cash flow from investing activities	27,997.57	-109,975,806.04
III. Cash flows from financing activities:		
Cash received from investment absorption	0.00	0.00
Including: cash received from investments by minority shareholders in subsidiaries	0.00	0.00
Cash received from loan acquisition	0.00	0.00
Received other cash related to financing activities	0.00	0.00
Subtotal of cash inflows from financing activities	0.00	0.00
Cash paid for debt repayment	0.00	33,500,586.60
Cash paid for distributing dividends, profits, or servicing interest	35,408,100.00	1,448,749.44
Including: dividends and profits paid by subsidiaries to minority shareholders	0.00	0.00
Cash paid for other financing-related activities	0.00	0.00
Subtotal cash outflows from financing activities	35,408,100.00	34,949,336.04
Net cash flow from financing activities	-35,408,100.00	-34,949,336.04
IV. Impact of exchange rate changes on cash and cash equivalents	-148,030.43	-63,892.72
V. Net increase in cash and cash equivalents	-10,581,033.38	-232,411,276.38
Plus: Balance of cash and cash	278,891,920.87	520,910,254.44

equivalents at the beginning of the period		
VI. Closing balance of cash and cash equivalents	268,310,887.49	288,498,978.06

6. Cash flow statement of the parent company

Unit: Yuan

project	Half-yearly report of 2026	Half-yearly in 2025
I. Cash flows from operating activities:		
Cash received from selling goods and providing services	32,489,773.17	27,636,940.85
Tax refund received	54,086.16	31,866.46
Received other cash related to operating activities	22,010,845.69	122,029,488.61
Subtotal of cash inflows from operating activities	54,554,705.02	149,698,295.92
Cash paid for purchasing goods and receiving services	514,055.95	193,118.60
Cash paid to and for employees	19,473,806.76	17,111,206.32
Various taxes and fees paid	3,685,647.80	6,276,383.28
Cash paid for other activities related to operating activities	6,793,060.67	34,259,333.81
Subtotal of cash outflows from operating activities	30,466,571.18	57,840,042.01
Net cash flow from operating activities	24,088,133.84	91,858,253.91
II. Cash flows from investing activities:		
Cash received from investment recovery	0.00	5,000,000.00
Cash received from investment income	66,265.23	99,669.36
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets	0.00	0.00
Net cash received from the disposal of subsidiaries and other business units	0.00	0.00
Received other cash related to investing activities	36,408,100.00	0.00
Subtotal of cash inflows from investing activities	36,474,365.23	5,099,669.36
Cash paid for the acquisition and construction of fixed assets, intangible assets, and other long-term assets	641,444.70	6,884.96
Cash paid for investment	0.00	0.00
Net cash paid to acquire subsidiaries and other business entities	0.00	0.00
Cash paid for other activities related to investment	0.00	110,000,000.00
Subtotal of cash outflows from investing activities	641,444.70	110,006,884.96
Net cash flow from investing activities	35,832,920.53	-104,907,215.60
III. Cash flows from financing activities:		
Cash received from investment absorption	0.00	0.00
Cash received from loan acquisition	0.00	0.00
Received other cash related to financing activities	0.00	0.00

Subtotal cash inflows from financing activities	0.00	0.00
Cash paid for debt repayment	0.00	62,586.60
Cash paid for distributing dividends, profits, or servicing interest	35,408,100.00	1,032,614.31
Cash paid for other financing-related activities	0.00	0.00
Subtotal cash outflows from financing activities	35,408,100.00	1,095,200.91
Net cash flow from financing activities	-35,408,100.00	-1,095,200.91
IV. Impact of exchange rate changes on cash and cash equivalents	0.00	0.00
V. Net increase in cash and cash equivalents	24,512,954.37	-14,144,162.60
Plus: Balance of cash and cash equivalents at the beginning of the period	69,884,281.83	81,754,926.52
VI. Closing balance of cash and cash equivalents	94,397,236.20	67,610,763.92

7. Consolidated statement of changes in equity

Current Amount

Unit: Yuan

project	Half-yearly report for 2026														
	Owners' equity attributable to the parent company													Minority shareholders' equity	Total owner's equity
	share capital	Other equity instruments			Capital Reserve	Less: Treasury Stock	Other comprehensive income	Special reserves	Surplus reserve	General risk provisions	Retained Earnings	Other	Subtotal		
		preferred stock	perpetual bond	Other											
1. Ending balance of the previous year	1,011,660,000.00				978,244,910.11		23,315,115.52		275,253,729.26		1,323,849,441.49	0.00	3,612,323,196.38	-142,843,997.18	3,469,479,199.20
Plus: Changes in accounting policies															
Correction of prior period errors															
Other															
II. Opening balance of the current year	1,011,660,000.00	0.00	0.00	0.00	978,244,910.11	0.00	23,315,115.52	0.00	275,253,729.26	0.00	1,323,849,441.49		3,612,323,196.38	-142,843,997.18	3,469,479,199.20
III. Changes in Amount for the Current Period (Decreases are indicated by a "-" sign)	0.00	0.00	0.00	0.00	0.00	0.00	6,102,524.37	0.00	0.00	0.00	-43,968,210.26		-37,865,685.89	1,215,493.22	-36,650,192.67

(I) Total comprehensive income							6,102,524.37				-8,560,110.26		-2,457,585.89	1,215,493.22	-1,242,092.67
(II) Capital invested and reduced by owners													0.00	0.00	0.00
1. Common stock invested by owners													0.00		0.00
2. Capital invested by holders of other equity instruments													0.00		0.00
3. Amount of share-based payments recognized in owners' equity													0.00		0.00
4. Others													0.00	0.00	0.00
(III) Profit distribution											-35,408,100.00		-35,408,100.00		-35,408,100.00
1. Withdrawal of surplus reserves													0.00		0.00
2. Withdrawal of general risk provisions													0.00		0.00
3. Distribution to owners (or shareholders)											-35,408,100.00		-35,408,100.00		-35,408,100.00
4. Others													0.00		0.00
(IV) Internal transfer of owner's equity													0.00		0.00
1. Capital reserves converted into capital (or share capital)													0.00		0.00
2. Conversion of surplus reserves into capital (or share capital)													0.00		0.00
3. Surplus reserves used to cover losses													0.00		0.00
4. Carry forward the change amount of the defined benefit plan to retained earnings													0.00		0.00

5. Transfer of other comprehensive income to retained earnings												0.00		0.00
6. Others												0.00		0.00
(V) Special reserves												0.00		0.00
1. Current period withdrawal												0.00		0.00
2. Current use												0.00		0.00
(VI) Others												0.00	0.00	0.00
IV. Closing balance of the current period	1,011,660,000.00	0.00	0.00	0.00	978,244,910.11	0.00	29,417,639.89	0.00	275,253,729.26	0.00	1,279,881,231.23		3,574,457,510.49	-141,628,503.96	3,432,829,006.53

Last year's amount

Unit: Yuan

project	Half-yearly in 2025														
	Owners' equity attributable to the parent company													Minority shareholders' equity	Total owner's equity
	share capital	Other equity instruments			Capital Reserve	Less: Treasury Stock	Other comprehensive income	Special reserves	Surplus reserve	General risk provision	Retained Earnings	Other	Subtotal		
		preferred stock	perpetual bond	Other											
1. Ending balance of the previous year	1,011,660,000.00				978,244,910.11		23,060,416.31		275,253,729.26		1,223,893,437.74		3,512,112,493.42	-116,725,425.75	3,395,387,067.67
Plus: Changes in accounting policies															
Correction of prior period errors															
Other															
II. Opening balance of the current year	1,011,660,000.00	0.00	0.00	0.00	978,244,910.11	0.00	23,060,416.31	0.00	275,253,729.26	0.00	1,223,893,437.74		3,512,112,493.42	-116,725,425.75	3,395,387,067.67
III. Amount of increase or decrease in the current	0.00	0.00	0.00	0.00	0.00	0.00	6,368,897.45	0.00	0.00	0.00	103,027,646.42		109,396,543.87	-386,823.64	109,009,720.23

period (decrease is indicated by a "-" sign)															
(I) Total comprehensive income							6,368,897.45				103,027,646.42		109,396,543.87	-386,823.64	109,009,720.23
(II) Capital invested and reduced by owners													0.00		0.00
1. Common stock invested by owners													0.00		0.00
2. Capital invested by holders of other equity instruments													0.00		0.00
3. Amount of share-based payments recognized in owners' equity													0.00		0.00
4. Others													0.00		0.00
(III) Profit distribution													0.00		0.00
1. Withdrawal of surplus reserves													0.00		0.00
2. Withdrawal of general risk provisions													0.00		0.00
3. Distribution to owners (or shareholders)													0.00		0.00
4. Others													0.00		0.00
(IV) Internal transfer of owner's equity													0.00		0.00
1. Capital reserves converted into capital (or share													0.00		0.00

capital)															
2. Surplus reserves converted into capital (or share capital)													0.00		0.00
3. Surplus reserves used to cover losses													0.00		0.00
4. Carry forward the change amount of the defined benefit plan to retained earnings													0.00		0.00
5. Transfer of other comprehensive income to retained earnings													0.00		0.00
6. Others													0.00		0.00
(V) Special reserves													0.00		0.00
1. Withdrawal in current period													0.00		0.00
2. Current use													0.00		0.00
(VI) Others													0.00		0.00
IV. Closing balance of the current period	1,011,660,000.00	0.00	0.00	0.00	978,244,910.11	0.00	29,429,313.76	0.00	275,253,729.26	0.00	1,326,921,084.16		3,621,509,037.29	-117,112,249.39	3,504,396,787.90

8. Statement of Changes in Equity of the Parent Company

Current Amount

Unit: Yuan

project	Half-yearly report for 2026											
	share capital	Other equity instruments			Capital Reserve	Less: Treasury Stock	Other comprehensive income	Special reserves	Surplus reserve	Retained Earnings	Other	Total owner's equity
		preferred stock	perpetual bond	Other								

1. Ending balance of the previous year	1,011,660,000.00				964,711,931.13		1,928,633.86		252,124,115.85	1,098,111,214.93		3,328,535,895.77
Plus: Changes in accounting policies												
Correction of prior period errors												
Other												
II. Opening balance of the current year	1,011,660,000.00	0.00	0.00	0.00	964,711,931.13	0.00	1,928,633.86	0.00	252,124,115.85	1,098,111,214.93	0.00	3,328,535,895.77
III. Changes in Amount for the Current Period (Decreases are indicated by a "-" sign)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-3,511,962.35	0.00	-3,511,962.35
(I) Total comprehensive income							0.00			31,896,137.65		31,896,137.65
(II) Capital invested and reduced by owners												0.00
1. Common stock invested by owners												0.00
2. Capital contributed by holders of other equity instruments												0.00
3. Amount of share-based payments recognized in owners' equity												0.00
4. Others												0.00
(III) Profit distribution										-35,408,100.00		-35,408,100.00

1. Withdrawal of surplus reserves												0.00
2. Distribution to owners (or shareholders)										-35,408,100.00		-35,408,100.00
3. Others												0.00
(IV) Internal transfer of owner's equity												0.00
1. Capital reserves converted into capital (or share capital)												0.00
2. Surplus reserves converted into capital (or share capital)												0.00
3. Surplus reserves used to cover losses												0.00
4. Carry forward the change amount of the defined benefit plan to retained earnings												0.00
5. Transfer of other comprehensive income to retained earnings												0.00
6. Others												0.00
(V) Special reserves												0.00
1. Withdrawal for the current period												0.00
2. Use in this period												0.00

(VI) Others												0.00
IV. Closing balance of the current period	1,011,660,000.00	0.00	0.00	0.00	964,711,931.13	0.00	1,928,633.86	0.00	252,124,115.85	1,094,599,252.58	0.00	3,325,023,933.42

Last year's amount

Unit: Yuan

project	Half-yearly report for 2025											
	share capital	Other equity instruments			Capital Reserve	Less: Treasury Stock	Other comprehensive income	Special reserves	Surplus reserve	Retained Earnings	Other	Total owner's equity
		preferred stock	perpetual bond	Other								
1. Ending balance of the previous year	1,011,660,000.00				964,711,931.13		2,023,005.89		252,124,115.85	1,237,671,562.02		3,468,190,614.89
Plus: Changes in accounting policies												
Correction of prior period errors												
Other												
II. Opening balance of the current year	1,011,660,000.00	0.00	0.00	0.00	964,711,931.13	0.00	2,023,005.89	0.00	252,124,115.85	1,237,671,562.02	0.00	3,468,190,614.89
III. Changes in Amount for the Current Period (Decreases are indicated by a "-" sign)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-13,182,663.75	0.00	-13,182,663.75
(I) Total comprehensive income							0.00			-13,182,663.75		-13,182,663.75
(II) Capital invested and reduced by owners												0.00
1. Common stock invested by owners												0.00

2. Capital invested by holders of other equity instruments												0.00
3. Amount of share-based payments recorded in owners' equity												0.00
4. Others												0.00
(III) Profit distribution												0.00
1. Withdrawal of surplus reserves												0.00
2. Distribution to owners (or shareholders)												0.00
3. Others												0.00
(IV) Internal transfer of owner's equity												0.00
1. Capital reserves converted into capital (or share capital)												0.00
2. Conversion of surplus reserves into capital (or share capital)												0.00
3. Surplus reserves used to cover losses												0.00
4. Carry forward the change amount of the defined benefit plan to retained earnings												0.00
5. Transfer of other												0.00

comprehensive income to retained earnings												
6. Others												0.00
(V) Special reserves												0.00
1. Withdrawal in this period												0.00
2. Current period usage												0.00
(VI) Others												0.00
IV. Closing balance of the current period	1,011,660,000.00	0.00	0.00	0.00	964,711,931.13	0.00	2,023,005.89	0.00	252,124,115.85	1,224,488,898.27	0.00	3,455,007,951.14

III. Basic Information of the Company

Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd. (hereinafter referred to as the "Company" or "our company") was established as a joint stock limited company through restructuring on the basis of the former Shenzhen Special Economic Zone Real Estate Corporation, with the approval of the General Office of the People's Government of Shenzhen Municipality. It was registered with the Administration for Industry and Commerce of Shenzhen, Guangdong Province, in July 1993, and its headquarters is located in Shenzhen, Guangdong Province. The company's unified social credit code is 91440300192179585N, with a registered capital of 1,011,660,000.00 yuan and a total of 1,011,660,000 shares (with a par value of 1 yuan per share). Among them, there are 891,660,000 A shares and 120,000,000 B shares that are tradable without restrictions on sales. The company's shares were listed and traded on the Shenzhen Stock Exchange on September 15, 1993 and January 10, 1994, respectively.

Our company is in the real estate industry. Our main business activities include real estate development and sales of commercial housing, property leasing and management, retail and trade of goods, hotel business, equipment installation and maintenance, construction, interior decoration, and other related businesses.

This financial statement has been approved for external release by the second meeting of the ninth session of the board of directors on August 25, 2026.

IV. Basis for Preparing Financial Statements

1. Basis of preparation

The financial statements of our company are prepared on a going concern basis.

2. Continuous operation

Our company does not have any matters or circumstances that may cast significant doubt on its ability to continue as a going concern within 12 months from the end of the reporting period.

V. Significant accounting policies and accounting estimates

Specific accounting policies and accounting estimates tips:

Important Note: The Company has formulated specific accounting policies and estimates for transactions or events such as impairment of financial instruments, inventories, depreciation of fixed assets, construction in progress, intangible assets, and revenue recognition, based on its actual production and operation characteristics.

1. Statement of compliance with enterprise accounting standards

The financial statements prepared by our company comply with the requirements of enterprise accounting standards, and they truly and comprehensively reflect the company's financial position, operating results, cash flows, and other relevant information.

2. Accounting period

The accounting year begins on January 1st and ends on December 31st according to the Gregorian calendar.

3. Operating cycle

The operating cycle of the company's business operations is relatively short, with 12 months serving as the liquidity classification standard for assets and liabilities. The operating cycle of the real estate industry, from property development to sales realization, is generally over 12 months, with the specific cycle determined based on the development project situation, and its operating cycle is used as the liquidity classification standard for assets and liabilities.

4. Bookkeeping base currency

The Renminbi (RMB) is adopted as the functional currency. Both the Company and its overseas subsidiary in Hong Kong use RMB as the functional currency. The overseas subsidiary of Great Wall Real Estate Co., Ltd. in the United States, engaged in overseas operations, chooses the US dollar, the currency of the primary economic environment in which it operates, as its functional currency. The currency used by the Company in preparing these financial statements is RMB.

5. Method for determining importance criteria and basis for selection

☑Applicable □ Not applicable

project	Importance criteria
The recovery or reversal of significant bad debt reserves for bills receivable	The individual amount exceeds 0.5% of the total assets
Important written-off notes receivable	The individual amount exceeds 0.5% of the total asset value
Accounts receivable with significant individual provision for bad debts	The individual amount exceeds 0.5% of the total assets
Recovery or reversal of significant bad debt reserves for accounts receivable	The individual amount exceeds 0.5% of the total assets
Important written-off accounts receivable	The individual amount exceeds 0.5% of the total asset value
Other receivables with significant individually assessed bad	The individual amount exceeds 0.5% of the total assets

debt reserves	
Reversal or recovery of bad debt reserves for significant other receivables	The individual amount exceeds 0.5% of the total assets
Important write-off of other receivables	The individual amount exceeds 0.5% of the total assets
Contract assets with significant individual impairment provision	The individual amount exceeds 0.5% of the total assets
Recovery or reversal of impairment provision for significant contract assets	The individual amount exceeds 0.5% of the total assets
Important written-off contract assets	The individual amount exceeds 0.5% of the total assets
Significant changes in the book value of contract assets	The amount of change exceeds 0.5% of the total asset value
Important prepayments with an aging of over 1 year	The individual amount exceeds 0.5% of the total assets
Important projects under construction	The total investment in a single project exceeds 0.5% of the total assets
Significant overdue loans	The individual amount exceeds 0.5% of the total assets
Significant overdue interest payable	The individual amount exceeds 0.5% of the total assets
Accounts payable with significant aging exceeding 1 year	The individual amount exceeds 0.5% of the total assets
Other payables with significant aging exceeding 1 year	The individual amount exceeds 0.5% of the total assets
Important advance receipts with an aging of over 1 year or overdue	The individual amount exceeds 0.5% of the total assets
Contract liabilities with significant aging exceeding 1 year	The individual amount exceeds 0.5% of the total assets
Significant changes in the book value of contract liabilities	The amount of change exceeds 0.5% of the total asset value
Cash flow from significant investing activities	The individual amount exceeds 5% of the total assets
Important subsidiaries, non-wholly-owned subsidiaries	The total assets/revenue/profit exceed 15% of the group's total assets/revenue/profit
Important joint ventures and associated enterprises	The book value of a single long-term equity investment exceeds 15% of the group's net assets, or the investment income accounted for using the equity method exceeds 15% of the group's total profit

6. Accounting treatment methods for business combinations under and not under common control

1. Accounting treatment method for business combinations under common control

The assets and liabilities acquired by the company in a business combination are measured at the carrying amount of the combined party in the final controlling party's consolidated financial statements on the combination date. The company adjusts the capital reserves based on the difference between the share of the carrying amount of the owner's equity of the combined party in the final controlling party's consolidated financial statements and the carrying amount of the consideration paid for the combination or the total par value of the shares issued. If the capital reserves are insufficient to offset, the retained earnings are adjusted.

2. Accounting treatment methods for business combinations not under common control

On the acquisition date, the company recognizes the difference between the merger cost and the fair value of the identifiable net assets obtained from the acquiree in the merger as goodwill. If the merger cost is less than the fair value of the identifiable net assets obtained from the acquiree in the merger, the fair values of all identifiable assets, liabilities, and contingent liabilities obtained from the acquiree, as well as the measurement of the merger cost, are first reviewed. If, after review, the merger cost is still less than the fair value of the identifiable net assets obtained from the acquiree in the merger, the difference is recognized in the current profit and loss.

7. Criteria for control judgment and method for preparing consolidated financial statements

1. Judgment of control

If an entity possesses power over an investee, enjoys variable returns through participating in the relevant activities of the investee, and has the ability to use its power over the investee to affect the amount of its variable returns, it is deemed to have control.

2. Preparation method of consolidated financial statements

The parent company includes all its controlled subsidiaries in the consolidation scope of its consolidated financial statements. The consolidated financial statements are prepared by the parent company based on the financial statements of the parent company and its subsidiaries, as well as other relevant information, in accordance with the Accounting Standards for Business Enterprises No. 33 - Consolidated Financial Statements.

8. Classification of joint venture arrangements and accounting treatment methods for joint operations

1. Joint arrangements are classified into joint operations and joint ventures.

2. When the company is a joint venturer in a joint operation, the following items related to its share of interest in the joint operation shall be recognized:

(1) Confirm assets held individually, as well as assets held jointly based on the respective shares held;

(2) Confirm the liabilities solely assumed, as well as the liabilities jointly assumed based on the share held;

(3) Recognize the revenue generated from the share of joint operating output enjoyed by the selling company;

(4) Recognize the revenue generated from the sale of assets in joint operations based on the company's shareholding;

(5) Confirm the expenses incurred individually, as well as the expenses incurred in joint operations based on the company's shareholding.

9. Criteria for determining cash and cash equivalents

The cash presented in the cash flow statement refers to cash on hand and deposits that can be used for payment at any time. Cash equivalents refer to investments held by the enterprise that have short terms, strong liquidity, are easily convertible into known amounts of cash, and have little risk of value change.

10. Foreign currency transactions and foreign currency statement translation

1. Translation of foreign currency transactions

Upon initial recognition, foreign currency transactions are translated into RMB amounts using the spot exchange rate on the transaction date. At the balance sheet date, foreign currency monetary items are translated at the spot exchange rate on the balance sheet date. Exchange differences arising from different exchange rates, except for those related to the principal and interest of foreign currency borrowings specifically related to the acquisition and construction of assets eligible for capitalization, are recognized in the current profit and loss. Foreign currency non-monetary items measured at historical cost are still translated at the spot exchange rate on the transaction date, without changing their RMB amounts. Foreign currency non-monetary items measured at fair value are translated at the spot exchange rate on the date when the fair value is determined, with any differences recognized in the current profit and loss or other comprehensive income.

2. Translation of foreign currency financial statements

The assets and liabilities items in the balance sheet are translated at the spot exchange rate on the balance sheet date; all owner's equity items, except for the "undistributed profits" item, are translated at the spot exchange rate on the transaction date; the income and expense items in the income statement are translated at the approximate exchange rate of the spot exchange rate on the transaction date. The translation differences arising from the above translations of foreign currency financial statements are recorded in other comprehensive income.

11. Financial instruments

1. Classification of financial assets and financial liabilities

Financial assets are classified into the following three categories upon initial recognition: (1) financial assets measured at amortized cost; (2) financial assets measured at fair value with changes recognized in other comprehensive income; and (3) financial assets measured at fair value with changes recognized in current profit and loss.

Financial liabilities are classified into the following four categories upon initial recognition: (1) financial liabilities measured at fair value with changes recognized in current profit and loss; (2) financial liabilities arising from the transfer of financial assets that do not meet the conditions for derecognition or continue to be involved in the transferred financial assets; (3) financial guarantee contracts that do not fall under (1) or (2) above, as well as loan commitments that do not fall under (1) above and involve loans at below-market interest rates; (4) financial liabilities measured at amortized cost.

2. Recognition basis, measurement method, and derecognition conditions for financial assets and financial liabilities

(1) Recognition basis and initial measurement method of financial assets and financial liabilities

When a company becomes a party to a financial instrument contract, it recognizes a financial asset or financial liability. Upon initial recognition of a financial asset or financial liability, it is measured at fair value. For financial assets and financial liabilities measured at fair value with changes recognized in current profit and loss, the related transaction costs are directly included in current profit and loss. For other types of financial assets or financial liabilities, the related transaction costs are included in the initial recognition amount. However, if the accounts receivable initially recognized by the company do not contain significant financing components or the company does not consider the financing components in contracts that are not expected to exceed one year, the initial measurement is based on the transaction price as defined in "Accounting Standards for Business Enterprises No. 14 - Revenue".

(2) Subsequent measurement method for financial assets

1) Financial assets measured at amortized cost

The effective interest method is adopted for subsequent measurement at amortized cost. Gains or losses arising from financial assets measured at amortized cost and not part of any hedging relationship are recognized in the current period profit or loss when derecognized, reclassified, amortized using the effective interest method, or recognized as impaired.

2) Debt instrument investments measured at fair value with changes recognized in other comprehensive income

Subsequent measurement is conducted using fair value. Interest, impairment losses or gains, and exchange gains and losses calculated using the effective interest method are recognized in current profit and loss, while other gains or losses are recognized in other comprehensive income. Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income are transferred out of other comprehensive income and recognized in current profit and loss.

3) Equity instrument investments measured at fair value with changes recognized in other comprehensive income

Subsequent measurement is conducted using fair value. Dividends received (excluding those that are part of the recovery of investment costs) are recorded in the current period profit and loss, while other gains or losses are recorded in other comprehensive income. Upon derecognition, the cumulative gains or losses previously recorded in other comprehensive income are transferred out of other comprehensive income and recorded in retained earnings.

4) Financial assets measured at fair value with changes recognized in current profit and loss

Gains or losses (including interest and dividend income) arising from subsequent measurement using fair value are recognized in the current period profit and loss, unless the financial asset is part of a hedging relationship.

(3) Subsequent measurement method for financial liabilities

1) Financial liabilities measured at fair value with changes recognized in current profit and loss

Such financial liabilities include trading financial liabilities (including derivative instruments classified as financial liabilities) and financial liabilities designated to be measured at fair value with changes recognized in current profit and loss. Subsequent measurements of such financial liabilities are made at fair value. Changes in the fair value of financial liabilities designated to be measured at fair value with changes recognized in current profit and loss, which are attributable to changes in the company's own credit risk, are recorded in other comprehensive income, unless such treatment would create or amplify an accounting mismatch in profit and loss. Other gains or losses arising from such financial liabilities (including interest expenses and changes in fair value other than those attributable to changes in the company's own credit risk) are recognized in current profit and loss, unless the financial liability is part of a hedging relationship. Upon derecognition, the cumulative gains or losses previously recorded in other comprehensive income are transferred out of other comprehensive income and recognized in retained earnings.

2) The transfer of financial assets does not meet the conditions for derecognition or the financial liabilities formed by continuing involvement in the transferred financial assets

The measurement shall be conducted in accordance with the relevant provisions of "Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets".

3) Financial guarantee contracts that do not fall under 1) or 2) above, as well as loan commitments that do not fall under 1) above and involve loans at below-market interest rates

After initial recognition, subsequent measurement is conducted based on the higher of the following two amounts: ① the loss provision determined in accordance with the impairment provisions for financial instruments; ② the balance of the initially recognized amount after deducting the accumulated amortization determined in accordance with the relevant provisions of "Accounting Standards for Business Enterprises No. 14 - Revenue".

4) Financial liabilities measured at amortized cost

It is measured at amortized cost using the effective interest method. Gains or losses arising from financial liabilities that are measured at amortized cost and are not part of any hedging relationship are recognized in the current period profit or loss when derecognized and amortized using the effective interest method.

(4) De-recognition of financial assets and financial liabilities

1) When any of the following conditions is met, the recognition of financial assets shall be terminated:

① The contractual rights to receive cash flows from the financial asset have been terminated;

② The financial asset has been transferred, and the transfer satisfies the provisions of "Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets" regarding the derecognition of financial assets.

2) When the current obligation of a financial liability (or part thereof) has been discharged, the financial liability (or the relevant part of the financial liability) shall be derecognized accordingly.

3. Basis for recognition and measurement method of financial asset transfers

If the company transfers almost all risks and rewards related to the ownership of financial assets, it shall derecognize the financial assets and separately recognize the rights and obligations arising from or retained in the transfer as assets or liabilities. If the company retains almost all risks and rewards related to the ownership of financial assets, it shall continue to recognize the transferred financial assets. If the company neither transfers nor retains almost all risks and rewards related to the ownership of financial assets, it shall handle it according to the following situations: (1) If the company does not retain control over the financial assets, it shall derecognize the financial assets and separately recognize the rights and obligations arising from or retained in the transfer as assets or liabilities; (2) If the company retains control over the financial assets, it shall recognize the relevant financial assets based on the degree of its continued involvement in the transferred financial assets and correspondingly recognize the relevant liabilities.

When the overall transfer of financial assets satisfies the conditions for derecognition, the difference between the following two amounts shall be included in the current profit and loss: (1) the book value of the transferred financial assets on the derecognition date; (2) the sum of the consideration received from the transfer of financial assets and the amount corresponding to the derecognized portion of the cumulative change in fair value originally recognized directly in other comprehensive income (involving the transferred financial assets being debt instrument investments measured at fair value with changes recognized in other comprehensive income). When a portion of the financial assets is transferred and the transferred portion as a whole satisfies the conditions for derecognition, the book value of the entire financial assets before transfer shall be apportioned between the derecognized portion and the portion that continues to be recognized, based on their respective relative fair values on the transfer date, and the difference between the following two amounts shall be included in the current profit and loss: (1) the book value of the derecognized portion; (2) the sum of the consideration for the derecognized portion and the amount corresponding to the derecognized portion of the cumulative change in fair value originally recognized directly in other comprehensive income (involving the transferred financial assets being debt instrument investments measured at fair value with changes recognized in other comprehensive income).

4. Method for determining the fair value of financial assets and financial liabilities

The company determines the fair value of relevant financial assets and financial liabilities using valuation techniques that are applicable under the current circumstances and supported by sufficient available data and other information. The company categorizes the input values used in valuation techniques into the following levels and uses them in order:

(1) The first level input value refers to the unadjusted quoted price of the same asset or liability that can be obtained in the active market on the measurement date;

(2) The second level of input values refers to the directly or indirectly observable input values of related assets or liabilities other than those at the first level, including: quotations of similar assets or liabilities in an active market; quotations of identical or similar assets or liabilities in a non-active market; other observable input values other than quotations, such as observable interest rates and yield curves during normal quotation intervals; market-validated input values, etc;

(3) The third level of input values refers to the unobservable input values of related assets or liabilities, including interest rates, stock volatility, future cash flows of disposal obligations assumed in business combinations, and financial forecasts made using proprietary data, which cannot be directly observed or verified by observable market data.

5. Impairment of financial instruments

Based on expected credit losses, the company performs impairment testing and recognizes loss provisions for financial assets measured at amortized cost, debt instrument investments measured at fair value with changes recognized in other comprehensive income, contract assets, lease receivables, loan commitments not classified as financial liabilities measured at fair value with changes recognized in current profit and loss, and financial guarantee contracts that are not financial liabilities measured at fair value with changes recognized in current profit and loss or financial liabilities arising from the transfer of financial assets that do not meet the conditions for derecognition or continue to involve the transferred financial assets.

Expected credit losses refer to the weighted average of credit losses on financial instruments, with the risk of default as the weight. Credit losses refer to the difference between all contractual cash flows receivable under the contract, discounted at the original effective interest rate, and all expected cash flows received, representing the present value of all cash shortages. For financial assets that the company has purchased or originated and have experienced credit impairment, they are discounted at the credit-adjusted effective interest rate of the financial asset.

For financial assets that have undergone credit impairment, whether acquired or originated internally, the company recognizes only the cumulative change in expected credit losses over the entire duration since initial recognition as a loss provision on the balance sheet date.

For lease receivables, receivables formed by transactions regulated by "Accounting Standards for Business Enterprises No. 14 - Revenue", and contract assets, the company applies a simplified measurement method to measure the loss provision at an amount equivalent to the expected credit losses over the entire duration.

For financial assets other than those measured using the aforementioned methods, the company assesses whether their credit risk has significantly increased since initial recognition on each balance sheet date. If the credit risk has significantly increased since initial recognition, the company measures the loss provision based on the amount of expected credit losses over the entire duration. If the credit risk has not significantly increased since initial recognition, the company measures the loss provision based on the amount of expected credit losses for the financial instrument within the next 12 months.

The company utilizes available reasonable and well-founded information, including forward-looking information, to compare the risk of default of financial instruments at the balance sheet date with the risk of default at the initial recognition date, in order to determine whether the credit risk of financial instruments has significantly increased since initial recognition.

As of the balance sheet date, if the company determines that a financial instrument carries only a relatively low credit risk, it is assumed that the credit risk of that financial instrument has not significantly increased since its initial recognition.

The company assesses expected credit risk and measures expected credit losses based on individual financial instruments or combinations of financial instruments. When assessing based on combinations of financial instruments, the company categorizes the financial instruments into different combinations based on common risk characteristics.

The company re-measures expected credit losses on each balance sheet date. The increase or reversal amount of the resulting loss provision is recognized as impairment loss or gain in the current profit and loss. For financial assets measured at amortized cost, the loss provision offsets the carrying amount of the financial asset presented in the balance sheet. For debt investments measured at fair value with changes recognized in other comprehensive income, the company recognizes its loss provision in other comprehensive income and does not offset the carrying amount of the financial asset.

6. Offset of financial assets and financial liabilities

Financial assets and financial liabilities are presented separately on the balance sheet and are not offset against each other. However, if both of the following conditions are met, the company presents the net amount after offsetting on the balance sheet: (1) the company has the legal right to offset the recognized amount, and this legal right is currently enforceable; (2) the company intends to settle on a net basis, or simultaneously liquidate the financial asset and settle the financial liability.

For transfers of financial assets that do not meet the conditions for derecognition, the company does not offset the transferred financial assets and related liabilities.

12. Recognition criteria and provisioning methods for expected credit losses of receivables and contract assets

1. Accounts receivable and contract assets with expected credit losses calculated and withdrawn based on combinations of credit risk characteristics

Combination Category	The basis for determining the combination	Method for measuring expected credit losses

Receivable bank acceptance bill	Document Type	Based on historical credit loss experience, current conditions, and predictions of future economic conditions, the expected credit loss is calculated through the exposure at default and the expected credit loss rate over the entire duration
Commercial acceptance bill receivable		
Accounts receivable - portfolio of related parties within the consolidation scope	Nature of Payment	Based on historical credit loss experience, combined with current conditions and predictions of future economic conditions, the expected credit loss is calculated through the exposure at default and the expected credit loss rate over the entire duration
Accounts receivable - portfolio of property sales receivables	Nature of Payment	
Accounts receivable - construction portfolio	Nature of Payment	
Accounts receivable - receivable from other customer portfolios	Nature of Payment	
Other receivables - portfolio of receivables from government departments	Nature of Payment	By referencing historical credit loss experience, combining current conditions with predictions of future economic conditions, and using exposure at default and expected credit loss rates within the next 12 months or throughout the entire duration, the expected credit loss can be calculated
Other receivables - employee petty cash portfolio	Nature of Payment	
Other receivables - portfolio of receivables for collection and payment	Nature of Payment	
Other receivables - portfolio of amounts due from related parties	Nature of Payment	
Other receivables - portfolio of other current accounts receivable	Nature of Payment	
Contract assets - real estate sales portfolio	Nature of Payment	Based on historical credit loss experience, current conditions, and forecasts of future economic conditions, the expected credit loss is calculated through the exposure at default and the expected credit loss rate over the entire duration
Contract assets - engineering construction portfolio	Nature of Payment	

2. Recognition criteria for accounts receivable and contract assets with expected credit losses calculated on an individual basis

For accounts receivable and contract assets with significant differences in credit risk and portfolio credit risk, the company accrues expected credit losses on an individual basis.

13. Inventory

1. Classification of inventory

Inventories include land held for development, development products, development products temporarily leased with the intention of selling, and development costs incurred during the development process.

2. Pricing method for issued inventory

(1) The specific identification method is adopted for the issued materials and equipment.

(2) During project development, the land used for development is allocated and included in the project's development costs based on the floor area of the development product and the differential coefficient of the occupied land parcel.

(3) The cost of the developed products is allocated using the cost coefficient method.

(4) Development products and turnover housing that are temporarily rented with the intention of sale shall be amortized evenly over the expected useful life of similar fixed assets of the company.

(5) If the public supporting facilities are completed earlier than the relevant development products, after the completion and final settlement of the public supporting facilities, the development costs shall be allocated and included in the relevant development projects according to the construction area of the relevant development projects. If the public supporting facilities are completed later than the relevant development products, the relevant development products shall first accrue the public supporting facility fees, and after the completion and final settlement of the public supporting facilities, the costs of the relevant development products shall be adjusted based on the difference between the actual amount and the accrued amount.

3. Inventory system for stock

The inventory system for goods is the perpetual inventory system.

4. Amortization method for low-value consumables and packaging materials

(1) Low-value consumables

Amortization is carried out in installments based on the number of times it is used.

(2) Packaging materials

Amortization is carried out in installments based on the number of uses.

5. Inventory falling price reserves

On the balance sheet date, inventories are measured at the lower of cost and net realizable value, and inventory falling price reserves are accrued based on the difference between the cost and the net realizable value. For inventories directly intended for sale, their net realizable value is determined by subtracting estimated selling expenses and related taxes from the estimated selling price of the inventory in the normal course of production and operation. For inventories that require processing, their net realizable value is determined by subtracting estimated costs to be incurred until completion, estimated selling expenses, and related taxes from the estimated selling price of the finished product produced in the normal course of production and operation. On the balance sheet date, if part of the same inventory has a contract price and the other part does not, their net realizable values are determined separately, and compared with their corresponding costs to separately determine the amount of inventory falling price reserves accrued or reversed.

14. Long-term equity investment

1. Judgment of joint control and significant influence

Joint control is recognized when there is shared control over an arrangement in accordance with relevant agreements, and decisions related to the arrangement's activities must be unanimously agreed upon by the parties sharing control rights. Significant influence is recognized when there is the power to participate in the decision-making process regarding the financial and operating policies of the investee, but not the ability to control or jointly control the formulation of these policies with other parties.

2. Determination of investment cost

(1) For business combinations under common control, where the acquirer pays cash, transfers non-cash assets, incurs liabilities, or issues equity securities as the consideration for the combination, the initial investment cost is determined on the combination date based on the share of the book value of the owner's equity of the acquiree in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost of the long-term equity investment and the book value of the consideration paid or the total par value of the shares issued is adjusted to capital reserves. If the capital reserves are insufficient to offset, the retained earnings are adjusted.

The company realizes long-term equity investments through multiple transactions, step by step, under the same control in business combinations, and determines whether it is a "package deal". If it is a "package deal", all transactions are accounted for as one transaction to obtain control. If it is not a "package deal", on the merger date, the initial investment cost is determined based on the share of the book value of the net assets of the merged party in the consolidated financial statements of the ultimate controlling party after the merger. On the merger date, the difference between the initial investment cost of the long-term equity investment and the sum of the book value of the long-term equity investment before the merger and the book value of the newly paid consideration for further acquisition of shares on the merger date is adjusted to the capital reserve. If the capital reserve is insufficient to offset, the retained earnings are adjusted.

(2) For business combinations not under common control, the initial investment cost is determined based on the fair value of the consideration paid on the acquisition date.

The company realizes long-term equity investments formed through business combinations not under common control through multiple transactions in stages, and distinguishes between individual financial statements and consolidated financial statements for relevant accounting treatment:

1) In certain financial statements, the initial investment cost calculated using the cost method is determined by adding the book value of the originally held equity investment to the newly increased investment cost.

2) In consolidated financial statements, it is necessary to determine whether a transaction constitutes a "package deal." If it does, all transactions should be accounted for as one transaction to obtain control. If it does not, the equity held in the acquiree before the acquisition date should be remeasured at its fair value on the acquisition date, and the difference between the fair value and its book value should be recorded in the current investment income. If the equity held in the acquiree before the acquisition date involves other comprehensive income accounted for under the equity method, the related other comprehensive income should be transferred to the current income to which the acquisition date belongs. However, other comprehensive income arising from the remeasurement of net liabilities or net assets changes in the defined benefit plan of the investee is excluded.

(3) Except for those formed through business combinations: For those acquired by paying cash, the actual purchase price paid shall be regarded as the initial investment cost; for those acquired by issuing equity securities, the fair value of the issued equity securities shall be regarded as the initial investment cost; for those

acquired through debt restructuring, the initial investment cost shall be determined in accordance with "Accounting Standards for Business Enterprises No. 12 - Debt Restructuring"; for those acquired through non-monetary asset exchanges, the initial investment cost shall be determined in accordance with "Accounting Standards for Business Enterprises No. 7 - Non-monetary Asset Exchanges".

3. Subsequent measurement and profit and loss recognition method

The long-term equity investment that exercises control over the invested entity is accounted for using the cost method; the long-term equity investment in associated enterprises and joint ventures is accounted for using the equity method.

4. Method for disposing of investments in subsidiaries through multiple transactions in stages until losing control

(1) Judgment criteria for whether it belongs to a "package deal"

When disposing of equity investments in subsidiaries through multiple transactions until losing control, the company assesses whether the step-by-step transactions constitute a "package deal" based on various factors such as the terms of the transaction agreements for each step, the disposal consideration received separately, the party to whom the equity is sold, the method of disposal, and the timing of disposal. If the terms, conditions, and economic impacts of each transaction meet one or more of the following criteria, it generally indicates that the multiple transactions are a "package deal":

1) These transactions are entered into simultaneously or with consideration of their mutual impact;

2) These transactions, taken as a whole, can achieve a complete business outcome;

3) The occurrence of one transaction depends on the occurrence of at least one other transaction;

4) A transaction may not be economical when viewed alone, but it may be economical when considered alongside other transactions.

(2) Accounting treatment for transactions not classified as "package deals"

1) Individual financial statements

For the disposed equity, the difference between its book value and the actual acquisition price is recorded in the current profit and loss. For the remaining equity, if it still has significant influence on the invested entity or exercises joint control with other parties, it is accounted for using the equity method; if it can no longer exercise control, joint control, or significant influence over the invested entity, it is accounted for in accordance with the relevant provisions of "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments".

2) Consolidated financial statements

Before losing control, the difference between the disposal price and the share of net assets of the subsidiary that corresponds to the disposal of long-term equity investment, calculated continuously from the acquisition date or consolidation date, is adjusted to capital reserves (capital surplus). If the capital surplus is insufficient to offset, the retained earnings are offset.

When losing control over a subsidiary, the remaining equity is remeasured at its fair value on the date of losing control. The difference between the sum of the consideration obtained from disposing of the equity and the fair value of the remaining equity, minus the share of the net assets of the original subsidiary that should be enjoyed based on the original shareholding ratio and calculated continuously from the acquisition date or the merger date, is recorded in the current investment income when losing control and offset against goodwill. Other comprehensive income related to the equity investment in the original subsidiary should be transferred to the current investment income when losing control.

(3) Accounting treatment for transactions classified as "package deals"

1) Individual financial statements

Account for each transaction as a disposal of a subsidiary and loss of control. However, the difference between the disposal price and the book value of the long-term equity investment corresponding to the disposal investment prior to the loss of control is recognized as other comprehensive income in individual financial statements and is transferred to the current profit and loss at the time of loss of control.

2) Consolidated financial statements

Each transaction is accounted for as a disposal of a subsidiary and the loss of control. However, the difference between the disposal price and the share of the subsidiary's net assets corresponding to the disposal investment prior to the loss of control is recognized as other comprehensive income in the consolidated financial statements and is transferred to the profit and loss for the period in which the control is lost.

15. Investment real estate

1. Investment properties include land use rights that have been leased, land use rights that are held and intended for transfer after appreciation, and buildings that have been leased.

2. Investment properties are initially measured at cost and subsequently measured using the cost model. Depreciation or amortization is accrued using the same method as for fixed assets and intangible assets.

16. Fixed assets

1. Recognition criteria for fixed assets

Fixed assets refer to tangible assets held for the production of goods, provision of services, leasing, or business management, with a useful life exceeding one accounting year. Fixed assets are recognized when both conditions are met: it is likely that economic benefits will flow in and the cost can be reliably measured.

2. Depreciation methods for various types of fixed assets

Category	depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Houses and buildings	Straight-line method	30	5.00	3.17
transportation equipment	Straight-line method	6	5.00	15.83
Electronic equipment and others	Straight-line method	5	5.00	19.00

17. Construction in progress

1. Construction in progress is recognized when it simultaneously meets the criteria of a high likelihood of economic benefits flowing in and the cost being reliably measurable. Construction in progress is measured at the actual cost incurred until the asset reaches its intended usable state.

2. When the construction in progress reaches the expected usable state, it shall be transferred to fixed assets at its actual cost. For those that have reached the expected usable state but have not yet undergone completion settlement, they shall be transferred to fixed assets at their estimated value. After completion settlement, the original provisional estimated value shall be adjusted based on the actual cost, but the original depreciation accrued will not be adjusted.

18. Borrowing costs

1. Recognition principle for capitalization of borrowing costs

Borrowing costs incurred by a company that are directly attributable to the acquisition, construction, or production of assets eligible for capitalization are capitalized and included in the cost of the relevant assets. Other borrowing costs are recognized as expenses when incurred and recorded in the current period profit and loss.

2. Capitalization period of borrowing costs

(1) Capitalization of borrowing costs begins when all of the following conditions are met simultaneously: 1) asset expenditure has already occurred; 2) borrowing costs have already been incurred; 3) the acquisition, construction, or production activities necessary to prepare the asset for its intended use or sale have already begun.

(2) If the acquisition and construction or production of assets eligible for capitalization is interrupted abnormally and the interruption period lasts for more than three consecutive months, the capitalization of borrowing costs shall be suspended; the borrowing costs incurred during the interruption period shall be recognized as expenses for the current period until the acquisition and construction or production activities of the assets recommence.

(3) When the assets eligible for capitalization under acquisition and construction or production reach the expected usable or marketable state, the capitalization of borrowing costs shall cease.

3. Capitalization rate and capitalized amount of borrowing costs

For borrowings specifically incurred for the acquisition, construction, or production of assets eligible for capitalization, the amount of interest that should be capitalized is determined by subtracting the interest income earned on the unused borrowing funds deposited in the bank or the investment income earned from temporary investments from the actual interest expenses incurred in the current period of the special borrowings (including the amortization of discounts or premiums determined using the effective interest method). For general borrowings used for the acquisition, construction, or production of assets eligible for capitalization, the amount of interest that should be capitalized for general borrowings is calculated by multiplying the weighted average of cumulative asset expenditure exceeding the expenditure on special borrowings by the capitalization rate of the general borrowings.

19. Intangible assets

1. Intangible assets, including software and land use rights, are initially measured at cost.

2. Intangible assets with a limited service life shall be systematically and reasonably amortized during their service life in accordance with the expected realization method of the economic benefits related to such intangible assets. If the expected realization method cannot be reliably determined, the straight-line method shall be adopted for amortization. as follows:

project	Service life and its determination basis	Amortization method
software	The expected realization method of economic benefits related to intangible assets, within 3-5 years	straight-line method

3. Intangible assets with uncertain service lives are not amortized, and the company reviews the service life of such intangible assets during each accounting period.

20. Impairment of certain long-term assets

For long-term assets such as long-term equity investments, investment properties measured using the cost model, fixed assets, construction in progress, right-of-use assets, and intangible assets with a limited useful life, if there are indications of impairment as of the balance sheet date, their recoverable amounts are estimated. For goodwill arising from business combinations and intangible assets with an uncertain useful life, impairment tests are conducted annually, regardless of whether there are indications of impairment. Goodwill is tested for impairment in conjunction with the asset group or combination of asset groups to which it is related.

If the recoverable amount of the aforementioned long-term assets is lower than their book value, the asset impairment provision shall be recognized based on the difference and included in the current profit and loss.

21. Long-term deferred expenses

Long-term deferred expenses account for various expenses that have been paid and have an amortization period of more than one year (excluding one year). Long-term deferred expenses are recorded at actual cost and amortized evenly over the benefit period or within the prescribed period. If a long-term deferred expense item does not benefit future accounting periods, the remaining unamortized balance of the item's amortized value is fully transferred to the current profit and loss.

22. Employee compensation

1. Employee compensation includes short-term compensation, post-employment benefits, termination benefits, and other long-term employee benefits.

2. Accounting treatment method for short-term compensation

During the accounting period in which employees provide services to the company, the actual short-term compensation incurred is recognized as a liability and recorded in the current profit and loss or related asset costs.

3. Accounting treatment method for post-employment benefits

Post-employment benefits are divided into defined contribution plans and defined benefit plans.

(1) During the accounting period in which employees provide services to the company, the amount of contributions calculated based on the defined contribution plan is recognized as a liability and recorded in the current period profit and loss or related asset costs.

(2) The accounting treatment for defined benefit plans typically involves the following steps:

1) Based on the expected cumulative benefit unit method, unbiased and mutually consistent actuarial assumptions are adopted to estimate relevant demographic and financial variables, measure the obligations arising from defined benefit plans, and determine the period to which the relevant obligations belong. At the same time, the obligations arising from defined benefit plans are discounted to determine the present value of the defined benefit plan obligations and the current service cost;

2) If there are assets in the defined benefit plan, the deficit or surplus formed by subtracting the fair value of the defined benefit plan assets from the present value of the defined benefit plan obligations shall be recognized as a net liability or net asset of the defined benefit plan. If there is a surplus in the defined benefit plan, the net asset of the defined benefit plan shall be measured at the lower of the surplus and the asset cap of the defined benefit plan;

3) At the end of the period, the employee compensation costs arising from defined benefit plans are recognized as three components: service costs, net interest on net liabilities or net assets of the defined benefit plans, and changes arising from the remeasurement of net liabilities or net assets of the defined benefit plans. Among them, service costs and net interest on net liabilities or net assets of the defined benefit plans are recorded in the current profit and loss or related asset costs. Changes arising from the remeasurement of net liabilities or net assets of the defined benefit plans are recorded in other comprehensive income and are not allowed to be reversed to profit and loss in subsequent accounting periods. However, these amounts recognized in other comprehensive income can be transferred within equity.

4. Accounting treatment method for dismissal benefits

The employee compensation liabilities arising from the dismissal benefits provided to employees shall be recognized and recorded in the current profit and loss when the earlier of the following occurs: (1) when the company cannot unilaterally withdraw the dismissal benefits provided due to the termination of labor relations plan or layoff proposal; (2) when the company recognizes the costs or expenses related to the restructuring involving the payment of dismissal benefits.

5. Accounting treatment methods for other long-term employee benefits

For other long-term benefits provided to employees, if they meet the conditions of defined contribution plans, accounting treatment shall be conducted in accordance with the relevant provisions of such plans. For other long-term benefits not meeting the conditions of defined contribution plans, accounting treatment shall be conducted in accordance with the relevant provisions of defined benefit plans. To simplify the relevant accounting treatment, the employee compensation costs incurred shall be recognized as the total net amount of service costs, net interest on other long-term employee benefits net liabilities or net assets, and changes arising from the remeasurement of other long-term employee benefits net liabilities or net assets, and included in the current profit and loss or related asset costs.

23. Method for accounting of maintenance fund

According to the relevant regulations of the location where the development project is situated, the maintenance fund is collected from home buyers or accrued by the company and included in the development costs of the relevant development products during the sale (pre-sale) of the products. The maintenance fund is then uniformly submitted to the maintenance fund management department.

24. Method for calculating quality guarantee deposit

The quality assurance deposit shall be reserved from the construction unit's project funds according to the provisions of the construction contract. The maintenance costs incurred during the warranty period of the developed product shall be offset against the quality assurance deposit; upon the expiration of the agreed warranty period of the developed product, the remaining balance of the quality assurance deposit shall be refunded to the construction unit.

25. Income

Disclose the accounting policies adopted for revenue recognition and measurement based on business types

1. Revenue recognition principle

On the contract start date, the company evaluates the contract, identifies each individual performance obligation contained within it, and determines whether each individual performance obligation is to be fulfilled within a certain time period or at a certain point in time.

When one of the following conditions is met, it is considered fulfilling the performance obligation within a certain period of time; otherwise, it is considered fulfilling the performance obligation at a certain point in time: (1) The customer obtains and consumes the economic benefits brought by the company's performance at the same time as the company performs; (2) The customer has control over the goods in progress during the company's performance; (3) The goods produced during the company's performance have irreplaceable uses, and the company has the right to collect payments for the performance completed to date throughout the contract period.

For performance obligations that are fulfilled within a certain period, the company recognizes revenue based on the progress of performance during that period. When the progress of performance cannot be reasonably determined, if the costs incurred are expected to be compensated, revenue is recognized at the amount of the costs incurred until the progress of performance can be reasonably determined. For performance obligations that are fulfilled at a certain point in time, revenue is recognized at the point when the customer obtains control over the related goods or services. In determining whether the customer has obtained control over the goods, the company considers the following indicators: (1) the company has a current right to receive payment for the goods, meaning that the customer has a current obligation to pay for the goods; (2) the company has transferred legal ownership of the goods to the customer, meaning that the customer has legal ownership of the goods; (3) the company has physically transferred the goods to the customer, meaning that the customer has physically possession of the goods; (4) the company has transferred the significant risks and rewards of ownership of the goods to the customer, meaning that the customer has obtained the significant risks and rewards of ownership of the goods; (5) the customer has accepted the goods; (6) other indicators that indicate the customer has obtained control over the goods.

2. Revenue measurement principle

(1) The company measures revenue based on the transaction price allocated to each individual performance obligation. The transaction price represents the amount of consideration the company expects to be entitled to receive for transferring goods or services to customers, excluding amounts collected on behalf of third parties and amounts expected to be refunded to customers.

(2) If there is variable consideration in the contract, the company determines the best estimate of the variable consideration based on the expected value or the most likely amount. However, the transaction price including the variable consideration shall not exceed the amount that is unlikely to result in a significant reversal of the cumulative recognized revenue when the relevant uncertainties are resolved.

(3) If there is a significant financing component in the contract, the company determines the transaction price based on the amount payable assuming that the customer pays in cash upon obtaining control of the goods or services. The difference between the transaction price and the contract consideration is amortized using the effective interest method over the contract period.

(4) If a contract includes two or more performance obligations, the company shall, on the contract start date, allocate the transaction price to each individual performance obligation based on the relative proportion of the separate selling prices of the promised goods for each individual performance obligation.

3. Specific methods for revenue recognition

(1) Specific method for recognizing revenue from sales of real estate development projects

The company's real estate sales business involves performance obligations that are fulfilled at a specific point in time. Once the development product has been completed and accepted, a sales contract has been signed and the obligations stipulated in the contract have been fulfilled, and after issuing an occupation notice or announcement to the owner, the property has been actually delivered to the owner or the contracted delivery date has expired, and the full amount of the house payment has been received, and the related costs that have occurred or will occur can be reliably measured, the realization of sales revenue is confirmed.

(2) Provide specific methods for recognizing income from property service provision

The provision of property management services by the company constitutes a performance obligation that is fulfilled over a certain period of time, and revenue is recognized based on the progress of performance. The company determines the progress of performance in providing services based on the passage of time.

(3) Method for recognizing construction revenue

The company provides construction engineering services. As the company fulfills its contract, the customer simultaneously obtains and consumes the economic benefits brought about by the company's performance. Additionally, the company has the right to collect payments for the performance completed to date throughout the contract period. The company recognizes revenue based on the performance progress as a performance obligation fulfilled within a certain period, except when the performance progress cannot be reasonably determined. The company determines the performance progress of service provision using the input method. When the performance progress cannot be reasonably determined, if the costs already incurred by the company are expected to be compensated, revenue is recognized based on the amount of costs already incurred until the performance progress can be reasonably determined.

(4) Other methods for recognizing income

Other revenues include hotel operating income, etc. For hotel room revenue, as customers obtain and consume the economic benefits brought by the company's performance while the company is fulfilling its contract, the company treats it as a performance obligation fulfilled within a certain period of time and recognizes revenue based on the progress of performance during the accounting period in which services are provided. For other revenues, revenue is recognized when the customer obtains control over the relevant goods and the relevant payment has been received or the right to receive payment has been obtained, as stipulated in the relevant contracts and agreements.

The situation where similar businesses adopt different business models involving different revenue recognition methods and measurement techniques

26. Contract acquisition costs and contract performance costs

If the incremental costs incurred by the company to obtain a contract are expected to be recoverable, they are recognized as contract acquisition costs and recognized as an asset.

The costs incurred by a company for the performance of a contract, which do not fall within the scope of relevant standards such as inventory, fixed assets, or intangible assets, and meet the following conditions, are recognized as contract performance costs and recognized as an asset:

1. The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs explicitly borne by the customer, and other costs incurred solely due to the contract;

2. This cost increases the resources that the company will use to fulfill its contractual obligations in the future;

3. The cost is expected to be recoverable.

The company amortizes assets related to contract costs on the same basis as the recognition of revenue from goods or services associated with those assets, and records them in the current period profit and loss.

If the carrying amount of an asset related to contract costs exceeds the remaining consideration expected to be obtained from the transfer of goods or services associated with that asset, less the estimated costs to be incurred, the company will make an impairment provision for the excess and recognize it as an asset impairment loss. If factors that were previously impaired change in subsequent periods, such that the remaining consideration expected to be obtained from the transfer of goods or services associated with the asset, less the estimated costs to be incurred, exceeds the carrying amount of the asset, the previously made asset impairment provision will be reversed and recorded in the current profit and loss. However, the carrying amount of the asset after reversal shall not exceed its carrying amount at the reversal date assuming no impairment provision was made.

27. Contract assets and contract liabilities

The company presents contract assets or contract liabilities in the balance sheet based on the relationship between the performance of contractual obligations and customer payments. The company offsets contract assets and contract liabilities under the same contract and presents the net amount.

The company presents the rights to charge customers for consideration that it owns and can be exercised unconditionally (i.e., solely dependent on the passage of time) as accounts receivable, and presents the rights to charge customers for consideration that have been transferred to customers and are dependent on factors other than the passage of time as contract assets.

The company presents the obligation to transfer goods to customers for consideration received or receivable from customers as a contractual liability.

28. Government subsidies

1. Government subsidies are recognized when both of the following conditions are met: (1) the company can meet the conditions attached to the government subsidies; (2) the company can receive the government subsidies. If the government subsidies are monetary assets, they are measured at the received or receivable amount. If the government subsidies are non-monetary assets, they are measured at fair value; if the fair value cannot be reliably obtained, they are measured at nominal amount.

2. Basis for judging government subsidies related to assets and accounting treatment methods

Government documents stipulate that government subsidies used for the acquisition, construction, or other formation of long-term assets are classified as asset-related government subsidies. In cases where government documents are unclear, judgments are based on the essential conditions necessary for obtaining the subsidy. Those subsidies that are essential conditions for the acquisition, construction, or other formation of long-term assets are considered as asset-related government subsidies. Asset-related government subsidies are offset against the carrying amount of the relevant assets or recognized as deferred income. If an asset-related government subsidy is recognized as deferred income, it is amortized into profit or loss over the useful life of the relevant asset using a reasonable and systematic method. Government subsidies measured at their nominal amounts are directly recognized in the current profit or loss. If the relevant asset is sold, transferred, scrapped, or damaged before the end of its useful life, the unallocated balance of the related deferred income is transferred to the profit or loss for the period in which the asset is disposed of.

3. Basis for determining government subsidies related to earnings and accounting treatment methods

Government subsidies other than those related to assets are classified as government subsidies related to income. For government subsidies that contain both asset-related and income-related components, and it is difficult to distinguish whether they are related to assets or income, they are generally classified as government subsidies related to income. Government subsidies related to income, if used to compensate for related costs or losses in future periods, are recognized as deferred income and recorded in the current profit and loss or offset against related costs during the period when the related costs or losses are recognized. If used to compensate for related costs or losses that have already occurred, they are directly recorded in the current profit and loss or offset against related costs.

4. Government subsidies related to the company's daily business activities shall be recorded in other income or offset against related costs and expenses based on the substance of the economic transaction. Government subsidies unrelated to the company's daily activities shall be recorded in non-operating income and expenses.

5. Accounting treatment method for policy-based preferential loan discount interest

(1) When the finance department allocates discount interest funds to the lending bank, and the lending bank provides loans to the company at a preferential policy interest rate, the actual received loan amount shall be regarded as the entry value of the loan, and the relevant borrowing costs shall be calculated based on the loan principal and the preferential policy interest rate.

(2) If the finance department directly allocates the discount interest funds to the company, the corresponding discount interest will be used to offset the relevant borrowing costs.

29. Deferred tax assets/deferred tax liabilities

1. The deferred tax assets or deferred tax liabilities are recognized based on the difference between the carrying amount of assets and liabilities and their tax bases (for items not recognized as assets or liabilities, their tax bases can be determined according to tax law, and the difference between such tax bases and their carrying amounts). The calculation is based on the applicable tax rate during the expected period of asset recovery or liability settlement.

2. The recognition of deferred tax assets is limited to the taxable income that is likely to be available for offsetting deductible temporary differences. At the balance sheet date, if there is conclusive evidence indicating that sufficient taxable income is likely to be available in future periods for offsetting deductible temporary differences, the deferred tax assets that have not been recognized in previous accounting periods shall be recognized.

3. On the balance sheet date, the carrying amount of deferred tax assets is reviewed. If it is likely that sufficient taxable income will not be available in future periods to offset the benefit of the deferred tax asset, the

carrying amount of the deferred tax asset is reduced. When sufficient taxable income is likely to be available, the reduced amount is reversed.

4. The current income tax and deferred income tax of the company are recognized as income tax expenses or income in the current profit and loss, excluding income tax arising from the following circumstances: (1) business combinations; (2) transactions or events directly recognized in owner's equity.

When the following conditions are simultaneously met, the company presents the deferred tax assets and deferred tax liabilities at their net amount after offsetting: (1) having the legal right to settle current tax assets and current tax liabilities at their net amount; (2) the deferred tax assets and deferred tax liabilities are related to income taxes levied by the same tax authority on the same taxable entity, or related to different taxable entities, but during the future reversal period of each significant deferred tax asset and deferred tax liability, the involved taxable entities intend to settle current tax assets and current tax liabilities at their net amount, or simultaneously acquire assets and settle liabilities.

30. Leasing

(1) Accounting treatment method for leasing as a lessee

On the commencement date of the lease term, the company recognizes leases with a term not exceeding 12 months and excluding purchase options as short-term leases; it also recognizes leases where the individual leased asset is a new asset with a relatively low value as low-value asset leases. If the company subleases or expects to sublease the leased asset, the original lease is not recognized as a low-value asset lease.

For all short-term leases and low-value asset leases, the company recognizes the lease payments as related asset costs or current profit and loss using the straight-line method over each period of the lease term.

Except for the short-term leases and low-value asset leases that have been simplified, on the lease commencement date, the company recognizes the right-of-use assets and lease liabilities for the lease.

(1) Right-to-use assets

The right-of-use asset is initially measured at cost, which includes: 1) the initial measurement amount of the lease liability; 2) the lease payments made on or before the lease term commencement date, after deducting the amount related to any lease incentives already enjoyed; 3) the initial direct expenses incurred by the lessee; 4) the estimated costs that the lessee will incur for dismantling and removing the leased asset, restoring the site where the leased asset is located, or restoring the leased asset to the condition specified in the lease terms.

The company accrues depreciation for right-of-use assets using the straight-line method. If it is reasonably certain that ownership of the leased asset will be obtained upon the expiration of the lease term, the company accrues depreciation over the remaining useful life of the leased asset. If it is not reasonably certain that ownership of the leased asset will be obtained upon the expiration of the lease term, the company accrues depreciation over the shorter of the lease term or the remaining useful life of the leased asset.

(2) Lease liabilities

On the lease commencement date, the company recognizes the present value of the lease payments that have not yet been paid as the lease liability. When calculating the present value of the lease payments, the lease implicit interest rate is used as the discount rate. If the lease implicit interest rate cannot be determined, the company's incremental borrowing rate is used as the discount rate. The difference between the lease payments and their present value is recognized as unrecognized financing expenses. Interest expenses are recognized during each period of the lease term based on the discount rate used to recognize the present value of the lease payments and are included in the current profit and loss. Variable lease payments that are not included in the measurement of the lease liability are included in the current profit and loss when they are actually incurred.

After the commencement date of the lease term, when there are changes in the fixed payment amount, changes in the estimated payable amount of the residual value guarantee, changes in the index or ratio used to determine the lease payment amount, or changes in the assessment results or actual exercise of purchase options, renewal options, or termination options, the company re-measures the lease liability based on the present value of the changed lease payment amount and adjusts the book value of the right-of-use asset accordingly. If the book value of the right-of-use asset has been reduced to zero, but the lease liability still needs further reduction, the remaining amount will be included in the current profit and loss.

(2) Accounting treatment method for leasing as a lessor

On the lease commencement date, the company categorizes leases that have essentially transferred almost all risks and rewards related to the ownership of the leased asset as financing leases, while all others are classified as operating leases.

(1) Operating lease

During the various periods within the lease term, the company recognizes the lease payment amounts as rental income using the straight-line method. The initial direct expenses incurred are capitalized and amortized on the same basis as the recognition of rental income, and are recorded in the current profit and loss on a periodic basis. The variable lease payments related to operating leases that are not included in the lease payment amounts are recognized in the current profit and loss when they are actually incurred.

(2) Financial leasing

On the lease commencement date, the company recognizes the financing lease receivables based on the net investment in the lease (the sum of the unguaranteed residual value and the present value of the lease payments not yet received at the lease commencement date, discounted at the lease's effective interest rate), and derecognizes the financing lease assets. During each period of the lease term, the company calculates and recognizes interest income based on the lease's effective interest rate.
The variable lease payments obtained by the company that are not included in the measurement of net investment in leases are recorded in the current profit and loss when they are actually incurred.

31. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

□ Applicable ☑Not Applicable

(2) Changes in significant accounting estimates

□ Applicable ☑Not Applicable

(3) Adjustments to relevant items in the financial statements at the beginning of the year for the first time implementing the new accounting standards from 2026

□ Applicable ☑Not applicable

VI. Tax Items

1. Main tax categories and tax rates

tax category	Taxable base	tax rate
Value-added tax	The output tax is calculated based on the revenue from selling goods and taxable services as stipulated by tax laws. After deducting the input tax that is allowed to be deducted in the current period, the remaining difference is the value-added tax payable	9%, 6%, 5%, 3%
Urban maintenance and construction tax	The actual turnover tax paid	7%
corporate income tax	Taxable income	25%, 20%, 16.5%
Education Surcharge	The actual turnover tax paid	3%
Local education surcharge	The actual turnover tax paid	2%
Land Value Increment Tax	The appreciation amount generated from the paid transfer of state-owned land use rights and the property rights of buildings and other attached objects on the land	Pay at progressive tax rates based on the excess rate of the appreciation amount
property tax	For ad valorem taxation, the tax shall be levied at 1.2% of the remaining value after deducting 30% of the original value of the property in one lump sum; for rental taxation, the tax shall be levied at 12% of the rental income	1.2%, 12%

If there are taxpayers with different enterprise income tax rates, disclose the relevant information and explanations

Tax payer name	Income tax rate
Huazhan Company, Shantou Songshan Company	20%
Subsidiary registered in Hong Kong	16.5%
Other taxpayers except those mentioned above	25%

2. Tax incentives

According to the "Announcement of the Ministry of Finance and the State Taxation Administration on Preferential Income Tax Policies for Small and Micro Enterprises and Individual Businesses" (Announcement No. 6 of the Ministry of Finance and the State Taxation Administration in 2023), for small and micro-profit enterprises with an annual taxable income not exceeding 1 million yuan, the taxable income shall be calculated at a reduced rate of 25%, and the enterprise income tax shall be paid at a tax rate of 20%. The implementation period is from January 1, 2023, to December 31, 2027. The subsidiary companies of our company, Huazhan Jianli and Shantou Songshan Company, are subject to the preferential tax rate of 20% for small and micro-profit enterprises.

VII. Notes to items in the consolidated financial statements

1. Monetary funds

Unit: Yuan

project	Closing balance	Opening balance
Cash on hand	17,651.07	19,892.83
bank deposit	270,630,662.59	284,666,632.21
total	270,648,313.66	284,686,525.04
Including: total amount of funds deposited overseas	3,687,478.32	4,242,440.12

Other instructions

As of June 30, 2026, the restricted funds in bank deposits amounted to RMB 2,337,426.17, of which RMB 2,201,283.57 was frozen due to litigation, RMB 70,010.20 was from suspended accounts and payment halts, RMB 50,000 was for regular project deposits, and RMB 16,132.40 was from special accounts for migrant workers.

2. Trading financial assets

Unit: Yuan

project	Closing balance	Opening balance
Financial assets measured at fair value with changes recognized in current profit and loss	1,057,325,314.70	1,050,256,058.41
among which		
fund	1,057,325,314.70	1,050,256,058.41
among which		
total	1,057,325,314.70	1,050,256,058.41

Other instructions

3. Bills receivable

(1) Classification and presentation of notes receivable

Unit: Yuan

project	Closing balance	Opening balance

Bank acceptance bill	200,000.00	
total	200,000.00	0.00

(2) Disclosure by classification based on bad debt provision method

Unit: Yuan

Category	Closing balance					Opening balance				
	book balance		allowance for bad debts		book value	book balance		allowance for bad debts		book value
	Amount	proportion	Amount	provision ratio		Amount	proportion	Amount	provision ratio	
among which										
Notes receivable with provision for bad debts calculated based on portfolio	200,000.00	100.00%			200,000.00					
among which										
Bank acceptance bill	200,000.00	100.00%			200,000.00					
Commercial acceptance bill										
total	200,000.00	100.00%			200,000.00					

Provision for bad debts of notes receivable is calculated and withdrawn based on the general model of expected credit losses as follows:

□ Applicable ☑Not Applicable

4. Accounts receivable

(1) Disclosure by aging

Unit: Yuan

aging	Closing book balance	Opening book balance
Within 1 year (including 1 year)	35,452,965.40	35,522,470.19
1 to 2 years	11,975,678.17	11,264,782.88
2 to 3 years	5,961,304.83	5,972,759.94
More than 3 years	34,324,044.61	34,599,378.84
3 to 4 years	7,945,612.31	8,220,946.54

4 to 5 years	5,252,795.41	5,252,795.41
More than 5 years	21,125,636.89	21,125,636.89
total	87,713,993.01	87,359,391.85

(2) Disclosure by classification of bad debt provision method

Unit: Yuan

Category	Closing balance					Opening balance				
	book balance		allowance for bad debts		book value	book balance		allowance for bad debts		book value
	Amount	proportion	Amount	provision ratio		Amount	proportion	Amount	provision ratio	
Accounts receivable with individual provision for bad debts	24,447,097.60	27.87%	24,447,097.60	100.00%	0.00	24,613,872.70	28.18%	24,613,872.70	100.00%	0.00
among which										
Accounts receivable with provision for bad debts calculated on a portfolio basis	63,266,895.41	72.13%	17,847,170.25	28.21%	45,419,725.16	62,745,519.15	71.82%	17,847,435.41	28.44%	44,898,083.74
among which										
total	87,713,993.01	100.00%	42,294,267.85	48.22%	45,419,725.16	87,359,391.85	100.00%	42,461,308.11	48.61%	44,898,083.74

Category name for individual provision for bad debts: accounts receivable with significant individual provision for bad debts

Unit: Yuan

Name	Opening balance		Closing balance			
	book balance	allowance for bad debts	book balance	allowance for bad debts	provision ratio	Reason for accrual
Payment for goods in agency import and export business	11,574,556.00	11,574,556.00	11,574,556.00	11,574,556.00	100.00%	It is expected that it cannot be recovered
Long-term uncollected housing sales	10,084,109.60	10,084,109.60	9,917,334.50	9,917,334.50	100.00%	It is expected that it cannot be recovered

payment						
Accounts receivable of the subsidiary have been written off	2,314,755.46	2,314,755.46	2,314,755.46	2,314,755.46	100.00%	It is expected that it cannot be recovered
Other customer payments	640,451.64	640,451.64	640,451.64	640,451.64	100.00%	It is expected that it cannot be recovered
total	24,613,872.70	24,613,872.70	24,447,097.60	24,447,097.60		

Category name for combined provision for bad debts: Closing balance, book balance, provision for bad debts ratio

Unit: Yuan

Name	Closing balance		
	book balance	allowance for bad debts	provision ratio
Accounts receivable from other customer portfolios	63,266,895.41	17,847,170.25	28.21%
total	63,266,895.41	17,847,170.25	

Explanation for determining the basis of this combination:

If the provision for bad debts of accounts receivable is calculated and withdrawn according to the general model of expected credit losses:

□ Applicable ☑Not Applicable

(3) Provision for bad debts accrued, recovered, or reversed in the current period

Provision for bad debts in the current period:

Unit: Yuan

Category	Opening balance	Current period change amount				Closing balance
		accrue	Withdraw or reverse	Write-off	Other	
Provision for bad debts on an individual basis	24,613,872.70				-166,775.10	24,613,872.70
Provision for bad debts based on portfolio	17,847,435.41				-265.16	17,680,395.15
total	42,461,308.11	0.00	0.00	0.00	-167,040.26	42,294,267.85

Among them, the amounts of bad debt provisions recovered or reversed in the current period are significant:

Unit: Yuan

Unit Name	Recover or reverse the amount	Reason for reversal	Collection method	The basis for determining the original provision ratio for bad debts and its reasonableness

(4) Accounts receivable and contract assets, ranked by the top five ending balances, aggregated by the debtors

Unit: Yuan

Unit Name	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion of total ending balance of accounts receivable and contract assets	Closing balance of bad debt provision for accounts receivable and impairment provision for contract assets
Shenzhen Zhaoyang Real Estate Co., Ltd	13,688,684.24	0.00	13,688,684.24	12.10%	229,508.17
Shenzhen Hongteng Investment Management Co., Ltd	11,789,376.23	837,624.28	12,627,000.51	11.16%	12,627,000.51
Shenzhen Branch of Jiangsu Huajian Construction Co., Ltd	6,262,026.98	3,992,794.51	10,254,821.49	9.06%	354,132.67
Shenzhen Guangming Construction Engineering No.1 Construction Engineering Co., Ltd	1,044,468.13	8,607,487.98	9,651,956.11	8.53%	662,029.13
Shenzhen Construction Engineering Group Co., Ltd	5,656,888.11	167,955.45	5,824,843.56	5.15%	1,409,486.39
total	38,441,443.69	13,605,862.22	52,047,305.91	46.00%	15,282,156.87

5. Contract assets

(1) Contract asset status

Unit: Yuan

project	Closing balance			Opening balance		
	book balance	allowance for bad debts	book value	book balance	allowance for bad debts	book value
Unsettled project funds after completion	25,433,846.73	3,578,124.69	21,855,722.04	32,613,380.97	3,578,124.69	29,035,256.28
total	25,433,846.73	3,578,124.69	21,855,722.04	32,613,380.97	3,578,124.69	29,035,256.28

(2) Disclosure by classification based on bad debt provision method

Unit: Yuan

Category	Closing balance					Opening balance				
	book balance		allowance for bad debts		book value	book balance		allowance for bad debts		book value
	Amount	proportion	Amount	provision ratio		Amount	proportion	Amount	provision ratio	
among which										
Provision for bad debts based on portfolio	25,433,846.73	100.00%	3,578,124.69	14.07%	21,855,722.04	32,613,380.97	100.00%	3,578,124.69	10.97%	29,035,256.28
among which										
total	25,433,846.73	100.00%	3,578,124.69	14.07%	21,855,722.04	32,613,380.97	100.00%	3,578,124.69	10.97%	29,035,256.28

Accrue bad debt reserves based on the general model of expected credit losses

□ Applicable ☑Not Applicable

(3) Provision for bad debts accrued, recovered, or reversed in the current period

Unit: Yuan

project	Current period accrual	Withdrawn or reversed in the current period	Current period write-off/cancellation	reason
Provision for impairment based on portfolio	0.00			
total	0.00			

Among them, the amounts of bad debt provision recovered or reversed in the current period are significant:

Unit: Yuan

Unit Name	Recover or reverse the amount	Reason for reversal	Withdrawal method	The basis for determining the original provision ratio for bad debts and its reasonableness

Other instructions

6. Other receivables

Unit: Yuan

project	Closing balance	Opening balance
Interest receivable	0.00	0.00
Dividends receivable	0.00	0.00
Other receivables	729,582,117.04	747,900,491.52
total	729,582,117.04	747,900,491.52

(1) Other receivables

1) Classification of other receivables by nature of payment

Unit: Yuan

Nature of Payment	Closing book balance	Opening book balance
Combination of accounts receivable from related parties	850,579,354.54	850,579,354.54
Portfolio of receivables from government departments	165,460.00	165,460.00
Employee petty cash portfolio receivable	108,216.95	112,443.24
Collection and payment portfolio receivable	1,098,050.66	596,591.68
Portfolio of other receivables	172,857,914.62	193,464,111.43
total	1,024,808,996.77	1,044,917,960.89

2) Disclosure by aging

Unit: Yuan

aging	Closing book balance	Opening book balance
Within 1 year (including 1 year)	6,793,623.33	6,291,824.79
1 to 2 years	21,034,096.66	21,982,715.53
2 to 3 years	5,913,727.87	5,885,948.43
More than 3 years	991,067,548.91	1,010,757,472.14
3 to 4 years	3,267.40	3,267.40
4 to 5 years	0.00	0.00
More than 5 years	991,064,281.51	1,010,754,204.74
total	1,024,808,996.77	1,044,917,960.89

3) Disclosure by classification based on bad debt provision method

☑Applicable □ Not applicable

Unit: Yuan

Category	Closing balance					Opening balance				
	book balance		allowance for bad debts		book value	book balance		allowance for bad debts		book value
	Amount	proportion	Amount	provision ratio		Amount	proportion	Amount	provision ratio	
Provide for bad debts on an individual basis	1,016,822,174.91	99.22%	294,871,895.50	29.00%	721,950,279.41	1,037,381,783.48	99.28%	296,662,485.14	28.60%	740,719,298.34
among which										
Provision for bad debts	7,986,821.86	0.78%	354,984.23	4.44%	7,631,837.63	7,536,177.41	0.72%	354,984.23	4.71%	7,181,193.18

based on portfolio										
among which										
total	1,024,808,996.77	100.00%	295,226,879.73	28.81%	729,582,117.04	1,044,917,960.89	100.00%	297,017,469.37	28.42%	747,900,491.52

Provision for bad debts based on the general model of expected credit losses:

Unit: Yuan

allowance for bad debts	Phase One	Phase Two	Phase Three	total
	Expected credit losses over the next 12 months	Expected credit losses over the entire duration (no credit impairment has occurred)	Expected credit losses over the entire duration (credit impairment has occurred)	
Balance as of January 1, 2026	154,410.20	32,976.66	296,830,082.51	297,017,469.37
The balance as of January 1, 2026, is in the current period				
Accrued in current period				0.00
Reversal in current period			554,041.03	554,041.03
Other changes			-1,236,548.61	-1,236,548.61
Balance as of June 30, 2026	154,410.20	32,976.66	295,039,492.87	295,226,879.73

Basis for stage division and provision ratio for bad debt reserves

Changes in book balance of significant amounts in loss provisions during the current period

□ Applicable ☑Not Applicable

4) Provision for bad debts accrued, recovered, or reversed in the current period

Provision for bad debts in the current period:

Unit: Yuan

Category	Opening balance	Current period change amount				Closing balance
		accrue	Withdraw or reverse	Resale or write-off	Other	
Provision for bad debts on an individual basis	296,662,485.14		554,041.03		-1,236,548.61	294,871,895.50
Provision for bad debts based on portfolio	354,984.23					354,984.23
total	297,017,469.37	0.00	554,041.03	0.00	-1,236,548.61	295,226,879.73

For those with significant amounts of bad debt provision reversed or recovered in the current period:

Unit: Yuan

Unit Name	Recovered or reversed amount	Reason for reversal	Collection method	Basis for determining the original provision ratio for bad debts and

				its reasonableness

5) Other receivables with the top five ending balances, categorized by debtors

Unit: Yuan

Unit Name	The nature of the payment	Closing balance	aging	Proportion of total ending balance of other receivables	Closing balance of bad debt provision
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd	Related party transactions	843,296,961.67	Within 1 year, 1-2 years, 2-3 years, and over 5 years	82.29%	102,965,447.05
Canada Great Wall (Vancouver) Co., Ltd	Related party transactions	89,035,748.07	More than 5 years	8.69%	89,035,748.07
Baili Co., Ltd	Related party transactions	19,051,233.49	More than 5 years	1.86%	19,051,233.49
Parker Tonneau Australia Pty Ltd	Related party transactions	12,559,290.58	More than 5 years	1.23%	12,559,290.58
Guangdong Huizhou Luofu Mountain Mineral Water Beverage Co., Ltd	Related party transactions	10,465,168.81	More than 5 years	1.02%	10,465,168.81
total		974,408,402.62		95.09%	234,076,888.00

7. Prepayments

(1) Prepayments are presented by aging

Unit: Yuan

aging	Closing balance		Opening balance	
	Amount	proportion	Amount	proportion
within one year	19,072.93	96.12%	30,809.83	97.54%
1 to 2 years		0.00%	0.00	0.00%
2 to 3 years		0.00%	0.00	0.00%
More than 3 years	770.01	3.88%	778.62	2.46%
total	19,842.94		31,588.45	

Explanation for the reasons why prepayments with an account age exceeding 1 year and significant amounts have not been settled in a timely manner:

(2) Prepayments of the top five ending balances categorized by prepayment objects

Unit: yuan

Unit Name	book balance	Prepaid expenses
		Ratio of balance (%)
China Telecom Co., Ltd. Shenzhen	15,072.93	75.96%

Branch		
Shenzhen ShunYiTong Information Technology Co., Ltd	4,000.00	20.16%
Shenzhen Shentou International Tourism Development Co., Ltd	220.01	1.11%
Other	550.00	2.77%
Subtotal	19,842.94	100.00%

Other notes:

8. Inventory

Does the company need to comply with the disclosure requirements of the real estate industry
is

(1) Inventory classification

The company is required to comply with the disclosure requirements for the "Real Estate Industry" as stipulated in the "Shenzhen Stock Exchange Listed Companies Self-regulatory Guidelines No. 3 - Industry Information Disclosure"

Classified by nature:

Unit: Yuan

project	Closing balance			Opening balance		
	book balance	Provision for inventory depreciation or impairment of contract performance costs	book value	book balance	Provision for inventory depreciation or impairment of contract performance costs	book value
development cost	28,291,908.11		28,291,908.11	28,291,908.11	0.00	28,291,908.11
develop products	679,864,154.35	54,580,338.25	625,283,816.10	1,125,583,917.83	54,580,338.25	1,071,003,579.58
Raw materials			0.00			0.00
Inventory Goods	103,486.90	38,891.91	64,594.99	103,023.47	38,891.91	64,131.56
total	708,259,549.36	54,619,230.16	653,640,319.20	1,153,978,849.41	54,619,230.16	1,099,359,619.25

Disclose the main items of "development costs" and their capitalization of interest in the following format:

Unit: Yuan

Project Name	Commencement time	Estimated completion date	Estimated total investment	Opening balance	Transferred to development products in this period	Other decreases in the current period	Increase in current period (development costs)	Closing balance	Accumulated amount of capitalized interest	Including: capitalized interest amount for the current period	source of funds
Shantou				28,291,908.11				28,291,908.11			Other

Xinfeng Building											
total				28,291,908.11				28,291,908.11			

Disclose the main project information of "development products" according to the following format:

Unit: Yuan

Project Name	Completion time	Opening balance	Increase in this period	Decrease in current period	Closing balance	Accumulated amount of capitalized interest	Among them: capitalized amount of interest for the current period
Tianyue Bay Phase II	June 30, 2021	413,464,613.48	5,426,526.35	29,457,255.44	389,433,884.39		
Tianyue Bay Phase I	December 15, 2017	184,712,889.98		2,879,477.25	181,833,412.73		
Multi-level apartment at Haitian Pavilion, Jinye Island	September 16, 1997	40,000,494.35			40,000,494.35		
Deep House and Emerald Forest Garden	May 8th, 2018	8,513,102.37		8,513,102.37	0.00		
Yuejing Dongfang Project	November 18, 2014	6,121,027.07			6,121,027.07		
Phase 10 of Jinye Island	December 2, 2010	5,698,558.25			5,698,558.25		
Phase 11 of Jinye Island	August 20, 2008	2,239,010.52			2,239,010.52		
Beijing Xinfeng Building		304,557.05			304,557.05		
Huangpu New Estate		140,000.00			140,000.00		
In the bright light of the deep room	November 29, 2024	464,389,664.76	19,383,625.95	429,680,080.72	54,093,209.99	289,401.37	
total		1,125,583,917.83	24,810,152.30	470,529,915.78	679,864,154.35	289,401.37	0.00

Disclose the "installment collection of development products", "rental development products", and "turnover housing" by item in the following format:

Unit: Yuan

Project Name	Opening balance	Increase in this period	Decrease in this period	Closing balance

(2) Provision for inventory depreciation and impairment provision for contract performance costs

Disclose the provision for inventory depreciation reserves in the following format:

Classified by nature:

Unit: Yuan

project	Opening balance	Increased amount in this period		Amount reduced in this period		Closing balance	Remark
		accrue	Other	Reversal or write-off	Other		
development cost	0.00						
develop products	54,580,338.25					54,580,338.25	
Inventory Goods	38,891.91					38,891.91	
total	54,619,230.16					54,619,230.16	

Classified by major projects:

Unit: Yuan

Project Name	Opening balance	Increased amount in this period		Amount reduced in this period		Closing balance	Remark
		accrue	Other	Reversal or write-off	Other		

(3) Interest capitalization rate in the ending balance of inventory

As of June 30, 2026, the amount of capitalized borrowing costs included in the inventory balance of the Group was RMB 289,401.37.

9. Other current assets

Unit: Yuan

project	Closing balance	Opening balance
Pay additional or prepaid income tax	1,051,054.28	1,310,041.90
Prepaid value-added tax amount	21,523,623.38	35,023,855.49
Input tax to be deducted	1,821,677.73	407,250.18
Land Value Increment Tax	28,840,880.17	27,906,656.73
Prepay urban construction tax and surcharges	0.00	1,431,668.71
Other	0.00	53,992.23
total	53,237,235.56	66,133,465.24

Information related to compensatory assets

Other notes:

10. Other equity instrument investments

Unit: Yuan

Project	Opening	Gains recognized	Losses recognized	Gains accumulate	Losses accumulate	Dividend income	Closing	Reasons for designating

Name	balance	in other comprehensive income in the current period	in other comprehensive income in the current period	d in other comprehensive income at the end of the period	d in other comprehensive income at the end of the period	recognized in the current period	balance	items as measured at fair value with changes recognized in other comprehensive income
Shantou Small and Medium Enterprise Financing Guarantee Co., Ltd	14,571,511.81		-2,841,991.42				11,729,520.39	
total	14,571,511.81		-2,841,991.42				11,729,520.39	

There is derecognition in the current period

Unit: Yuan

Project Name	Accumulated gains transferred to retained earnings	Accumulated losses transferred to retained earnings	Reason for derecognition

Disclose the non-trading equity instrument investments for the current period by item

Unit: Yuan

Project Name	Confirmed dividend income	Accumulated gains	Accumulated loss	The amount transferred from other comprehensive income to retained earnings	Reasons for being designated as measured at fair value with changes recognized in other comprehensive income	Reasons for transferring other comprehensive income to retained earnings

Other notes:

11. Long-term equity investment

Unit: Yuan

Invested entity	Opening balance (book value)	Opening balance of impairment provision	Changes in the current period								Closing balance (book value)	Closing balance of impairment provision
			Additional investment	Reduce investment	Investment gains and losses recognized under the	Adjustment to other comprehensive income	Changes in other equity	Announce the distribution of cash dividends or profits	Provision for impairment	Other		

					equity method							
1. Joint venture												
Guangdong Huizhou Luofu Mountain Mineral Water Beverage Co., Ltd	9,969,206.09	9,969,206.09									9,969,206.09	9,969,206.09
Fengkai Xinghua Hotel	9,455,465.38	9,455,465.38									9,455,465.38	9,455,465.38
Subtotal	19,424,671.47	19,424,671.47									19,424,671.47	19,424,671.47
II. Associated enterprises												
Shenzhen Ronghua Electromechanical Engineering Co., Ltd	1,076,954.64	1,076,954.64									1,076,954.64	1,076,954.64
Shenzhen Runhua Automobile Trading Company	1,445,425.56	1,445,425.56									1,445,425.56	1,445,425.56
Dongyi Real Estate Co., Ltd	30,376,084.89	30,376,084.89									30,376,084.89	30,376,084.89
Subtotal	32,898,465.09	32,898,465.09									32,898,465.09	32,898,465.09
total	52,323,136.5	52,323,136.5									52,323,136.5	52,323,136.5

	6	6								6	6

The recoverable amount is determined by the net amount after deducting disposal expenses from the fair value

□ Applicable ☑Not Applicable

The recoverable amount is determined based on the present value of estimated future cash flows

□ Applicable ☑Not Applicable

The reasons for the significant inconsistency between the aforementioned information and the information or external information used in previous annual impairment tests

The reasons for the significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

Other instructions

12. Investment real estate

(1) Investment properties measured using the cost model

☑Applicable □ Not applicable

Unit: Yuan

project	Houses and buildings	land use right	construction in progress	total
1. Original book value				
1. Opening balance	1,074,585,741.12	108,339,610.72		1,182,925,351.84
2. Increased amount in this period	429,680,080.72			429,680,080.72
(1) Outsourcing				0.00
(2) Transfer-in of inventory, fixed assets, and projects under construction	429,680,080.72			429,680,080.72
(3) Increase due to business combination				0.00
(4) Others (Exchange rate fluctuations)				0.00
3. Amount reduced in this period	5,169,411.33	3,256,908.68		8,426,320.01
(1) Disposal	2,795,100.60			2,795,100.60
(2) Other transfers out				0.00
(3) Others (Exchange rate fluctuations)	2,374,310.73	3,256,908.68		5,631,219.41
4. Ending balance	1,499,096,410.51	105,082,702.04		1,604,179,112.55
II. Accumulated depreciation and accumulated amortization				
1. Opening	557,323,389.37			557,323,389.37

balance				
2. Increased amount in current period	12,806,788.11			12,806,788.11
(1) Accrual or amortization	12,806,788.11			12,806,788.11
(2) Others (Exchange rate changes)				0.00
3. Amount reduced in the current period	3,764,926.76			3,764,926.76
(1) Disposal	2,081,291.00			2,081,291.00
(2) Other transfers out				0.00
(3) Others (Exchange rate changes)	1,683,635.76			1,683,635.76
4. Ending balance	566,365,250.72			566,365,250.72
III. Impairment provision				0.00
1. Opening balance	14,047,929.59	88,919,373.71		102,967,303.30
2. Increased amount in this period				0.00
(1) Accrual				0.00
(2) Others (Exchange rate changes)				0.00
3. Amount reduced in the current period		2,673,096.93		2,673,096.93
(1) Disposition				0.00
(2) Other transfers-out				0.00
(3) Others (Exchange rate fluctuations)		2,673,096.93		2,673,096.93
4. Ending balance	14,047,929.59	86,246,276.78		100,294,206.37
IV. Book value				0.00
1. End-of-period book value	918,683,230.20	18,836,425.26		937,519,655.46
2. Opening book value	503,214,422.16	19,420,237.01		522,634,659.17

The recoverable amount is determined by the net amount after deducting disposal expenses from the fair value

□ Applicable ☑Not Applicable

The recoverable amount is determined based on the present value of estimated future cash flows

□ Applicable ☑Not Applicable

The reasons for the significant inconsistencies between the aforementioned information and the information or external data used in previous annual impairment tests

The reasons for the significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

Other notes:

13. Fixed assets

Unit: Yuan

project	Closing balance	Opening balance
Fixed assets	13,578,063.33	14,949,900.45
total	13,578,063.33	14,949,900.45

(1) Fixed assets

Unit: Yuan

project	Houses and buildings	transportation equipment	Electronic equipment and others	total
1. Original book value:				
1. Opening balance	99,635,904.76	7,154,488.61	8,454,075.76	115,244,469.13
2. Increased amount in this period			47,198.05	47,198.05
(1) Acquisition			47,198.05	47,198.05
(2) Transfer-in of projects under construction				
(3) Increase due to business combination				
3. Amount reduced in the current period			80,402.22	80,402.22
(1) Disposal or scrapping			57,210.49	57,210.49
(2) Other decreases			23,191.73	23,191.73
4. Ending balance	99,635,904.76	7,154,488.61	8,420,871.59	115,211,264.96
II. Accumulated depreciation				
1. Opening balance	87,812,935.92	5,986,756.72	6,494,876.04	100,294,568.68
2. Increased amount in this period	1,065,596.76	118,452.90	232,798.32	1,416,847.98
(1) Accrual	1,065,596.76	118,452.90	232,798.32	1,416,847.98
3. Amount reduced in this period			78,215.03	78,215.03
(1) Disposal or scrapping			55,023.30	55,023.30
(2) Other decreases			23,191.73	23,191.73
4. Ending balance	88,878,532.68	6,105,209.62	6,649,459.33	101,633,201.63

III. Provision for impairment				
1. Opening balance				
2. Increased amount in this period				
(1) Accrual				
3. Amount reduced in the current period				
(1) Disposal or scrapping				
4. Closing balance				
IV. Book value				
1. End-of-period book value	10,757,372.08	1,049,278.99	1,771,412.26	13,578,063.33
2. Opening book value	11,822,968.84	1,167,731.89	1,959,199.72	14,949,900.45

(2) Impairment test of fixed assets

□ Applicable ☑Not applicable

14. Construction in progress

Unit: Yuan

project	Closing balance	Opening balance
construction in progress		571,822.67
total	0.00	571,822.67

(1) Status of projects under construction

Unit: Yuan

project	Closing balance			Opening balance		
	book balance	provision for impairment	book value	book balance	provision for impairment	book value
Restoration and renovation project of the heliport at Shenfang Square				398,222.67	0.00	398,222.67
Renovation and upgrading project of elevators in the atrium of the podium				173,600.00	0.00	173,600.00

building at Shenfang Plaza						
total				571,822.67	0.00	571,822.67

(2) Impairment test of projects under construction

□ Applicable ☑Not Applicable

15. Intangible assets

(1) Intangible assets

Unit: Yuan

project	land use right	patent right	Non-patented technology	software	total
1. Original book value					
1. Opening balance				2,192,000.00	2,192,000.00
2. Increased amount in current period					
(1) Purchase					
(2) Internal research and development					
(3) Increase due to business combination					
3. Amount reduced in this period					
(1) Disposal					
4. Ending balance				2,192,000.00	2,192,000.00
II. Accumulated amortization					
1. Opening balance				2,192,000.00	2,192,000.00
2. Increased amount in this period					
(1) Accrual					

3. Amount reduced in the current period					
(1) Disposal					
4. Ending balance				2,192,000.00	2,192,000.00
III. Impairment provision					
1. Opening balance					
2. Increased amount in this period					
(1) Accrual					
3. Amount reduced in this period					
(1) Disposal					
4. Ending balance					
IV. Book value					
1. End-of-period book value					
2. Opening book value					

The proportion of intangible assets formed through internal research and development in the balance of intangible assets at the end of the period is 0.00%

(2) Impairment test of intangible assets

□ Applicable ☑Not applicable

16. Long-term deferred expenses

Unit: Yuan

project	Opening balance	Increased amount in this period	Amortization amount for the current period	Other reductions in amount	Closing balance
Renovation costs	1,615,683.92	1,622,045.41	531,186.81		2,706,542.52
total	1,615,683.92	1,622,045.41	531,186.81		2,706,542.52

Other instructions

17. Deferred tax assets/deferred tax liabilities

(1) Deferred tax assets not offset

Unit: Yuan

project	Closing balance		Opening balance	
	Deductible temporary difference	Deferred tax assets	Deductible temporary difference	Deferred tax assets
Asset impairment provision	17,373,070.56	4,343,267.64	17,373,070.56	4,343,267.64
Deductible loss	8,289,185.76	2,072,296.44	9,058,968.76	2,264,742.19
total	25,662,256.32	6,415,564.08	26,432,039.32	6,608,009.83

(2) Deferred income tax liabilities not offset

Unit: Yuan

project	Closing balance		Opening balance	
	Taxable temporary difference	Deferred tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Changes in fair value of other equity instrument investments	2,571,511.84	642,877.96	2,571,511.84	642,877.96
Unfired interest	2,778,907.00	694,726.75	2,778,907.00	694,726.75
total	5,350,418.84	1,337,604.71	5,350,418.84	1,337,604.71

(3) Deferred tax assets or liabilities presented at net amount after offsetting

Unit: Yuan

project	Closing offset amount of deferred tax assets and liabilities	Closing balance of deferred tax assets or liabilities after offsetting	Opening offset amount of deferred tax assets and liabilities	Opening balance of deferred tax assets or liabilities after offsetting
Deferred tax assets		6,415,564.08	469,690.21	6,138,319.62
Deferred tax liabilities		1,337,604.71	469,690.21	867,914.50

(4) Details of unrecognized deferred tax assets

Unit: Yuan

project	Closing balance	Opening balance
Deductible temporary difference	1,176,975,484.48	1,176,975,484.48
Deductible loss	141,671,346.86	142,018,237.92
total	1,318,646,831.34	1,318,993,722.40

(5) The deductible losses of unrecognized deferred tax assets will expire in the following years

Unit: Yuan

year	final amount	Opening Balance	Remark

2026		346,891.06	
2027	48,904,614.38	48,904,614.38	
2028	18,354,716.24	18,354,716.24	
2029	24,953,841.51	24,953,841.51	
2030	49,458,174.73	49,458,174.73	
2031			
total	141,671,346.86	142,018,237.92	

Other instructions

18. Assets with restricted ownership or use rights

Unit: Yuan

project	final				beginning of period			
	book balance	book value	Restricted type	Limited circumstances	book balance	book value	Restricted type	Constrained situations
Monetary Funds	16,132.40	16,132.40	fund supervision	Funds in the special account for migrant workers	5,674,439.78	5,674,439.78	detain	Construction Funds for Public Facilities Projects within and Surrounding the Urban Renewal Project in Longgang District, Shenzhen
Monetary Funds	2,201,283.57	2,201,283.57	freeze	Litigation freeze			freeze	Litigation freeze
Monetary Funds	50,000.00	50,000.00	detain	Construction security deposit	50,154.19	50,154.19	detain	Construction deposit
Monetary Funds	70,010.20	70,010.20	detain	Stop payment, suspend account	70,010.20	70,010.20	detain	Stop payment, suspend account
accounts receivable	7,651,398.78	7,651,398.78	staking	Pledge of short-term loan	7,379,890.15	7,158,493.45	staking	Pledge of short-term loan
total	9,988,824.95	9,988,824.95			13,174,494.32	12,953,097.62		

Other notes:

19. Short-term borrowings

(1) Classification of short-term loans

Unit: Yuan

project	Closing balance	Opening balance
Accounts receivable factoring	1,065,508.63	50,000.00
total	1,065,508.63	50,000.00

Explanation of classification of short-term loans:

20. Accounts payable

(1) Presentation of accounts payable

Unit: Yuan

project	Closing balance	Opening balance
construction payment	168,578,885.71	171,738,333.04
total	168,578,885.71	171,738,333.04

(2) Important accounts payable with an aging of over 1 year or overdue

Unit: Yuan

project	Closing balance	Reasons for non-repayment or carry-over
Shenzhen Guangming Construction Engineering No.1 Construction Engineering Co., Ltd	66,975,438.51	Not settled yet
Shenzhen Municipal Engineering Corporation	16,073,112.33	Not settled yet
total	83,048,550.84	

Other notes:

21. Other payables

Unit: Yuan

project	Closing balance	Opening balance
Interest payable	16,535,277.94	16,535,277.94
Dividends payable	0.00	0.00
Other payables	102,541,729.28	127,745,131.22
total	119,077,007.22	144,280,409.16

(1) Interest payable

Unit: Yuan

project	Closing balance	Opening balance
Interest on borrowings from non-financial institutions (interest payable to the parent company)	16,535,277.94	16,535,277.94
total	16,535,277.94	16,535,277.94

Important overdue and unpaid interest:

Unit: Yuan

Borrowing entity	overdue amount	Reason for Delay
Shenzhen Investment Holding Co., Ltd	16,535,277.94	Postpone payment
total	16,535,277.94	

Other notes:

(2) Other payables

1) List other payables by nature of payment

Unit: Yuan

project	Closing balance	Opening balance
Non-related party transactions	18,375,108.87	26,581,817.09
Related party transactions	9,065,673.97	9,065,673.97
deposit	25,247,983.88	23,487,225.44
Other	49,852,962.56	68,610,414.72
total	102,541,729.28	127,745,131.22

22. Advance receipts

(1) Presentation of advance receipts

Unit: Yuan

project	Closing balance	Opening balance
rent	3,417,122.84	722,042.14
total	3,417,122.84	722,042.14

23. Contract liabilities

Unit: Yuan

project	Closing balance	Opening balance
Advance receipts from housing sales	17,207,929.34	15,710,437.24
Advance receipts for engineering projects		8,115,281.04
Other	4,218,370.69	4,574,940.92
total	21,426,300.03	28,400,659.20

Significant contractual liabilities with an aging of over 1 year

Unit: Yuan

project	Closing balance	Reasons for non-repayment or carry-over

The amount and reasons for significant changes in book value during the reporting period

Unit: Yuan

project	Change in amount	Reason for change

The company must comply with the disclosure requirements for the "Real Estate Industry" as stipulated in the "Shenzhen Stock Exchange Listed Companies Self-regulatory Guidelines No. 3 - Industry Information Disclosure"

Collection information for the top five projects based on pre-sale amount:

Unit: Yuan

Serial number	Project Name	Opening balance	Closing balance	Estimated completion date	Pre-sale ratio

24. Payroll payable

(1) Presentation of payroll payable

Unit: Yuan

project	Opening balance	Increase in this period	Decrease in current period	Closing balance
1. Short-term compensation	29,667,810.08	27,005,481.62	27,171,750.01	29,501,541.69
II. Post-employment benefits - defined contribution plans	1,838.80	4,420,223.65	4,420,223.65	1,838.80
III. Dismissal benefits	3,087,694.00	31,625.00	2,356,381.00	762,938.00
total	32,757,342.88	31,457,330.27	33,948,354.66	30,266,318.49

(2) Presentation of short-term compensation

Unit: Yuan

project	Opening balance	Increase in this period	Decrease in this period	Closing balance
1. Salary, bonus, allowance and subsidy	29,550,437.52	22,102,472.96	22,244,877.81	29,408,032.67
2. Employee welfare expenses	0.00	1,001,147.80	1,001,147.80	0.00
3. Social insurance premiums	0.00	1,271,268.81	1,271,268.81	0.00
Among them: medical insurance premiums	0.00	1,094,895.11	1,094,895.11	0.00
work-related injury insurance premium	0.00	89,905.63	89,905.63	0.00
Maternity Insurance Premium	0.00	86,468.07	86,468.07	0.00
4. Housing provident fund	0.00	2,175,518.37	2,175,518.37	0.00
5. Labor union expenditure and employee education expenditure	117,372.56	455,073.68	478,937.22	93,509.02
6. Short-term paid absence	0.00			0.00
total	29,667,810.08	27,005,481.62	27,171,750.01	29,501,541.69

(3) Presentation of defined contribution plans

Unit: Yuan

project	Opening balance	Increase in this period	Decrease in this period	Closing balance
1. Basic endowment insurance		2,884,390.22	2,884,390.22	

2. Unemployment insurance premium		159,605.75	159,605.75	
3. Enterprise annuity contribution	1,838.80	1,376,227.68	1,376,227.68	1,838.80
total	1,838.80	4,420,223.65	4,420,223.65	1,838.80

Other instructions

25. Taxes payable

Unit: Yuan

project	Closing balance	Opening balance
Value-added tax	1,097,045.85	937,306.31
corporate income tax	5,055,003.31	16,169,391.23
individual income tax	336,254.38	2,139,885.12
Urban maintenance and construction tax	1,489,975.59	1,336,686.83
Land Value Increment Tax	4,646,137.48	4,645,184.15
property tax	4,985,855.12	537,531.44
Education Surcharge	639,984.87	577,466.85
Local education surcharge	414,204.17	368,675.16
Other	162,381.33	209,955.49
total	18,826,842.10	26,922,082.58

Other instructions

26. Other current liabilities

Unit: Yuan

project	Closing balance	Opening balance
Pending output tax to be written off	467,449.67	235,112.72
Accounts receivable factoring	6,585,890.15	7,329,890.15
total	7,053,339.82	7,565,002.87

Increase and decrease of short-term bonds payable:

Unit: Yuan

Bond name	denomination	Coupon rate	Release Date	Bond Tenure	Issuance amount	Opening balance	Issued in this issue	Accrue interest at par value	Amortization of excess/discount	Repayment in this installment		Closing balance	Is there a breach of contract
total													

Other notes:

27. Share capital

Unit: Yuan

	Opening	Increase or decrease in this change (+,-)	Closing

	balance	Issue new shares	bonus share	Convert housing provident fund into shares	Other	Subtotal	balance
Total number of shares	1,011,660,000.00						1,011,660,000.00

Other notes:

28. Capital reserves

Unit: Yuan

project	Opening balance	Increase in this period	Decrease in this period	Closing balance
Capital surplus (share premium)	557,433,036.93			557,433,036.93
Other capital reserves	420,811,873.18			420,811,873.18
total	978,244,910.11			978,244,910.11

Other explanations, including changes in the current period and explanations for the reasons for such changes:

29. Other comprehensive income

Unit: Yuan

project	Opening balance	current period amount						Closing balance
		Amount incurred before income tax in the current period	Less: Transfer from other comprehensive income to profit and loss in the current period	Less: Amount previously recognized in other comprehensive income and transferred to retained earnings in the current period	Less: Income tax expense	After-tax attributable to the parent company	After-tax attributable to minority shareholders	
1. Other comprehensive income that cannot be reclassified into profit and loss	2,344,838.10	-2,841,991.42	0.00	0.00	0.00	-2,841,991.42	0.00	-497,153.32
Changes in fair value of other equity instrument investments	2,344,838.10	-2,841,991.42				-2,841,991.42		-497,153.32

II. Other comprehensive income reclassified into profit and loss	20,970,277.42	10,607,567.51	0.00	0.00	0.00	8,944,515.79	1,663,051.72	29,914,793.21
Translation difference in foreign currency financial statements	20,970,277.42	10,607,567.51				8,944,515.79	1,663,051.72	29,914,793.21
Total other comprehensive income	23,315,115.52	7,765,576.09	0.00	0.00	0.00	6,102,524.37	1,663,051.72	29,417,639.89

Other explanations, including the adjustment of the initial recognized amount of the hedged item resulting from the conversion of the effective portion of the cash flow hedging gains and losses:

30. Surplus reserve

Unit: Yuan

project	Opening balance	Increase in this period	Decrease in this period	Closing balance
Statutory surplus reserve	275,253,729.26			275,253,729.26
total	275,253,729.26			275,253,729.26

Explanation of surplus reserves, including changes in the current period and explanations for the reasons for such changes:

31. Undistributed profit

Unit: Yuan

project	this issue	previous issue
Undistributed profit at the end of the previous period before adjustment	1,323,849,441.49	1,223,893,437.74
Adjust the beginning undistributed profit in the later period	1,323,849,441.49	1,223,893,437.74
Plus: Net profit attributable to the owners of the parent company for the current period	-8,560,110.26	103,027,646.42
Payable common stock dividends	35,408,100.00	
Undistributed profit at the end of the period	1,279,881,231.23	1,326,921,084.16

Adjusted beginning undistributed profit details:

Due to the retroactive adjustments made to the "Accounting Standards for Business Enterprises" and its related new regulations, the beginning undistributed profit was affected by RMB 0.00.

2) Due to changes in accounting policies, the beginning undistributed profit was affected by RMB 0.00.

3) Due to the correction of significant accounting errors, the beginning undistributed profit was affected by RMB 0.00.

4) Due to changes in the consolidation scope resulting from the same control, the beginning undistributed profit was affected by

0.00 yuan.

5) The total impact of other adjustments on the beginning undistributed profit is 0.00 yuan.

Detailed explanation of using capital reserves to cover losses:

32. Operating income and operating costs

Unit: Yuan

project	current period amount		previous period amount	
	income	cost	income	cost
main business	144,879,781.19	121,947,149.35	633,729,460.42	462,450,321.86
Other businesses	4,377,171.85	1,865,565.32	3,636,760.93	1,267,668.76
total	149,256,953.04	123,812,714.67	637,366,221.35	463,717,990.62

Decomposition information of operating income and operating costs:

Unit: Yuan

Contract Classification	Section 1		Section 2				total	
	Operating Revenue	Cost of goods sold	Operating Revenue	Cost of goods sold	Operating Revenue	Cost of goods sold	Operating Revenue	Cost of goods sold
Business Type								
among which								
Classified by business region								
Among them:								
Market or customer type								
Among them:								
Contract Type								
Among them:								
Classified by the time of commodity transfer								
Among them:								
Classificati								

on by contract duration								
Among them:								
Classified by sales channels								
Among them:								
total								

Information related to performance obligations:

project	The time for fulfilling the performance obligation	Important payment terms	The nature of the goods promised to be transferred by the company	Is it the primary responsible person	The amount that the company anticipates will be refunded to customers	The type of quality assurance provided by the company and related obligations

Other instructions

Information related to the transaction price allocated to the remaining performance obligations:

The revenue amount corresponding to the performance obligations that have been contracted but not yet fulfilled or not fully fulfilled at the end of this reporting period is RMB 146,349,196.60. Among them, RMB 42,877,997.17 is expected to be recognized as revenue in 2026, RMB 51,606,583.28 is expected to be recognized as revenue in 2027, and RMB 51,864,616.19 is expected to be recognized as revenue in 2028.

Relevant information on variable consideration in the contract:

Significant contract modifications or substantial transaction price adjustments

Unit: Yuan

project	Accounting treatment method	The amount of impact on income

Other instructions

The company must comply with the disclosure requirements for the "Real Estate Industry" as stipulated in the "Shenzhen Stock Exchange Listed Companies Self-regulatory Guidelines No. 3 - Industry Information Disclosure"

Information on the top five projects with confirmed revenue amounts during the reporting period:

Unit: Yuan

Serial number	Project Name	income amount
1	Tianyue Bay Phase II	31,747,234.89
2	Cui Lin Yuan	12,470,285.73
3	Shenfang Square	4,549,393.58
4	Tianyue Bay Phase I	3,600,905.72

33. Taxes and surcharges

Unit: Yuan

project	current period amount	previous period amount

consumption tax	0.00	0.00
Urban maintenance and construction tax	539,317.30	4,144,830.19
Education Surcharge	236,278.82	1,776,669.74
resource tax	0.00	0.00
property tax	4,738,435.68	4,768,158.41
Land use tax	105,256.22	271,873.96
Vehicle and vessel use tax	660.00	960.00
stamp duty	94,909.80	58,163.90
Land Value Increment Tax	1,068,668.67	2,849,850.98
Local education surcharge	154,893.11	1,185,178.70
Other taxes and fees	456,597.73	506,322.00
total	7,395,017.33	15,562,007.88

Other notes:

34. Management expenses

Unit: Yuan

project	current period amount	previous period amount
employee compensation	23,309,343.66	24,927,288.22
Intermediary agency fee	662,967.93	1,209,357.11
litigation costs	27,040.76	2,954,044.71
Business entertainment expenses	13,038.41	103,909.17
depreciation expense	1,575,069.11	1,504,235.97
office expenses	203,522.08	213,586.59
repair cost	46,135.89	52,743.99
Travel expenses	12,017.70	28,848.79
Other amortization expenses	67,700.16	4,248.82
utility bill	137,844.84	194,412.02
Other	1,057,992.22	982,713.60
total	27,112,672.76	32,175,388.99

Other instructions

35. Sales expenses

Unit: Yuan

project	current period amount	previous period amount
Sales agency fees and commissions	1,201,116.96	3,010,956.72
employee compensation	1,937,722.53	2,408,841.45
property management fee	354,478.69	285,730.36
business expenses	7,493.00	160,856.24
advertising fee	1,091,393.97	1,558,393.61
Other	1,773,861.78	2,283,933.55
total	6,366,066.93	9,708,711.93

Other notes:

36. Financial expenses

Unit: Yuan

project	current period amount	previous period amount
interest expense		2,788,711.79
Less: Interest income	925,667.62	2,154,378.05
exchange gain or loss	1,212,747.58	504,473.51
handling fee	83,261.97	74,499.37
total	370,341.93	1,213,306.62

Other instructions

37. Other income

Unit: Yuan

Sources of generating other income	current period amount	previous period amount
Refund of handling fee for withholding individual income tax	52,026.64	31,652.46
Government subsidies related to earnings	2,000.00	

38. Gain from changes in fair value

Unit: Yuan

The source of income from changes in fair value	current period amount	previous period amount
Trading financial assets	7,069,256.29	8,662,388.50
total	7,069,256.29	8,662,388.50

Other notes:

39. Investment income

Unit: Yuan

project	current period amount	previous period amount
Investment income generated from disposal of long-term equity investments	66,265.23	99,669.36
Dividend income earned from other equity instrument investments during the holding period		
total	66,265.23	99,669.36

Other instructions

40. Credit impairment loss

Unit: Yuan

project	current period amount	previous period amount
Bad debt losses on accounts receivable		-75,507.93
Bad debt losses on other receivables	554,041.03	-2,275.00
total	554,041.03	-77,782.93

Other instructions

41. Asset impairment loss

Unit: Yuan

project	current period amount	previous period amount
XI. Impairment loss on contract assets		-15,230.21
total	0.00	-15,230.21

Other notes:

42. Income from asset disposal

Unit: Yuan

The source of asset disposal income	current period amount	previous period amount
Gain on disposal of fixed assets	357.10	

43. Non-operating income

Unit: Yuan

project	current period amount	previous period amount	Amount included in non-recurring profit and loss for the current period
Other	491.27	20,130.74	491.27
total	491.27	20,130.74	491.27

Other notes:

44. Non-operating expenses

Unit: Yuan

project	current period amount	previous period amount	Amount included in non-recurring profit and loss for the current period
Losses on destruction and scrapping of non-current assets	1,744.29	1,634.14	1,744.29
total	1,744.29	1,634.14	1,744.29

Other notes:

45. Income tax expense

(1) Income tax expense statement

Unit: Yuan

project	current period amount	previous period amount
Current income tax expense	758,055.70	20,343,093.32
Deferred income tax expense	192,445.75	1,153,045.36
total	950,501.45	21,496,138.68

(2) Adjustment process of accounting profit and income tax expense

Unit: Yuan

project	current period amount
Total Profit	-8,057,167.31
Income tax expense calculated at statutory/applicable tax rate	-2,014,291.83
The impact of applying different tax rates to subsidiaries	-96,426.00
Adjust the impact of income tax from previous periods	1,293,905.20
Impact of non-taxable income	1,767,314.07
Income tax expense	950,501.45

Other instructions

46. Other comprehensive income

See Note 29 for details

47. Items in the cash flow statement

(1) Cash related to operating activities

Cash received from other sources related to operating activities

Unit: Yuan

project	current period amount	previous period amount
interest income	925,667.62	2,175,358.84
Accounts receivable and payable, and others	17,889,883.06	118,487,474.89
total	18,815,550.68	120,662,833.73

Explanation of other cash received related to operating activities:

Cash paid for other activities related to operating activities

Unit: Yuan

project	current period amount	previous period amount
Financial expenses - handling fees	83,261.97	74,499.37
Cash operating expenses	11,085,040.62	15,509,077.29
Accounts receivable and payable, and others	6,480,235.55	138,539,485.45
total	17,648,538.14	154,123,062.11

Explanation of other cash payments related to operating activities:

(2) Cash related to investing activities

Cash received from other sources related to investing activities

Unit: Yuan

project	current period amount	previous period amount
total	0.00	0.00

Cash received that is significant and related to investing activities

Unit: Yuan

project	current period amount	previous period amount

Explanation of other cash received related to investing activities:

Cash paid for other investment-related activities

Unit: Yuan

project	current period amount	previous period amount
Purchase money market fund		110,000,000.00
total	0.00	110,000,000.00

Cash paid for important investment-related activities

Unit: Yuan

project	current period amount	previous period amount

Explanation of cash paid for other investment-related activities:

(3) Cash related to financing activities

Cash received from other financing-related activities

Unit: Yuan

project	current period amount	previous period amount
total	0.00	0.00

Explanation of other cash received related to financing activities:

Cash paid for other financing-related activities

Unit: Yuan

project	current period amount	previous period amount
total	0.00	0.00

Explanation of other cash payments related to financing activities:

Changes in various liabilities arising from fundraising activities

□ Applicable ☑Not Applicable

(4) Explanation of presenting cash flows on a net basis

project	Relevant factual circumstances	Basis for adopting net presentation	Financial impact

(5) Significant activities and financial impacts that do not involve current cash receipts and payments but affect the financial position of the enterprise or may affect the enterprise's cash flows in the future

48. Supplementary Information to the Cash Flow Statement

(1) Supplementary information to the cash flow statement

Unit: Yuan

Supplementary materials	Current Amount	Previous Period Amount
1. Adjust net profit to cash flow from operating activities:		
Net profit	-9,007,668.76	102,211,870.41

Plus: asset impairment provision	-554,041.03	93,013.14
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	14,223,636.09	13,605,503.22
Depreciation of right-to-use assets		
Amortization of intangible assets		
Amortization of long-term deferred expenses	531,186.81	386,870.04
Losses on disposal of fixed assets, intangible assets, and other long-term assets (gains are indicated with a "-" sign)	-357.10	
Losses on disposal of fixed assets (gains are indicated with a "-" sign)	1,744.29	1,634.14
Loss on changes in fair value (gains are indicated with a "-" sign)	-7,069,256.29	-8,662,388.50
Financial expenses (gains are indicated with a "-" sign)	1,212,747.58	504,473.51
Investment losses (gains are indicated with a "-" sign)	-66,265.23	-99,669.36
Decrease in deferred tax assets (increase is indicated by a "-" sign)	-277,244.46	-302,510.63
Increase in deferred tax liabilities (decrease is indicated by a "-" sign)	469,690.21	
Decrease in inventory (increase is indicated by a "-" sign)	40,849,835.06	454,142,123.69
Decrease in operating receivables (increase is indicated by a "-" sign)	37,684,242.49	26,902,502.38
Increase in operating payables (decrease is indicated by a "-" sign)	-53,051,150.18	-676,205,663.62
Other		
Net cash flow from operating activities	24,947,099.48	-87,422,241.58
2. Significant investing and financing activities not involving cash receipts and payments:		
Debt converted into capital		
Convertible corporate bonds maturing within one year		
Fixed assets under financing lease		
3. Net changes in cash and cash equivalents:		
Closing balance of cash	268,310,887.49	288,498,978.06
Less: opening balance of cash	278,891,920.87	520,910,254.44
Plus: Closing balance of cash equivalents		
Less: opening balance of cash		

equivalents		
Net increase in cash and cash equivalents	-10,581,033.38	-232,411,276.38

(2) Composition of cash and cash equivalents

Unit: Yuan

project	Closing balance	Opening balance
1. Cash	268,310,887.49	278,891,920.87
Among them: cash on hand	17,651.07	19,892.83
Bank deposits that can be used for payment at any time	268,293,236.42	278,872,028.04
III. Closing balance of cash and cash equivalents	268,310,887.49	278,891,920.87

(3) Monetary funds not classified as cash and cash equivalents

Unit: Yuan

project	Current Amount	Previous Period Amount	Reasons for not classifying as cash and cash equivalents
Monetary Funds		5,817,217.78	Construction funds for public facilities projects within and surrounding the urban renewal project in Longgang District, Shenzhen; land reclamation costs for the Shenfang Guangmingli project
Monetary Funds	16,132.40		Funds in the special account for migrant workers
Monetary Funds	2,201,283.57	58,428.69	Litigation freeze
Monetary Funds	50,000.00	50,000.00	Construction deposit
Monetary Funds	70,010.20	158,549.08	Stop payment, suspend account
total	2,337,426.17	6,084,195.55	

Other notes:

49. Foreign currency monetary items

(1) Foreign currency monetary items

Unit: Yuan

project	Closing balance in foreign currency	conversion exchange rate	Year-end converted RMB balance
Monetary Funds			
Among them: US dollar	12,084.05	6.8175	82,382.56
euro			
Hong Kong Dollar	4,905,150.10	0.8692	4,263,556.47

accounts receivable			
Among them: US dollar			
euro			
Hong Kong Dollar			
long-term loans			
Among them: US dollar			
euro			
Hong Kong Dollar			
Other receivables			
Among them: US dollar			
euro			
Hong Kong Dollar	20,692,378.86	0.8692	17,985,815.71
Other payables			
Among them: US dollar	733,761.87	6.8175	5,002,421.55
euro			
Hong Kong Dollar	18,623,481.77	0.8692	16,187,530.35

Other notes:

(2) The nature of the lack of currency convertibility and its financial impact, the spot exchange rate adopted and its estimation process, as well as the risks faced by the enterprise due to the lack of currency convertibility

□ Applicable ☑Not Applicable

(3) Description of overseas operating entities, including for significant overseas operating entities, the main overseas operating locations, the functional currency, and the basis for selection should be disclosed. If there is a change in the functional currency, the reasons for the change should also be disclosed.

□ Applicable ☑Not applicable

(4) The lack of convertibility between the functional currency of overseas operations and the presentation currency of the enterprise

□ Applicable ☑Not Applicable

VIII. Research and development expenditure

Unit: Yuan

project	current period amount	previous period amount

IX. Changes in the scope of consolidation

1. Business combination not under common control

(1) Business combinations not under common control that occurred in the current period

Unit: Yuan

Name of the purchased party	Time point of equity acquisition	Cost of equity acquisition	Equity acquisition ratio	Method of equity acquisition	Acquisition Date	Basis for determining the acquisition date	The revenue of the acquiree from the acquisition date to the end of the period	Net profit of the acquiree from the acquisition date to the end of the period	Cash flow of the acquiree from the acquisition date to the end of the period

Other notes:

(2) Merger cost and goodwill

Unit: Yuan

Merger cost	
--Cash	
--Fair value of non-cash assets	
-- Fair value of debts issued or assumed	
--Fair value of equity securities issued	
-- Fair value of contingent consideration	
-- The fair value of the equity held prior to the acquisition date on the acquisition date	
--Others	
Total merger cost	
Less: fair value share of identifiable net assets acquired	
The amount where the goodwill/combination cost is less than the fair value share of the identifiable net assets acquired	

Method for determining the fair value of the merger cost:

Explanation of contingent consideration and its changes

The main reasons for the formation of significant goodwill are:

Other notes:

(3) Identifiable assets and liabilities of the acquiree on the acquisition date

Unit: Yuan

	Fair value on acquisition date	Book value on the purchase date
Assets:		
Monetary Funds		
Receivables		

inventory		
Fixed assets		
intangible assets		
Liabilities:		
loan		
Accounts payable		
Deferred tax liabilities		
net assets		
Less: minority shareholders' equity		
Net assets acquired		

Method for determining the fair value of identifiable assets and liabilities:

Contingent liabilities assumed by the acquirer from the acquiree in a business combination:

Other notes:

(4) Gains or losses arising from the remeasurement of equity held prior to the acquisition date at fair value

Is there any transaction that achieves business combination step by step through multiple transactions and obtains control during the reporting period

□ Yes ☑No

(5) Explanation on the inability to reasonably determine the merger consideration or the fair value of the identifiable assets and liabilities of the acquiree on the acquisition date or at the end of the current merger period

(6) Other descriptions

2. Business combination under common control

(1) Business combinations under common control that occurred in the current period

Unit: Yuan

Name of the merged party	The proportion of equity acquired in a business combination	Basis for constituting business combinations under common control	Merger date	Basis for determining the merger date	Consolidate the revenue of the combined party from the beginning of the current period to the consolidation date	Consolidate the net profit of the combined party from the beginning of the current period to the consolidation date	Income of the combined party during the comparison period	Net profit of the combined party during the comparison period

Other notes:

(2) Merger cost

Unit: Yuan

Merger cost	
--Cash	
--Book value of non-cash assets	
--Book value of debts issued or assumed	
--Par value of equity securities issued	
-- Contingent consideration	

Explanation of contingent consideration and its changes:

Other notes:

(3) The book value of the assets and liabilities of the combined party on the combination date

Unit: Yuan

	Merger date	End of last period
Assets:		
Monetary Funds		
Receivables		
inventory		
Fixed assets		
intangible assets		
Liabilities:		
loan		
Accounts payable		
net assets		
Less: Minority shareholders' equity		
Net assets acquired		

Contingent liabilities assumed by the acquirer in a business combination:

Other notes:

3. Reverse purchase

Basic transaction information, basis for the transaction constituting a reverse purchase, whether the assets and liabilities retained by the listed company constitute a business and the basis for this, determination of the merger cost, and the amount and calculation of equity adjustments when treated as equity transactions:

4. Disposal of subsidiaries

Is there any transaction or matter in the current period where control over a subsidiary has been lost

□ Yes ☑No

Is there a situation where the investment in a subsidiary is disposed of step by step through multiple transactions and control is lost in the current period

□ Yes ☑No

5. Changes in consolidation scope due to other reasons

Explain the changes in the consolidation scope caused by other reasons (such as the establishment of new subsidiaries, liquidation of subsidiaries, etc.) and their related circumstances:

6. Others

X. Equity in other entities

1. Equity in subsidiaries

(1) Composition of enterprise group

Unit: Yuan

subsidiary company name	registered capital	Main business location	Place of registration	Nature of Business	shareholding ratio		acquisition method
					directly	indirect	
Shenzhen Shenfang Group Longgang Development Co., Ltd	30,000,000.00	Shenzhen	Shenzhen	real estate	95.00%	5.00%	establish
Great Wall Real Estate Co., Ltd. USA	500,000.00[1]	America	America	real estate	70.00%		establish
Shenzhen Haiyan Hotel Co., Ltd	30,000,000.00	Shenzhen	Shenzhen	Property leasing and management	68.10%	31.90%	establish
Shenzhen Zhentong Engineering Co., Ltd	10,000,000.00	Shenzhen	Shenzhen	construction	73.00%	27.00%	establish
Shenzhen Huazhan Construction Supervision Co., Ltd	8,000,000.00	Shenzhen	Shenzhen	construction	75.00%	25.00%	establish
Shenzhen Lianhua Enterprise Co., Ltd	10,000,000.00	Shenzhen	Shenzhen	construction	95.00%	5.00%	establish
Xinfeng Enterprise Co., Ltd	500,000.00[2]	Hong Kong	Hong Kong	Investment, management	100.00%		establish
Shenzhen Shenfang Bonded Trading Co., Ltd	5,000,000.00	Shenzhen	Shenzhen	import and export trade	95.00%	5.00%	establish
Shenzhen	10,000,000.0	Shenzhen	Shenzhen	investment	90.00%	10.00%	establish

Shenfang Investment Co., Ltd	0						
Beijing Xinfeng Real Estate Development and Operation Co., Ltd	10,000,000.00[3]	Beijing	Beijing	real estate	75.00%	25.00%	establish
Shenzhen Shenfang Chuanqi Real Estate Development Co., Ltd	3,000.00	Shenzhen	Shenzhen	real estate	100.00%		establish

Note: 1 US dollar

2 Hong Kong dollars

3 dollars

Explanation of the difference between the shareholding ratio and the voting right ratio in subsidiaries:

Not applicable.

The basis for holding half or less of the voting rights but still controlling the invested entity, and holding more than half of the voting rights but not controlling the invested entity:

Not applicable.

For significant structured entities included in the consolidation scope, the basis for control is as follows:

Not applicable.

The basis for determining whether a company is an agent or a principal:

Not applicable.

Other notes:

(1) The company has three subsidiaries that are included in the consolidation scope, which have been suspended for a long time and are in a status of revoked but not cancelled in the industrial and commercial registration. These subsidiaries are Guangzhou Huangpu Xincun Real Estate Development Co., Ltd., a secondary subsidiary held by Beijing Xinfeng Real Estate Development and Operation Co., Ltd., and Xinfeng Real Estate Development and Construction (Wuhan) Co., Ltd. These three subsidiaries are reported on a discontinued operations basis.

(2) Jianbang Company went bankrupt and liquidated on November 30, 2025, and was taken over by the bankruptcy administrator. Since that date, it has no longer been included in the consolidation scope.

(2) Important non-wholly-owned subsidiaries

Unit: Yuan

subsidiary company	Shareholding ratio of	Profit and loss	Dividends declared and	Closing balance of

name	minority shareholders	attributable to minority shareholders in the current period	distributed to minority shareholders in the current period	minority shareholders' equity
Great Wall Real Estate Co., Ltd. USA	30.00%	-46,857.75	0.00	-22,019,887.97
Xinfeng Investment Co., Ltd	45.00%	0.00	0.00	-115,584,425.07
Bai Wei Real Estate Co., Ltd	20.00%	0.00	0.00	-3,623,490.16

Explanation of the difference between the shareholding ratio and voting right ratio of minority shareholders in subsidiaries:

Not applicable.

Other notes:

Not applicable.

(3) Main financial information of significant non-wholly-owned subsidiaries

Unit: Yuan

subsidiary company name	Closing balance						Opening balance					
	current assets	Non-current assets	Total Assets	current liabilities	Non-current liabilities	Total Liabilities	current assets	Non-current assets	Total Assets	current liabilities	Non-current liabilities	Total Liabilities
Great Wall Real Estate Co., Ltd. USA	355,150.57	18,836,425.26	19,191,575.83	108,385,384.02	0.00	108,385,384.02	526,052.05	19,420,237.01	19,946,289.06	111,745,358.13	0.00	111,745,358.13
Xinfeng Investment Co., Ltd	497.79	2,292.80	2,790.59	256,858,980.79	0.00	256,858,980.79	517.26	2,292.80	2,810.06	258,164,218.56	0.00	258,164,218.56
Bai Wei Real Estate Co., Ltd	0.00	0.00	0.00	31,576,848.14	0.00	31,576,848.14	0.00	0.00	0.00	32,812,021.68	0.00	32,812,021.68
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd												

Unit: Yuan

subsidiary company name	current period amount				previous period amount			
	Operating Revenue	Net profit	Total comprehensive income	Cash flow from operating activities	Operating Revenue	Net profit	Total comprehensive income	Cash flow from operating activities
Great Wall Real Estate Co., Ltd. (USA)	361,888.66	-156,192.49	2,605,260.88	-123,837.00	350,938.54	-201,536.70	140,037.29	331,378.89
Xinfeng Investment Co., Ltd	0.00	0.00	1,305,735.56	0.00	0.00	0.00	510,769.05	0.00
Bai Wei Real Estate Co., Ltd	0.00	0.00	1,235,173.54	0.00	0.00	-96.81	483,073.62	0.00
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd	0.00	0.00	0.00	0.00	0.00	-356,947.04	-356,947.04	0.00

Other notes:

(1) Jianbang Company was taken over by the bankruptcy administrator for bankruptcy liquidation on November 30, 2025, and was no longer included in the consolidation scope from November 30, 2025.

2. Transactions where there is a change in the owner's equity share of a subsidiary and the parent company still controls the subsidiary

3. Equity in joint ventures or associated enterprises

(1) Summary financial information of insignificant joint ventures and associated enterprises

Unit: Yuan

	Closing balance / Amount incurred in the current period	Opening balance / Amount incurred in the previous period
Joint venture:		
The total calculated based on the shareholding ratio of each item listed below		
Joint ventures:		
The total of the following items calculated based on the shareholding ratio		

Other instructions

(2) Excess losses incurred by joint ventures or associated enterprises

Unit: Yuan

Name of joint venture or associated enterprise	Accumulated unrecognized losses from prior periods	Unrecognized losses for the current period (or net profit shared for the current period)	Accumulated unrecognized losses at the end of the period
Shenzhen Xinfeng Real Estate Consulting Co., Ltd	2,217,955.89		2,217,955.89

Other instructions

XI. Government subsidies

1. Government subsidies recognized based on the amount receivable at the end of the reporting period

□ Applicable ☑Not Applicable

Reasons for failing to receive government subsidies of the expected amount at the expected time

□ Applicable ☑Not Applicable

2. Liability items involving government subsidies

□ Applicable ☑Not applicable

3. Government subsidies included in current profit and loss

☑Applicable □ Not applicable

Unit: Yuan

accounting subject	current period amount	previous period amount
Other income	2,000.00	0.00

Other notes:

XII. Risks related to financial instruments

1. Various risks arising from financial instruments

The objective of our company's risk management is to strike a balance between risk and return, minimize the negative impact of risk on our operating performance, and maximize the interests of shareholders and other equity investors. Based on this risk management objective, our basic strategy for risk management is to identify and analyze various risks faced by our company, establish appropriate risk tolerance thresholds, conduct risk management, and supervise various risks in a timely and reliable manner to keep risks within a defined range.

The Company faces various risks related to financial instruments in its daily activities, primarily including credit risk, liquidity risk, and market risk. The management has reviewed and approved policies to manage these risks, which are summarized as follows.

(I) Credit risk

Credit risk refers to the risk that one party to a financial instrument fails to fulfill its obligations, resulting in financial losses to the other party.

1. Credit risk management practices

(1) Evaluation method of credit risk

The company assesses whether the credit risk of relevant financial instruments has significantly increased since initial recognition on each balance sheet date. In determining whether credit risk has significantly increased since initial recognition, the company considers obtaining reasonable and well-founded information without unnecessary additional cost or effort, including qualitative and quantitative analysis based on historical data, external credit risk ratings, and forward-looking information. The company uses individual financial instruments or portfolios of financial instruments with similar credit risk characteristics as the basis, and compares the risk of default on the balance sheet date with the risk of default on the initial recognition date to determine the changes in default risk during the expected duration of the financial instruments.

When one or more of the following quantitative and qualitative criteria are triggered, the company deems that the credit risk of financial instruments has significantly increased:

1) The quantitative criterion primarily involves a rise in the probability of default during the remaining duration as of the balance sheet date, exceeding a certain percentage compared to the initial recognition;

2) The qualitative criteria primarily involve significant adverse changes in the debtor's operational or financial situation, as well as existing or anticipated changes in the technological, market, economic, or legal environment that will have a material adverse impact on the debtor's repayment ability to the company.

(2) Definition of defaulted and credit impaired assets

When a financial instrument meets one or more of the following conditions, the company defines the financial asset as having defaulted, and its criteria are consistent with the definition of credit impairment:

1) The debtor encounters significant financial difficulties;

2) The debtor violates the restrictive clauses imposed on the debtor in the contract;

3) The debtor is likely to go bankrupt or undergo other financial restructuring;

4) The creditor, due to economic or contractual considerations related to the debtor's financial difficulties, grants concessions that the debtor would not otherwise make.

2. Measurement of expected credit losses

The key parameters for measuring expected credit losses include probability of default, loss given default, and exposure at default. The company takes into account quantitative analysis of historical statistical data (such as counterparty ratings, types of guarantees and collateral, repayment methods, etc.) and forward-looking information to establish models for probability of default, loss given default, and exposure at default.

3. For the detailed reconciliation statement of the beginning and ending balances of provisions for losses on financial instruments, please refer to the explanations provided in Notes 7(3), 7(4), 7(5), and 7(6) to the financial statements.

4. Credit risk exposure and credit risk concentration

The credit risk of our company primarily arises from monetary funds and receivables. To mitigate the aforementioned risks, we have implemented the following measures.

(1) Monetary funds

The company deposits its bank deposits and other monetary funds with financial institutions with high credit ratings, thus its credit risk is relatively low.

(2) Accounts receivable and contract assets

Our company regularly conducts credit assessments on customers who engage in transactions using credit methods. Based on the credit assessment results, we choose to conduct transactions with approved customers who have good credit, and monitor their accounts receivable balances to ensure that our company does not face significant bad debt risks.

Due to the distribution of our company's accounts receivable risk points across multiple partners and customers, credit risk is managed on a customer-by-customer basis. As of June 30, 2026, our company faces a certain degree of credit concentration risk, with 46% (as of December 31, 2025: 38.71%) of our accounts receivable and contract assets stemming from the top five customers by balance. Our company does not hold any collateral or other credit enhancements for the balances of accounts receivable and contract assets.

The maximum credit risk exposure borne by our company is the book value of each financial asset in the balance sheet.

(II) Liquidity risk

Liquidity risk refers to the risk of experiencing a shortage of funds when the company fulfills its obligations to settle transactions by delivering cash or other financial assets. Liquidity risk may arise from the inability to sell financial assets at fair value as soon as possible; or from the counterparty's inability to repay its contractual debts; or from early maturity of debts; or from the inability to generate expected cash flows.

To control this risk, our company comprehensively utilizes various financing methods such as bill settlement and bank loans, and adopts a method that appropriately combines long-term and short-term financing to optimize the financing structure, maintaining a balance between financing continuity and flexibility. Our company has obtained bank credit lines from multiple commercial banks to meet its working capital needs and capital expenditures.

Financial liabilities are classified based on their remaining maturity

Project (or Item)	Ending Balance				
	book value	Undiscounted contract amount	within one year	1-3 years	More than 3 years
short-term borrowing	1,065,508.63	1,065,508.63	1,065,508.63		
accounts payable	168,578,885.71	168,578,885.71	168,578,885.71		
Other payables	119,077,007.22	119,077,007.22	119,077,007.22		
Other current liabilities	7,053,339.82	7,053,339.82	7,053,339.82		
Subtotal	295,774,741.38	295,774,741.38	295,774,741.38	0.00	0.00

(Continued from the previous table)

Project (or Item)	"Year-end balance of the previous year"				
	book value	Undiscounted contract amount	within one year	1-3 years	More than 3 years
short-term borrowing	50,000.00	50,000.00	50,000.00		
accounts payable	171,738,333.04	171,738,333.04	171,738,333.04		
Other payables	144,280,409.16	144,280,409.16	144,280,409.16		
Other current liabilities	7,329,890.15	7,329,890.15	7,329,890.15		
Subtotal	323,398,632.35	323,398,632.35	323,398,632.35	0.00	0.00

(III) Market risk

Market risk refers to the risk that the fair value or future cash flows of a financial instrument fluctuate due to changes in market prices. Market risk primarily includes interest rate risk and foreign exchange risk.

1. Interest rate risk

Interest rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in market interest rates. Fixed-rate interest-bearing financial instruments expose the Company to fair value interest rate risk, while floating-rate interest-bearing financial instruments expose the Company to cash flow interest rate risk. The Company determines the proportion of fixed-rate and floating-rate financial instruments based on market conditions and maintains an appropriate portfolio of financial instruments through regular review and monitoring. The cash flow interest rate risk faced by the Company is primarily related to the Company's bank loans with floating-rate interest accrual.

As of June 30, 2026, the Company had no bank loans with floating interest rates (as of December 31, 2025: no bank loans with floating interest rates). Assuming that other variables remain unchanged, a 50 basis point change in interest rates would not have a significant impact on the Company's total profit and shareholders' equity.

2. Foreign exchange risk

Foreign exchange risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in foreign exchange rates. The Company's exposure to exchange rate fluctuations is primarily related to its foreign currency monetary assets and liabilities. In the event of short-term imbalances in foreign currency assets and liabilities, the Company will, when necessary, trade foreign currencies at market exchange rates to ensure that its net risk exposure remains at an acceptable level.

The exchange rate risk primarily arises from the impact of foreign exchange rate fluctuations on the Company's financial position and cash flow. Apart from the assets held by its subsidiary in Hong Kong, which are denominated in Hong Kong dollars, the Company only has minor investments in the Hong Kong market. The foreign currency assets and liabilities held by the Company do not constitute a significant proportion of its overall assets and liabilities. Therefore, the Company believes that the exchange rate risk it faces is not material.

For details of the Company's foreign currency monetary assets and liabilities at the end of the period, please refer to the explanation provided in Note VII (49) of the financial report.

2. Financial assets

(1) Classification of transfer methods

□ Applicable ☑Not Applicable

(2) Financial assets derecognized due to transfer

□ Applicable ☑Not Applicable

(3) Financial assets transferred with continued involvement

□ Applicable ☑Not Applicable

Other instructions

Not applicable.

XIII. Disclosure of fair value

1. The closing fair value of assets and liabilities measured at fair value

Unit: Yuan

project	Closing fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	total
1. Continuous fair value measurement	--	--	--	--
1. Financial assets measured at fair value			1,057,325,314.70	1,057,325,314.70

with changes recognized in current profit and loss				
Fund investment and financial management			1,057,325,314.70	1,057,325,314.70
2. Designate financial assets measured at fair value with changes recognized in current profit and loss			11,729,520.39	11,729,520.39
(III) Other equity instrument investments			11,729,520.39	11,729,520.39
II. Non-continuous fair value measurement	--	--	--	--
Total assets not measured at fair value on a continuous basis			1,069,054,835.09	1,069,054,835.09

2. For items measured at fair value at the third level, both on an ongoing and non-ongoing basis, the valuation techniques employed, as well as the qualitative and quantitative information regarding key parameters

For fund financial products not traded in an active market, their remaining maturity is relatively short, and their fair value is determined by the sum of book value and expected return. For other equity instrument investments not traded in an active market, the investment amount is small, and the changes in the net assets of the investee are minimal, with the book value and fair value being close. Therefore, their fair value is determined by the book value.

XIV. Related parties and related transactions

1. Information about the parent company of this enterprise

Name of the parent company	Place of registration	Nature of Business	registered capital	The shareholding ratio of the parent company in the enterprise	The voting right proportion of the parent company in the enterprise
Shenzhen Investment Holding Co., Ltd	Shenzhen, Guangdong	Investment, real estate development, and guarantee	3,358,600.00[1]	54.79%	54.79%

Note: 10,000 Renminbi

Explanation of the parent company of this enterprise

The ultimate controlling party of this enterprise is the State-owned Assets Supervision and Administration Commission of the People's Government of Shenzhen Municipality.

Other notes:

2. Information about the subsidiaries of the enterprise

For details of the subsidiaries of the Company, please refer to Note IX.

3. Information on the joint ventures and associated enterprises of the enterprise

For details of the significant joint ventures or associated enterprises of the Company, please refer to Note IX.

The status of other joint ventures or associated enterprises that have conducted related-party transactions with the Company in the current period, or have balances from related-party transactions with the Company in previous periods, is as follows:

Name of joint venture or associated enterprise	Relationship with the enterprise

Other instructions

4. Information on other related parties

Name of other related parties	Relationship between other related parties and the enterprise
Shenzhen Oriental New World Department Store Co., Ltd	Equity-accounted company
Shenzhen Shenxi Architectural Decoration Company	The company has not consolidated its holding company
Shenzhen Zhentongxin Electromechanical Industrial Development Co., Ltd	The company has not consolidated its holding company
Shenzhen Nanyang Hotel Co., Ltd	The company has not consolidated its holding company
Shenzhen Real Estate Electromechanical Management Company	The company has not consolidated its holding company
Shenzhen Longgang Henggang Huagang Industrial Co., Ltd	The company has not consolidated its holding company
Shenzhen Property Management Co., Ltd	A holding subsidiary of the parent company
Guoren Property and Casualty Insurance Company Limited	The holding subsidiary of the parent company
Shenzhen Water Planning and Design Institute Co., Ltd	A holding subsidiary of the parent company
Shenzhen Institute of Architectural Design and Research Co., Ltd	The holding subsidiary of the parent company
Shenzhen Shenfang Property Cleaning Co., Ltd	The holding subsidiary of the parent company
Shenzhen Property Management Co., Ltd. Shantou Branch	The holding subsidiary of the parent company
Shenzhen Guomao Property Management Co., Ltd	A holding subsidiary of the parent company
Shenzhen Xinfeng Real Estate Consulting Co., Ltd	Joint venture
Guangdong Huizhou Luofu Mountain Mineral Water Beverage Co., Ltd	Joint venture
Shenzhen Runhua Automobile Trading Company	Joint venture
Canada Great Wall (Vancouver) Co., Ltd	The company has not consolidated its holding company
Parker & Co. Ltd., Australia	The company has not consolidated its holding company
Baili Co., Ltd	The company has not consolidated its holding company
Shenzhen Shenfang Department Store Co., Ltd	The company has not consolidated its holding company
Shenzhen Ronghua Electromechanical Engineering Co., Ltd	Joint venture
Xi'an Xinfeng Property Trade Co., Ltd	The company has not consolidated its holding company
Lianfeng Cement Manufacturing Co., Ltd., Fengkai County, Guangdong Province	The company has not consolidated its holding company
Beijing Shenfang Property Management Co., Ltd	Equity-accounted company

Other instructions

5. Related party transactions

(1) Related transactions involving the purchase and sale of goods, and the provision and acceptance of labor services

Table of Purchased Goods/Received Labor Services

Unit: Yuan

Related party	Content of related-party transactions	Current period amount	Approved transaction limit	Is the transaction amount over the	Previous period amount

				limit	
Guoren Property and Casualty Insurance Company Limited	Insurance Service	11,819.26			11,584.31
Shenzhen Property Management Co., Ltd	Property service	509,217.67			331,127.32
Shenzhen Shenfang Property Cleaning Co., Ltd	Cleaning Service	203,113.22			246,815.10
Shenzhen Property Management Co., Ltd. Shantou Branch	property service	1,001,426.51			1,174,174.96

Statement of Goods Sold/Services Provided

Unit: Yuan

Related party	Content of related-party transactions	Current period amount	Previous period amount
Guoren Property and Casualty Insurance Company Limited	rental service	209,525.40	212,377.14
Shenzhen Property Management Co., Ltd	rental service	2,996,354.61	2,206,302.45
Shenzhen Shenfang Property Cleaning Co., Ltd	rental service	21,784.57	19,999.98

Explanation of related transactions involving the purchase and sale of goods, and the provision and acceptance of labor services

(2) Related lease situation

As the lessor, our company:

Unit: Yuan

Lessee Name	Type of leased asset	Lease income recognized in the current period	Lease income recognized in the previous period
Shenzhen Property Management Co., Ltd	Houses and buildings	2,996,354.61	2,206,302.45
Shenzhen Shenshanfang Property Cleaning Co., Ltd	Houses and buildings	21,784.57	19,999.98
Guoren Property and Casualty Insurance Company Limited	Houses and buildings	209,525.40	212,377.14

As the lessee, our company:

Unit: Yuan

Lessor Name	Type of leased asset	Rental expenses for simplified short-term leases and low-value asset leases (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Rent paid		Interest expense on lease liabilities undertaken		Increased right-of-use assets	
		current period amount	previous period amount	current period amount	previous period amount	current period amount	previous period amount	current period amount	previous period amount	current period amount	previous period amount

Explanation of Associated Leasing Situation

(3) Remuneration of key management personnel

Unit: Yuan

Project	Current period amount	Previous period amount
Remuneration of key management personnel	2,943,096.00	3,124,891.50

6. Receivables and payables from/to related parties

(1) Accounts receivable

Unit: Yuan

Project Name	Related party	Closing balance		Opening balance	
		Book balance	Allowance for bad debts	Book balance	Allowance for bad debts
accounts receivable	Shenzhen Investment Holding Co., Ltd	648,391.56			
accounts receivable	Shenzhen Property Management Co., Ltd	657,978.50		500,000.00	
accounts receivable	Shenzhen Xinfeng Real Estate Consulting Co., Ltd	1,174,956.31	1,174,956.31	1,212,232.73	1,212,232.73
Other receivables	Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd	843,296,961.67	102,965,447.05	843,296,961.67	102,965,447.05
Other receivables	Guangdong Huizhou Luofu Mountain Mineral Water Beverage Co., Ltd	10,465,168.81	10,465,168.81	10,465,168.81	10,465,168.81
Other receivables	Shenzhen Runhua Automobile Trading Company	3,072,764.42	3,072,764.42	3,072,764.42	3,072,764.42
Other receivables	Canada Great Wall (Vancouver) Co., Ltd	89,035,748.07	89,035,748.07	89,035,748.07	89,035,748.07
Other receivables	Parkerton Australia Pty Ltd	12,559,290.58	12,559,290.58	12,559,290.58	12,559,290.58
Other receivables	Baili Co., Ltd	19,051,233.49	19,051,233.49	19,363,348.69	19,363,348.69
Other receivables	Shenzhen Shenfang Department Store Co., Ltd	237,648.82	237,648.82	237,648.82	237,648.82
Other receivables	Shenzhen Ronghua Electromechanical Engineering Co., Ltd	475,223.46	475,223.46	475,223.46	475,223.46

Other receivables	Xi'an Xinfeng Property Trade Co., Ltd	8,075,450.40	8,075,450.40	8,391,333.18	8,391,333.18
Other receivables	Shenzhen Shenxi Architectural Decoration Company	7,660,529.37	7,660,529.37	7,660,529.37	7,660,529.37
Other receivables	Shenzhen Nanyang Hotel Co., Ltd	3,168,721.00	3,168,721.00	3,168,721.00	3,168,721.00
Other receivables	Beijing Shenfang Property Management Co., Ltd	6,905,673.69	6,533,817.09	6,905,673.69	6,533,817.09

(2) Payable items

Unit: Yuan

Project Name	Related party	Closing book balance	Opening book balance
Interest payable	Shenzhen Investment Holding Co., Ltd	16,535,277.94	16,535,277.94
accounts payable	Shenzhen Property Management Co., Ltd	4,806,559.84	8,127,082.22
Other payables	Guoren Property and Casualty Insurance Company Limited	74,332.00	0.00
Other payables	Shenzhen Property Management Co., Ltd	165,460.14	171,466.20
Other payables	Shenzhen Dongfang New World Department Store Co., Ltd	902,974.64	902,974.64
Other payables	Lianfeng Cement Manufacturing Co., Ltd., Fengkai County, Guangdong Province	1,867,348.00	1,867,348.00
Other payables	Shenzhen Real Estate Electromechanical Management Company	14,981,420.99	14,981,420.99
Other payables	Shenzhen Zhentongxin Electromechanical Industrial Development Co., Ltd	8,260,832.50	8,260,832.50
Other payables	Shenzhen Shenshanfang Department Store Co., Ltd	639,360.38	639,360.38
Other payables	Shenzhen Longgang Henggang Huagang Industrial Co., Ltd	165,481.09	165,481.09

XV. Share-based payments

1. Overall situation of share-based payments

□ Applicable ☑Not Applicable

2. Share-based payments settled with equity

□ Applicable ☑Not Applicable

3. Share-based payments settled in cash

□ Applicable ☑Not Applicable

4. Share-based payment expenses in the current period

□ Applicable ☑Not Applicable

XVI. Commitments and Contingencies

1. Important commitments

Significant commitments existing as of the balance sheet date

As of June 30, 2026, the company has no significant commitments that need to be disclosed.

2. Contingencies

(1) Significant contingent matters existing on the balance sheet date

1. Contingent liabilities arising from pending litigation and arbitration, and their financial impacts

Plaintiff	Defendant	Cause of Action	Court of jurisdiction	Amount in dispute	Remark
Zhongshan Shengtang Advertising Co., Ltd	Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd	Apply for bankruptcy liquidation	Huizhou Intermediate People's Court	In the process of reviewing claims and debts	In the bankruptcy liquidation process, the administrator has taken over Jianbang Company. Case details: [Note 1]
Huizhou Mingxiang Economic Information Consulting Co., Ltd., Huizhou Huiyang Hongfa Industry and Trade Co., Ltd., and Huizhou Jinlongsheng Industrial Co., Ltd	Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd	Litigation over disputes over the right to claim payment of bills	Huizhou Intermediate People's Court	The principal amount is 177.1514 million yuan, and the interest RMB 2.8482 million	Case progress: This enforcement procedure is terminated. Jianbang Company has entered into bankruptcy liquidation proceedings, and creditors have declared their claims to the administrator. Case details: [Note 2]
Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd	Guangzhou Bopi Enterprise Management Consulting Co., Ltd., Evergrande Real Estate Group Pearl River Delta Real Estate	Dispute over joint venture or cooperative real estate development contract	Huizhou Intermediate People's Court, Guangdong Province	743.575 million yuan	Case progress: Under retrial. Guangzhou Bopi and Evergrande Pearl River Delta have entered

	Development Co., Ltd., Shenzhen Qijin Investment Co., Ltd., and the third party are Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd				bankruptcy liquidation procedures and have declared their claims to the administrator. Shenzhen Qijin is currently undergoing liquidation and deregistration, and has declared its claims to the liquidation team. Case details: [Note 3]
Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd	Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd	Loan contract dispute	People's Court of Luohu District, Shenzhen	The principal and interest amount to 395.6885 million yuan	Case progress: Termination of enforcement proceedings. Jianbang Company has entered into bankruptcy liquidation proceedings and has declared its claims to the administrator. Case details: [Note 4]
Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd	Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd., Guangzhou Bopi Enterprise Management Consulting Co., Ltd., Evergrande Real Estate Group Pearl River Delta Real Estate Development Co., Ltd., Shenzhen Qijin Investment Co., Ltd	Dispute over loan contract	People's Court of Huiyang District, Huizhou City	The principal and interest amount to 419.5229 million yuan	Case Progress: Jianbang Company, Guangzhou Bopi, and Evergrande Pearl River Delta have all entered bankruptcy liquidation procedures and have declared their claims to the administrators respectively. Shenzhen Qijin is currently undergoing liquidation and deregistration, and has declared its claims to the liquidation team. Case details: [Note 5]

[Note 1] On October 27, 2025, Jianbang Company received the "Civil Ruling Paper" and "Decision Paper" issued by the Huizhou Intermediate People's Court. The court ruled to accept the bankruptcy liquidation application filed by Zhongshan Shengtang Advertising Co., Ltd. (hereinafter referred to as "Shengtang Company") against Jianbang Company, and appointed a manager. For details, please refer to the "Announcement on the Court's Ruling to Accept the Bankruptcy Liquidation Application against the Holding Subsidiary and the Appointment of the Manager" (Announcement No. 2025-030) issued by our company on October 30, 2025. On December 8, 2025, our company submitted creditor's rights declaration materials to the manager of Jianbang Company based on the confirmed creditor's rights amount, creditor's rights and debts confirmation document, transfer vouchers, etc. obtained from the effective civil judgment. Our company actively participated in the creditors' meeting and exercised creditor's rights in accordance with the law.

[Note 2] Jianbang Company, a subsidiary of our company holding 51% of its shares, was unable to honor commercial acceptance bills due in January 2022, with a total amount of RMB 177.1514 million. The plaintiff company filed a lawsuit for dispute over the right to demand payment of bills with the Huiyang District Court. On March 14, 2023, the court issued a judgment ordering Jianbang Company to pay the three companies the commercial bills and overdue interest (including litigation and preservation costs of approximately RMB 1.03 million) within 15 days. The case involved the sealing of 153 properties, estimated at RMB 220 million based on the recorded price, in Buildings 2 and 4 of the first phase of the Shenfang Linxinyuan project. The plaintiff has applied for enforcement with the Huizhou Intermediate People's Court, which issued an "Enforcement Ruling" in February 2026, terminating the enforcement procedure. As of December 31, 2025, considering Jianbang Company has entered bankruptcy liquidation, the administrator has taken over the company and is handling all litigation and enforcement cases in a unified manner.

[Note 3] On April 30, 2021, our company signed the "Cooperative Development Agreement" and "Entrusted Management Agreement" with Guangzhou Bopi, Evergrande Pearl River Delta, and Jianbang Company. Guangzhou Bopi promised Jianbang Company that the cumulative net profit from 2021 to 2025 would not be less than 1.25 billion yuan. If Guangzhou Bopi failed to fulfill its profit commitment, it would make up the difference. On June 30, 2021, due to Shenzhen Qijin's acquisition of 51% of Guangzhou Bopi's equity, our company, Guangzhou Bopi, Evergrande Pearl River Delta, and Shenzhen Qijin jointly signed Supplementary Agreement I to the "Cooperative Development Agreement", agreeing that Shenzhen Qijin would bear joint and several liability with Evergrande Pearl River Delta for Guangzhou Bopi's profit commitment and the payment of the difference as stipulated in the "Cooperative Development Agreement". Now, due to the fundamental breach of contract by Guangzhou Bopi and Evergrande Pearl River Delta, and their actual loss of ability to perform, our company's contractual purpose and expected interests cannot be realized. Our company has filed a lawsuit. On January 8, 2025, our company received the first-instance "Civil Judgment" in this case. The judgment made by the Huizhou Intermediate People's Court, the court of first instance, supported some of our company's claims, but the part regarding profit payment was not supported due to the unexpired deadline. On January 22, 2025, our company filed an appeal against the unsupported claims. In June 2026, the Guangdong Provincial Higher People's Court, the court of second instance, issued a "Civil Ruling Paper", ruling to revoke the first-instance judgment and remand the case for retrial. Given that Guangzhou Bopi and Evergrande Pearl River Delta have entered bankruptcy liquidation procedures, our company has declared its creditor's rights to the administrator. Meanwhile, Shenzhen Qijin is undergoing liquidation and deregistration, and our company has declared its creditor's rights to the liquidation team.

[Note 4] In 2021, our company acquired 51% of Jianbang Company's equity held by Guangzhou Bopi. At the time of the acquisition, it was agreed that our company would provide Jianbang Company with interest-bearing loans based on the equity ratio. Subsequently, Jianbang Company borrowed money from our company in two installments and signed a "Loan Agreement". After signing the agreement, our company provided the loans to Jianbang Company as agreed, fulfilling its lending obligations. Now, both loans have expired, but Jianbang Company has not repaid them, constituting a breach of contract. As a state-owned listed company, in order to protect state-owned assets from losses, our company filed this lawsuit. In January 2024, our company received the "Civil Judgment" issued by the People's Court of Luohu District, Shenzhen City, Guangdong Province: Jianbang Company was judged to repay the loan principal of 344,696,200.26 yuan and pay interest to our company within ten days from the effective date of the judgment; Jianbang Company was also judged to pay liquidated damages to our company within ten days from the effective date of the judgment. Our company has applied for compulsory enforcement and received the "Enforcement Ruling" on December 2, 2025, ruling to terminate the enforcement procedure. In view of Jianbang Company's entry into bankruptcy liquidation proceedings, our company has declared its creditor's rights to the administrator.

[Note 5] In 2021, our company acquired 51% of Jianbang Company's equity held by Guangzhou Bopi. At the time of the acquisition, it was agreed that interest-bearing loans would be provided to Jianbang Company in proportion to the equity ratio. Subsequently, an agreement was signed by the five parties, stipulating that our company would provide loans to Jianbang Company, and Jianbang Company would provide corresponding collateral. Meanwhile, Guangzhou Bopi, Hengda Zhujiang Delta, and Shenzhen Qijin would bear joint and several liability for 49% of the total loan amount, as well as interest and penalties. After the agreement was signed, our company provided loans to Jianbang Company as agreed, fulfilling its lending obligations. However, Jianbang Company was unable to repay the loans. As a state-owned listed company, in order to protect state-owned assets from losses, our company initiated this lawsuit. On June 7, 2024, our company received a judgment in favor of us in the first instance. On June 24, 2024, Guangzhou Bopi filed an appeal but failed to pay the case acceptance fee on time. In October 2024, the Huizhou Intermediate People's Court issued a "Civil Ruling Paper", treating it as a withdrawal of the appeal, and the first-instance judgment became effective. Our company applied for compulsory enforcement with the court in January 2025. Given that Jianbang Company, Guangzhou Bopi, and Hengda Zhujiang Delta have all entered bankruptcy liquidation procedures, our company has declared its claims to the administrators, while Shenzhen Qijin is in the process of handling liquidation and deregistration. Our company has declared its claims to the liquidation team.

2. Contingent liabilities arising from providing debt guarantees to other entities and their financial impacts

As of June 30, 2026, the Company, following real estate business practices, provided mortgage loan guarantees for commercial housing buyers and loan guarantees for its subsidiaries, totaling RMB 132.2161 million.

Guaranteed entity	Loan financial institution	Guaranteed loan amount (10,000 yuan)	Guarantee expiration date	Remark
House purchaser	China Construction Bank	36.4	Until the property ownership certificate is registered for mortgage and handed over to the bank for safekeeping	Shanglin Garden
House purchaser	China Construction Bank	631.55	Until the property ownership certificate is registered for mortgage and handed over to the bank for safekeeping	Chuanqi Donghu Mingyuan
House buyer	China Construction Bank, Bank of Communications, Industrial and Commercial Bank of China, Bank of China, Postal Savings Bank of China	2,580.00	Until the property ownership certificate is registered for mortgage and handed over to the bank for safekeeping	Tianyue Bay
House purchaser	Huaxia Bank, Rural Commercial Bank, Postal Savings Bank, China Merchants Bank, Bank of China	9,973.66	Until the property ownership certificate is registered for mortgage and handed over to the bank for safekeeping	Guangmingli
Subtotal		13,221.61		

(2) Even if the company has no significant contingencies to disclose, it should still provide an explanation

The company has no significant contingent matters that require disclosure.

3. Others

XVII. Events after the balance sheet date

1. Significant non-adjusting events

Unit: Yuan

project	Content	The impact on financial position and operating results	The reason for being unable to estimate the impact number

2. Profit distribution

3. Sales returns

4. Explanation of other events after the balance sheet date

18. Other important matters

1. Correction of accounting errors in the early stage

(1) Retroactive restatement method

Unit: Yuan

The content of accounting error correction	handler	Name of affected report items during various comparison periods	Cumulative impact count

(2) Prospective application method

The content of accounting error correction	Approval procedure	Reasons for adopting the prospective application method

2. Debt restructuring

3. Asset replacement

(1) Exchange of non-monetary assets

(2) Replacement of other assets

4. Annuity plan

5. Discontinued operations

Unit: Yuan

project	income	cost	Total Profit	Income tax	Net profit	Profit from

				expense		discontinued operations attributable to owners of the parent company

Other instructions

6. Segment information

(1) Basis for determining reportable segments and accounting policies

(2) Financial information of the reporting segment

Unit: Yuan

project		Inter-segment offset	total

(3) If the company has no reportable segments, or cannot disclose the total assets and total liabilities of each reportable segment, it should explain the reasons

(4) Other descriptions

7. Other significant transactions and matters that have an impact on investors' decisions

8. Others

XIX. Notes to main items in the parent company's financial statements

1. Accounts receivable

(1) Disclosure by aging

Unit: Yuan

aging	Closing book balance	Opening book balance
Within 1 year (including 1 year)	8,787,912.33	8,724,709.94
1 to 2 years	1,585,100.10	1,992,924.09
More than 3 years	4,450,138.62	4,450,138.62
More than 5 years	4,450,138.62	4,450,138.62
total	14,823,151.05	15,167,772.65

(2) Disclosure by classification of bad debt provision method

Unit: Yuan

Category	Closing balance					Opening balance				
	book balance		allowance for bad debts		book value	book balance		allowance for bad debts		book value
	Amount	proporti	Amount	provisio		Amount	proporti	Amount	provisio	

		on		n ratio			on		n ratio	
Accounts receivable with individual provision for bad debt reserves	9,902,520.96	66.80%	9,902,520.96	100.00%		10,069,296.06	66.39%	10,069,296.06	100.00%	0.00
among which										
Accounts receivable with provision for bad debts calculated based on portfolio	4,920,630.09	33.20%	254,923.83	5.18%	4,665,706.26	5,098,476.59	33.61%	254,923.83	5.00%	4,843,552.76
among which										
total	14,823,151.05	100.00%	10,157,444.79	68.52%	4,665,706.26	15,167,772.65	100.00%	10,324,219.89	68.07%	4,843,552.76

If the provision for bad debts of accounts receivable is calculated and withdrawn according to the general model of expected credit losses:

□ Applicable ☑Not Applicable

(3) Provision for bad debts accrued, recovered, or reversed in the current period

Provision for bad debts in the current period:

Unit: Yuan

Category	Opening balance	Current period change amount				Closing balance
		accrue	Withdraw or reverse	Write-off	Other	
Provision for bad debts on an individual basis	10,069,296.06	0.00	0.00	0.00	-166,775.10	9,902,520.96
Provision for bad debts based on portfolio	254,923.83	0.00	0.00	0.00	0.00	254,923.83
total	10,324,219.89	0.00	0.00	0.00	-166,775.10	10,157,444.79

Among them, the amount of bad debt provision recovered or reversed in the current period is significant:

Unit: Yuan

Unit Name	Recovered or reversed amount	Reason for reversal	Collection method	The basis for determining the original provision ratio

				for bad debts and its reasonableness

(4) Accounts receivable and contract assets, ranked by the top five ending balances, categorized by the debtors

Unit: Yuan

Unit Name	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	The proportion of the total ending balance of accounts receivable and contract assets	Closing balance of bad debt provision for accounts receivable and impairment provision for contract assets
Shenzhen Huatang Famous Wine City Investment Co., Ltd	2,239,384.00		2,239,384.00	15.11%	154,008.10
Daxing Auto Parts Co., Ltd	1,974,974.51		1,974,974.51	13.32%	1,974,974.51
Wang Weidong	1,200,000.00		1,200,000.00	8.10%	1,200,000.00
Shenzhen Xinfeng Real Estate Consulting Co., Ltd	1,174,956.31		1,174,956.31	7.93%	1,174,956.31
Wang Guodong	876,489.98		876,489.98	5.91%	876,489.98
total	7,465,804.80		7,465,804.80	50.37%	5,380,428.90

2. Other receivables

Unit: Yuan

project	Closing balance	Opening balance
Interest receivable	0.00	0.00
Dividends receivable	37,814,622.88	24,222,722.88
Other receivables	1,804,167,419.28	1,856,205,185.25
total	1,841,982,042.16	1,880,427,908.13

(1) Dividends receivable

1) Classification of dividends receivable

Unit: Yuan

Project (or invested entity)	Closing balance	Opening balance
Shenzhen Shenfang Group Longgang Development Co., Ltd	24,222,722.88	24,222,722.88
Shenzhen Shenfang Chuanqi Real Estate Development Co., Ltd	13,591,900.00	
total	37,814,622.88	24,222,722.88

2) Important dividends receivable with an aging of over 1 year

Unit: Yuan

Project (or invested entity)	Closing balance	aging	The reason for not being recovered	Whether there is impairment and the basis for the judgment
Shenzhen Shenfang Group Longgang Development Co., Ltd	24,222,722.88	3-4 years	Postpone payment	No
total	24,222,722.88			

3) Disclosure by classification based on bad debt provision method

□ Applicable ☑Not Applicable

4) The situation of bad debt reserves accrued, recovered, or reversed in the current period

Unit: Yuan

Category	Opening balance	Current period change amount				Closing balance
		accrue	Withdraw or reverse	Resale or write-off	Other changes	

For those with significant amounts of bad debt provision recovered or reversed in the current period:

Unit: Yuan

Unit Name	Recovered or reversed amount	Reason for reversal	Withdrawal method	The basis for determining the original provision ratio for bad debts and its reasonableness

Other notes:

(2) Other receivables

1) Classification of other receivables by nature of payment

Unit: Yuan

Nature of Payment	Closing book balance	Opening book balance
Portfolio of receivables from related parties	2,641,486,472.55	2,633,214,641.39
Combination of accounts receivable from government departments	165,460.00	165,460.00
Combination of receivables, collections, and payments	499,682.89	500,018.15
Combination of other current accounts receivable	75,645,207.08	144,601,238.67
total	2,717,796,822.52	2,778,481,358.21

2) Disclosure by aging

Unit: Yuan

aging	Closing book balance	Opening book balance
Within 1 year (including 1 year)	232,067,586.14	258,963,768.91
1 to 2 years	390,600,385.16	424,416,517.52
2 to 3 years	6,128,046.38	6,100,266.94
More than 3 years	2,089,000,804.84	2,089,000,804.84
3 to 4 years	243,411.53	243,411.53
4 to 5 years	456,845,625.71	456,845,625.71
More than 5 years	1,631,911,767.60	1,631,911,767.60
total	2,717,796,822.52	2,778,481,358.21

3) Disclosure by classification based on bad debt provision method

Unit: Yuan

Category	Closing balance					Opening balance				
	book balance		allowance for bad debts		book value	book balance		allowance for bad debts		book value
	Amount	proportion	Amount	provision ratio		Amount	proportion	Amount	provision ratio	
Provide for bad debts on an individual basis	1,653,672,925.83	60.85%	913,454,314.25	55.24%	740,218,611.58	1,662,432,598.59	59.83%	922,101,083.97	55.47%	740,331,514.62
among which										
Provision for bad debts based on portfolio	1,064,123,896.69	39.15%	175,088.99	0.02%	1,063,948,807.70	1,116,048,759.62	40.17%	175,088.99	0.02%	1,115,873,670.63
among which										
total	2,717,796,822.52	100.00%	913,629,403.24	33.62%	1,804,167,419.28	2,778,481,358.21	100.00%	922,276,172.96	33.19%	1,856,205,185.25

Provision for bad debts based on the general model of expected credit losses:

Unit: Yuan

allowance for bad debts	Phase One	Phase Two	Phase Three	total
	Expected credit losses over the next 12 months	Expected credit losses over the entire duration (no credit impairment has occurred)	Expected credit losses over the entire duration (credit impairment has occurred)	
Balance as of January 1, 2026	122,167.76	52,921.23	922,101,083.97	922,276,172.96
The balance as of January 1, 2026, is in the current period				
Other changes			-8,646,769.72	-8,646,769.72

Balance as of June 30, 2026	122,167.76	52,921.23	913,454,314.25	913,629,403.24

Basis for dividing each stage and proportion of bad debt provision

Changes in book balance of significant amounts in loss provisions during the current period

□ Applicable ☑Not Applicable

4) Provision for bad debts accrued, recovered, or reversed in the current period

Provision for bad debts in the current period:

Unit: Yuan

Category	Opening balance	Current period change amount				Closing balance
		accrue	Withdraw or reverse	Resale or write-off	Other	
Provide for bad debts on an individual basis	922,101,083.97	0.00			-8,646,769.72	913,454,314.25
Provision for bad debts based on portfolio	175,088.99	0.00				175,088.99
total	922,276,172.96	0.00	0.00	0.00	-8,646,769.72	913,629,403.24

For those with significant amounts of bad debt provision reversed or recovered in the current period:

Unit: Yuan

Unit Name	Reversal or recovery amount	Reason for reversal	Withdrawal method	The basis for determining the original provision ratio for bad debts and its reasonableness

5) Other receivables with the top five ending balances, categorized by debtors

Unit: Yuan

Unit Name	The nature of the payment	Closing balance	Aging	Proportion of total ending balance of other receivables	Closing balance of bad debt provision
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd	Subsidiary company transactions	843,296,961.67	Within 1 year, 1-2 years, 2-3 years, over 5 years	31.03%	102,965,447.05
Shantou Huafeng Real Estate Development Co., Ltd	Subsidiary company transactions	714,160,642.87	1-2 years, over 5 years	26.28%	
Xinfeng Enterprise Co., Ltd	Subsidiary company transactions	529,778,002.10	1-2 years, over 5 years	19.49%	529,778,002.10
Shenzhen Shenfang Chuanqi Real Estate Development Co., Ltd	Subsidiary company transactions	263,075,988.15	Within 1 year, 1-2 years, and over 5 years	9.68%	

Great Wall Real Estate Co., Ltd. USA	Subsidiary company transactions	101,050,900.17	More than 5 years	3.72%	101,050,900.17
total		2,451,362,494.96		90.20%	733,794,349.32

3. Long-term equity investment

Unit: Yuan

project	Closing balance			Opening balance		
	book balance	provision for impairment	book value	book balance	provision for impairment	book value
Investment in subsidiaries	1,265,520,833.00	133,339,271.15	1,132,181,561.85	1,265,520,833.00	133,339,271.15	1,132,181,561.85
Investment in associated and joint ventures	11,977,845.58	11,977,845.58		11,977,845.58	11,977,845.58	
total	1,277,498,678.58	145,317,116.73	1,132,181,561.85	1,277,498,678.58	145,317,116.73	1,132,181,561.85

(1) Investment in subsidiaries

Unit: Yuan

The invested entity	Opening balance (book value)	Opening balance of impairment provision	Changes in the current period				Closing balance (book value)	Closing balance of impairment provision
			Additional investment	Reduce investment	Provision for impairment	Other		
Shenzhen Haiyan Hotel Co., Ltd	20,605,047.50	0.00					20,605,047.50	0.00
Shenzhen Shenfang Investment Co., Ltd	9,000,000.00	0.00					9,000,000.00	0.00
Xinfeng Enterprise Co., Ltd	556,500.00	0.00					556,500.00	0.00
Xinfeng Real Estate Co., Ltd	22,717,697.73	0.00					22,717,697.73	0.00
Shenzhen Zhentong Engineering Co., Ltd	11,332,321.45	0.00					11,332,321.45	0.00
Great Wall Real Estate Co., Ltd. (USA)	1,435,802.00	0.00					1,435,802.00	0.00
Shenzhen Shenfang Bonded Trading Co., Ltd	4,750,000.00	0.00					4,750,000.00	0.00

Shenzhen Huazhan Construction Supervision Co., Ltd	6,000,000.00	0.00					6,000,000.00	0.00
Shenzhen Lianhua Enterprise Co., Ltd	13,458,217.05	0.00					13,458,217.05	0.00
Shenzhen Shenfang Group Longgang Development Co., Ltd	30,850,000.00	0.00					30,850,000.00	0.00
Beijing Xinfeng Real Estate Development and Operation Co., Ltd	0.00	64,183,888.90					0.00	64,183,888.90
Shantou Huafeng Real Estate Development Co., Ltd	16,467,021.02	0.00					16,467,021.02	0.00
Baili Co., Ltd	0.00	201,100.00					0.00	201,100.00
Parker Tonneau Australia	0.00	906,630.00					0.00	906,630.00
Shenzhen Shenfang Department Store Co., Ltd	0.00	9,500,000.00					0.00	9,500,000.00
Shantou Xinfeng Building	0.00	58,547,652.25					0.00	58,547,652.25
Shenzhen Shenfang Chuanqi Real Estate Development Co., Ltd	995,000,000.00	0.00					995,000,000.00	0.00
Hualin Co., Ltd	8,955.10	0.00					8,955.10	0.00
total	1,132,181,561.85	133,339,271.15					1,132,181,561.85	133,339,271.15

(2) Investment in associated and joint ventures

Unit: Yuan

Invest	Openi	Openi	Changes in the current period	Closin	Closin

ment unit	ng balance (book value)	ng balance of impairment provision	Additional investment	Reduce investment	Investment gains and losses recognized under the equity method	Adjustment to other comprehensive income	Other changes in equity	Announce the distribution of cash dividends or profits	Provision for impairment	Other	g balance (book value)	g balance of impairment provision
1. Joint venture												
Fengkai Xinghua Hotel		9,455,465.38										9,455,465.38
Subtotal		9,455,465.38										9,455,465.38
II. Associated enterprises												
Shenzhen Ronghua Electromechanical Engineering Co., Ltd		1,076,954.64										1,076,954.64
Shenzhen Runhua Automobile Trading Company		1,445,425.56										1,445,425.56
Subtotal		2,522,380.20										2,522,380.20
total		11,977,845.58										11,977,845.58

The recoverable amount is determined by the net amount after deducting disposal expenses from the fair value

□ Applicable ☑Not Applicable

The recoverable amount is determined based on the present value of estimated future cash flows

□ Applicable ☑Not Applicable

The reasons for the significant discrepancies between the aforementioned information and the information or external data used in previous annual impairment tests

The reasons for the significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

4. Operating income and operating costs

Unit: Yuan

project	current period amount		previous period amount	
	income	cost	income	cost
main business	27,174,732.10	16,126,535.40	23,097,122.00	15,530,601.07
Other businesses	491,681.23	487,871.70	95.24	
total	27,666,413.33	16,614,407.10	23,097,217.24	15,530,601.07

Breakdown information of operating income and operating costs:

Unit: Yuan

Contract Classification	Division 1		Section 2				total	
	Operating Revenue	Cost of goods sold	Operating Revenue	Cost of goods sold	Operating Revenue	Cost of goods sold	Operating Revenue	Cost of goods sold
Business Type								
Among them:								
Classified by business region								
Among them:								
Market or customer type								
Among them:								
Contract Type								
Among them:								
Classified by the time of commodity transfer								
Among them:								
Classified by contract duration								

Among them:								
Classified by sales channels								
Among them:								
total								

Information related to performance obligations:

project	The time for fulfilling the contractual obligations	Important payment terms	The nature of the goods promised by the company for transfer	Is it the primary responsible person	The amount that the company expects to refund to customers	The type of quality assurance provided by the company and related obligations

Other instructions

Information related to the transaction price allocated to the remaining performance obligations:

The revenue amount corresponding to the performance obligations that have been contracted but not yet fulfilled or not fully fulfilled at the end of this reporting period is RMB 129,141,267.30. Of this amount, RMB 25,670,067.83 is expected to be recognized as revenue in 2026, RMB 51,606,583.28 is expected to be recognized as revenue in 2027, and RMB 51,864,616.19 is expected to be recognized as revenue in 2028.

Significant contract modifications or substantial adjustments to transaction prices

Unit: Yuan

project	Accounting treatment method	Impact amount on income

Other notes:

5. Investment income

Unit: Yuan

project	current period amount	previous period amount
Long-term equity investment income accounted for using the cost method	50,000,000.00	
Investment income generated from disposal of long-term equity investments	66,265.23	99,669.36
Interest income earned during the holding period of other debt investments		
total	50,066,265.23	99,669.36

XX. Supplementary Information

1. Detailed statement of non-recurring profit and loss for the current period

☑Applicable □ Not applicable

Unit: Yuan

project	Amount	Instructions
Government subsidies included in current profit and loss (excluding those closely related to the company's normal business operations, in compliance with national policies and regulations, enjoyed according to established standards, and having a continuous impact on the company's profit and loss)	2,000.00	
Except for effective hedging activities related to the normal business operations of the same company, the profit and loss from changes in fair value arising from non-financial enterprises holding financial assets and financial liabilities, as well as the profit and loss arising from the disposal of financial assets and financial liabilities	7,069,256.29	Fair value changes arising from investments in money market funds
Other non-operating income and expenses excluding the aforementioned items	-1,253.02	
Less: Income tax impact	186.75	
total	7,069,816.52	--

Specific details of other profit and loss items that meet the definition of non-recurring profit and loss:

□ Applicable ☑Not Applicable

The company does not have any other specific situations where profit and loss items meet the definition of non-recurring profit and loss.

Explanatory Statement on Defining Non-recurring Gain and Loss Items Listed in "Explanatory Announcement No. 1 on Information Disclosure by Companies that Offer Securities to the Public - Non-recurring Gain and Loss" as Recurring Gain and Loss Items

☑Applicable □ Not applicable

project	Involved amount (yuan)	reason
Refund of handling fee for withholding individual income tax	52,026.64	It occurs continuously in each year and is not sporadic, thus it is identified as a recurrent profit and loss

2. Return on net assets and earnings per share

Profit during the reporting period	Weighted average return on net assets	Earnings Per Share	
		Basic earnings per share (yuan/share)	Diluted earnings per share (yuan/share)
Net profit attributable to common shareholders of the company	-0.24%	-0.0085	-0.0085
Net profit attributable to ordinary shareholders of the company after deducting non-recurring gains and losses	-0.43%	-0.0154	-0.0154

3. Differences in accounting data under domestic and foreign accounting standards

(1) The differences in net profit and net assets between financial reports disclosed under international accounting standards and those disclosed under Chinese accounting standards

□ Applicable ☑Not applicable

(2) Differences in net profit and net assets between financial reports disclosed under foreign accounting standards and those disclosed under Chinese accounting standards

□ Applicable ☑Not Applicable

(3) Explanation of the reasons for differences in accounting data under domestic and foreign accounting standards. For data that has been adjusted for differences after being audited by an overseas audit institution, the name of the overseas institution should be indicated