众安集团
ZHONG AN GROUP

眾安集團有限公司
Zhong An Group Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 672)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

SUMMARY

- The Group's revenue for the Period under review was approximately RMB1,611.2 million, representing a decrease of approximately 75.4% as compared to the corresponding period of 2025

- The Group's gross profit for the Period under review was approximately RMB127.2 million, representing a decrease of approximately 81.5% as compared to the corresponding period of 2025

- The Group's loss for the Period under review was approximately RMB233.3 million, as compared to a profit of approximately RMB90.7 million for the corresponding period of 2025

- As at 30 June 2026, the Group's total debt asset ratio and net gearing ratio were approximately 60.0% and 55.8% respectively, which had been maintained at a reasonable level

The board (the "**Board**") of directors (the "**Directors**") of Zhong An Group Limited (the "**Company**") is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2026 (the "**Period**" or the "**Period under review**"), together with the comparative figures for the corresponding period ended 30 June 2025 as below:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	**2026** ***RMB'000*** **(Unaudited)**	2025 *RMB'000* (Unaudited)
Revenue	*4*	**1,611,212**	6,558,731
Cost of sales		**(1,484,022)**	(5,870,005)
Gross profit		**127,190**	688,726
Other income and gains	*4*	**24,642**	167,381
Selling and distribution expenses		**(67,438)**	(105,704)
Administrative expenses		**(151,479)**	(186,307)
Other expenses		**(34,299)**	(113,771)
Finance costs		**(179,239)**	(148,077)
Changes in fair value of investment properties		**250,399**	(23,100)
Share of profits and losses of:			
Joint ventures		**2,069**	(311)
Associates		**(76,932)**	26,576
(Loss)/profit before tax	*5*	**(105,087)**	305,413
Income tax expense	*6*	**(128,215)**	(214,672)
(Loss)/profit for the period		**(233,302)**	90,741
Attributable to:			
Owners of the parent		**(219,290)**	64,557
Non-controlling interests		**(14,012)**	26,184
		(233,302)	90,741
(Loss)/earnings per share attributable to equity holders of the parent			
Basic and diluted	*7*	**RMB (3.90) cents**	RMB1.15 cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
(Loss)/profit for the period	**(233,302)**	90,741
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences arising on translation of the financial statements of foreign subsidiaries	**68,135**	(3,574)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**68,135**	(3,574)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(106,998)**	(9,206)
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	**(269)**	(21,987)
Income tax effect	**67**	5,497
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	**(107,200)**	(25,696)
Other comprehensive income for the period, net of tax	**(39,065)**	(29,270)
Total comprehensive income for the period	**(272,367)**	61,471
Attributable to:		
Owners of the parent	**(258,355)**	42,109
Non-controlling interests	**(14,012)**	19,362
	(272,367)	61,471

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property and equipment		**2,086,827**	2,144,868
Investment properties		**6,086,900**	5,435,500
Properties under development		**1,194,378**	1,190,659
Right-of-use assets		**48,636**	8,740
Restricted cash		**36,332**	297,332
Equity investments designated at fair value through other comprehensive income		**64,476**	99,745
Long term prepayments		**420,330**	422,633
Investments in joint ventures		**642,985**	662,166
Investments in associates		**1,789,449**	1,895,603
Deferred tax assets		**202,155**	203,780
Total non-current assets		**12,572,468**	12,361,026
CURRENT ASSETS			
Completed properties held for sale		**8,380,011**	10,631,261
Properties under development		**1,257,100**	1,270,102
Inventories		**32,562**	32,964
Trade receivables	*8*	**940,484**	903,277
Prepayments, other receivables and other assets		**1,890,999**	1,914,707
Financial assets at fair value through profit or loss		**79,117**	77,866
Loans to joint ventures		**409,434**	398,146
Loans to associates		**710,399**	722,394
Restricted cash		**34,232**	224,220
Cash and cash equivalents		**414,914**	377,177
Investment properties classified as held for sale		**–**	6,900
Total current assets		**14,149,252**	16,559,014

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2026

	Note	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
CURRENT LIABILITIES			
Trade payables	*9*	**1,850,305**	3,010,344
Other payables and accruals		**1,047,620**	1,068,524
Contract liabilities		**1,510,794**	2,040,872
Lease liabilities		**45,038**	7,072
Advances from joint ventures		**575,251**	596,501
Advances from associates		**912,613**	912,613
Interest-bearing bank and other borrowings		**441,160**	666,848
Tax payable		**2,840,692**	2,823,771
Total current liabilities		**9,223,473**	11,126,545
NET CURRENT ASSETS		**4,925,779**	5,432,469
TOTAL ASSETS LESS CURRENT LIABILITIES		**17,498,247**	17,793,495
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**6,012,338**	6,108,287
Deferred tax liabilities		**787,631**	732,865
Other non-current liabilities		**2,834**	3,300
Lease liabilities		**7,086**	10,880
Total non-current liabilities		**6,809,889**	6,855,332
Net assets		**10,688,358**	10,938,163
EQUITY			
Equity attributable to owners of the parent			
Share capital		**498,653**	498,653
Treasury shares		**(2,334)**	–
Reserves		**8,177,007**	8,413,280
		8,673,326	8,911,933
Non-controlling interests		**2,015,032**	2,026,230
Total equity		**10,688,358**	10,938,163

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2026 have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual financial information for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

3. Operating segment information

For management purposes, the Group is organised into business units based on income derived from different businesses and has two reportable operating segments as follows:

(a) the residential segment develops and sells residential properties, and provides property management services, project management services and other services to residential properties in Chinese mainland and Canada;

(b) the commercial segment develops and sells commercial properties, leases investment properties, owns and operates hotels and provides property management services, project management services and other services to commercial properties in Chinese mainland and Japan.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of profit/loss before tax from continuing operations. Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

The following tables presented revenue and profit/(loss) information regarding the Group's operating segments for the six months ended 30 June 2026 and 2025, respectively.

Six months ended 30 June 2026 (unaudited)	**Residential** *RMB'000*	**Commercial** *RMB'000*	**Total** *RMB'000*
Segment revenue:			
Sales to external customers	**1,244,805**	**366,407**	**1,611,212**
Intersegment sales	**144**	**–**	**144**
Reconciliation:			
Elimination of intersegment sales			**(144)**
Revenue from operations			**1,611,212**
Segment results:	**(308,939)**	**203,852**	**(105,087)**
Other segment information:			
Share of (profits)/losses of:			
Joint ventures	**(2,069)**	**–**	**(2,069)**
Associates	**104,535**	**(27,603)**	**76,932**
Depreciation and amortisation	**3,978**	**54,897**	**58,875**
Capital expenditure	**619**	**7,051**	**7,670**

Six months ended 30 June 2025 (unaudited)	Residential *RMB'000*	Commercial *RMB'000*	Total *RMB'000*
Segment revenue:			
Sales to external customers	6,192,424	366,307	6,558,731
Intersegment sales	5,548	–	5,548
Reconciliation:			
Elimination of intersegment sales			(5,548)
Revenue from operations			6,558,731
Segment results:	338,166	(32,753)	305,413
Other segment information:			
Share of (profits)/losses of:			
Joint ventures	311	–	311
Associates	(26,576)	–	(26,576)
Depreciation and amortisation	5,901	60,363	66,264
Capital expenditure	927	31,016	31,943

The following tables present segment assets and liability information of the Group's operating segments as at 30 June 2026 and 31 December 2025, respectively:

As at 30 June 2026 **(unaudited)**	**Residential** ***RMB'000***	**Commercial** ***RMB'000***	**Total** ***RMB'000***
Segment assets	**14,183,253**	**13,642,741**	**27,825,994**
Reconciliation:			
Elimination of intersegment receivables			**(1,104,274)**
Total assets	**14,183,253**	**12,538,467**	**26,721,720**
Segment liabilities	**9,270,835**	**7,866,801**	**17,137,636**
Reconciliation:			
Elimination of intersegment payables			**(1,104,274)**
Total liabilities	**8,166,561**	**7,866,801**	**16,033,362**

As at 31 December 2025 **(Audited)**	Residential *RMB'000*	Commercial *RMB'000*	Total *RMB'000*
Segment assets	15,964,520	14,015,112	29,979,632
Reconciliation:			
Elimination of intersegment receivables			(1,059,592)
Total assets	15,964,520	12,955,520	28,920,040
Segment liabilities	10,664,356	8,377,113	19,041,469
Reconciliation:			
Elimination of intersegment payables			(1,059,592)
Total liabilities	9,604,764	8,377,113	17,981,877

Geographical Information

(a) Revenue from external customers

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Chinese mainland	**1,611,212**	6,558,731

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Chinese mainland	**12,249,534**	11,998,216
Others	**56,303**	59,285
Total	**12,305,837**	12,057,501

The non-current assets information above are based on the locations of the assets and excludes equity investments designated at fair value through other comprehensive income and deferred tax assets.

Information about major customers

No sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue for the six months ended 30 June 2026 and 2025.

4. Revenue, other income and gains

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**1,546,084**	6,493,835
Revenue from other sources		
Gross rental income from investment property operating leases	**65,128**	64,896
Total	**1,611,212**	6,558,731

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June 2026			
Segments	**Property development**	**Property management and other services**	**Hotel operation**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Types of goods or services				
Sale of properties	**1,232,072**	**–**	**–**	**1,232,072**
Hotel operating income	**–**	**–**	**79,210**	**79,210**
Property management and other services	**–**	**234,802**	**–**	**234,802**
Total	**1,232,072**	**234,802**	**79,210**	**1,546,084**
Timing of revenue recognition				
At a point in time	**1,232,072**	**–**	**79,210**	**1,311,282**
Over time	**–**	**234,802**	**–**	**234,802**
Total	**1,232,072**	**234,802**	**79,210**	**1,546,084**

Segments	Property development	Property management and other services	Hotel operation	Total
	For the six months ended 30 June 2025			
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Types of goods or services				
Sale of properties	6,159,498	–	–	6,159,498
Hotel operating income	–	–	99,181	99,181
Property management and other services	–	235,156	–	235,156
Total	6,159,498	235,156	99,181	6,493,835
Timing of revenue recognition				
At a point in time	6,159,498	–	99,181	6,258,679
Over time	–	235,156	–	235,156
Total	6,159,498	235,156	99,181	6,493,835

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other income		
Subsidy income[(a)]	**575**	579
Interest income	**232**	4,349
Others	**4,423**	4,851
Sub-total	**5,230**	9,779
Gains		
Foreign exchange gain	**–**	6
Gain on remeasurement of investments in an associate	**–**	153,398
Gain on disposal of investment properties	**16,940**	–
Gain on disposal of items of property and equipment	**310**	–
Gain on disposal of right-of-use assets	**1,791**	–
Gain on disposal of items of financial assets at fair value through profit or loss	**–**	1,212
Change in fair value of financial assets at fair value through profit or loss	**371**	2,986
Sub-total	**19,412**	157,602
Total	**24,642**	167,381

(a) There are no unfulfilled conditions or contingencies relating to these grants.

5. (Loss)/profit before tax

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of properties sold/adjusted	**1,327,516**	5,446,044
Depreciation of property and equipment	**55,056**	61,981
Depreciation of right-of-use assets	**3,819**	4,283
Lease payments not included in the measurement of lease liabilities	**3,906**	10,183
Staff costs including directors' and chief executive's remuneration:		
– Salaries and other staff costs	**96,911**	148,015
– Pension scheme contributions*	**15,583**	26,792
Subtotal	**112,494**	174,807
Direct operating expenses (including repairs and maintenance arising on rental-earning investment properties)	**3,018**	3,115
Gain on remeasurement of investments in an associate	**–**	(153,398)
Foreign exchange differences, net	**3,490**	(6)
Fair value (gain)/loss, net:		
Changes in fair value of investment properties	**(250,399)**	23,100
Change in fair value of financial assets at fair value through profit or loss	**(371)**	(2,986)
(Gain)/loss on disposal of items of property and equipment	**(310)**	64
Write down to net realisable value of completed properties held for sale	**39,452**	138,465
Loss on disposal of subsidiaries	**–**	3,537
Loss on disposal of joint ventures	**–**	4,172
(Gain)/loss on disposal of right-of-use assets	**(1,791)**	216
Loss/(gain) on disposal of items of financial assets at fair value through profit or loss	**160**	(1,212)
Impairment provision for property and equipment**	**10,555**	24,186
Impairment provision for right-of-use assets**	**–**	337
Write down to net realisable value of properties under development	**3,792**	5,799
Impairment of financial assets: **		
Impairment of trade receivables	**14,708**	10,504
Impairment of financial assets included in prepayments, other receivables and other assets	**150**	63,367
Subtotal	**14,858**	73,871

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

** Included in "Other expenses" in the condensed consolidated statement of profit or loss.

6. Income tax expense

The Group's subsidiaries incorporated in Hong Kong, and Canada are not liable for income tax as they did not have any assessable profits currently arising in Hong Kong, and Canada during the period (six months ended 30 June 2025: Nil).

The provision for the PRC corporate income tax has been provided at the applicable income tax rate of 25% (six months ended 30 June 2025: 25%) on the assessable profits of the Group's subsidiaries in Chinese mainland.

The PRC land appreciation tax ("**LAT**") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sale of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. Prior to the actual cash settlement of the LAT liabilities, the LAT liabilities are subject to the final review/approval by the tax authorities.

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax:		
PRC corporate income tax for the period	**69,899**	184,460
PRC land appreciation tax for the period	**1,118**	8,521
Deferred tax	**57,198**	21,691
Total tax charge for the period	**128,215**	214,672

7. (Loss)/earnings per share attributable to ordinary equity holders of the parent

The calculation of basic (loss)/earnings per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent of RMB219,290,000 (six months ended 30 June 2025: profit RMB64,557,000) and the weighted average number of ordinary shares of 5,626,435,133 (six months ended 30 June 2025: 5,635,809,800) outstanding during the period, as adjusted to reflect the rights issued during the period.

The calculations of basic earnings per share are based on:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
(Loss)/earnings		
(Loss)/earnings attributable to ordinary equity holders of the parent	**(219,290)**	64,557

	Number of shares	
	2026	2025
Shares		
Weighted average number of ordinary shares in issue during the period	**5,626,435,133**	5,635,809,800

No adjustment has been made to the basic profit per share amount presented for the period ended 30 June 2026 and 2025 as the Group had no potential dilutive ordinary shares in issue during the period ended 30 June 2026 (2025: Nil).

8. Trade receivables

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within six months	**541,453**	805,583
Over six months but within one year	**383,216**	124,409
Over one year but within two years	**63,794**	14,406
Over two years but within three years	**12,371**	5,021
Over three years	**1,625**	1,125
	1,002,459	950,544
Impairment	**(61,975)**	(47,267)
Net carrying amount	**940,484**	903,277

9. Trade payables

An ageing analysis of the Group's trade payables as at the end of the reporting period, based on the payment due dates, is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within six months	**1,071,291**	1,092,301
Over six months but within one year	**502,901**	1,820,268
Over one year but within two years	**264,996**	84,969
Over two years but within three years	**11,117**	12,806
	1,850,305	3,010,344

The above balances are unsecured and interest-free and are normally settled based on the progress of construction. Certain suppliers have alleged claims against the Group relating to construction and services contracts, which have been adequately accrued and included in the above construction payables.

10. INTERIM DIVIDENDS

No dividend has been paid or declared by the Company for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Results

The unaudited consolidated revenue of the Group for the Period under review was approximately RMB1,611.2 million, representing a decrease of approximately 75.4% from approximately RMB6,558.7 million for the corresponding period in 2025. The gross profit for the Period under review was approximately RMB127.2 million, representing a decrease of approximately 81.5% from approximately RMB688.7 million for the corresponding period in 2025. Gross profit margin for the Period under review was approximately 7.9%, representing a decrease of approximately 2.6 percentage points from approximately 10.5% for the corresponding period in 2025. The loss for the Period under review was approximately RMB233.3 million, as compared to a profit of approximately RMB90.7 million for the corresponding period of 2025. The unaudited basic loss per share for the Period under review was RMB3.90 cents (corresponding period in 2025: unaudited basic earnings per share of approximately RMB1.15 cents).

The Board does not recommend the payment of interim dividend for the Period under review (corresponding period in 2025: nil).

Industry Review

According to the National Bureau of Statistics of the People's Republic of China ("**PRC**"), in the first half of 2026, the gross domestic product ("**GDP**") of China amounted to RMB69,570.4 billion, representing an increase of 4.7% as compared with that of last year, based on unchanged prices. In the first half of 2026, our national economy operated within a reasonable range, demonstrating strong development resilience and vitality.

In the first half of 2026, the nationwide investment in property development amounted to RMB3,807.4 billion, representing a decline of 18.0% as compared with the corresponding period of last year, among which, residential investment amounted to RMB2,930.0 billion, representing a decline of 17.8%. In the first half of 2026, the gross floor area ("**GFA**") of newly constructed commodity properties sold was 401.40 million sq.m., representing a decline of 11.6% as compared with the corresponding period of last year, among which, the decline of GFA of residential properties sold was 12.4%, while the decline of GFA of office buildings sold and commercial business properties sold were 3.7% and 14.7% respectively. The sales of newly constructed commodity properties amounted to RMB3,794.5 billion, representing a decrease of 13.6%, among which, the decrease of sales of residential properties was 13.7%, while the decline of sales of office buildings and commercial business properties were 6.6% and 20.4% respectively.

In the first half of 2026, the area under construction by property development enterprises was 5,540.49 million sq.m., representing a decline of 12.5% as compared with the corresponding period of last year, among which, the area under construction for residential properties was 3,844.53 million sq.m., representing a decline of 12.9%. The area of newly commenced properties was 232.39 million sq.m., representing a decline of 23.4% as compared with the corresponding period of last year, among which, the area of newly commenced residential properties was 169.00 million sq.m., representing a decline of 24.1% as compared with the corresponding period of last year. The completed construction area of buildings was 172.21 million sq.m., representing a decrease of 23.7% as compared with the corresponding period of last year, among which, the completed construction area of residential buildings was 121.48 million sq.m., representing a decrease of 25.3% as compared with the corresponding period of last year. As at 30 June 2026, the area of commodity properties pending for sale was 763.15 million sq.m., representing a decrease of 0.9% as compared with the corresponding period of last year, among which, the area of residential properties pending for sale remained unchanged year-on-year, the area of office buildings pending for sale increased by 1.1% and the area of commercial business properties pending for sale decreased by 5.5% respectively as compared with the corresponding period last year.

FINANCIAL ANALYSIS

Revenue

During the Period under review, the revenue generated from the sales of properties amounted to approximately RMB1,232.1 million, which represented a decrease of approximately 80.0% from approximately RMB6,159.5 million for the corresponding period in 2025. The decrease was mainly due to the substantial decrease in the area of properties delivered during the Period under review as compared to the corresponding period of last year.

The revenue from property leasing amounted to approximately RMB65.1 million (corresponding period in 2025: approximately RMB64.9 million), representing an increase of approximately 0.4%. The hotel operation of the Group recorded a revenue of approximately RMB79.2 million (corresponding period in 2025: approximately RMB99.2 million), representing a decrease of approximately 20.1%. The Group's property management and other services recorded a revenue of approximately RMB234.8 million (corresponding period in 2025: approximately RMB235.2 million), representing a decrease of approximately 0.2%.

Cost of sales

During the Period under review, the Group's cost of sales was approximately RMB1,484.0 million, which represented a decrease of approximately 74.7% from approximately RMB5,870.0 million for the corresponding period in 2025. The decrease was mainly due to the substantial decrease in the area of properties delivered during the Period under review as compared to the corresponding period of last year.

Gross profit and Gross profit margin

During the Period under review, the gross profit of the Group amounted to approximately RMB127.2 million (corresponding period in 2025: approximately RMB688.7 million), representing a decrease of approximately 81.5%. Gross profit margin was approximately 7.9% (corresponding period in 2025: approximately 10.5%), decreased by approximately 2.6 percentage points. The decrease was mainly due to the decrease in average property sales price for the Period under review as compared to the corresponding period of last year.

Other income and gains

During the Period under review, other income and gains amounted to approximately RMB24.6 million (corresponding period in 2025: approximately RMB167.4 million), representing a decrease of approximately 85.3%. The decrease was mainly due to the fact that there was one-time gain from re-measurement of investments in an associate in the corresponding period of last year, while no such gain was recorded during the Period under review.

Selling and distribution expenses

During the Period under review, the selling and distribution costs of the Group decreased from approximately RMB105.7 million for the corresponding period in 2025 to approximately RMB67.4 million, representing a decrease of approximately 36.2%. The decrease was mainly due to a substantial reduction in sales-related staff costs.

Administrative expenses

During the Period under review, the administrative expenses of the Group decreased from approximately RMB186.3 million for the corresponding period in 2025 to approximately RMB151.5 million, representing a decrease of approximately 18.7%. It was mainly as a result of the fact that the Group had adopted a number of measures to reduce costs and increase efficiency.

Other expenses

During the Period under review, the other expenses of the Group decreased from approximately RMB113.8 million for the corresponding period in 2025 to approximately RMB34.3 million, representing a decrease of approximately 69.9%. The decrease was mainly due to the full impairment loss recognised on certain financial assets in the corresponding period of 2025, the absence of material impairment events relating to financial assets during the Period under review, and a decrease in impairment of buildings and equipment as compared with the corresponding period of 2025.

Finance costs

During the Period under review, the finance costs of the Group increased from approximately RMB148.1 million for the corresponding period in 2025 to approximately RMB179.2 million, representing an increase of approximately 21.0%. This is mainly due to the decrease in capitalization of interest expense during the Period.

Income tax expenses

During the Period under review, the income tax expenses of the Group decreased from approximately RMB214.7 million for the corresponding period in 2025 to approximately RMB128.2 million, representing a decrease of approximately 40.3%. This is primarily due to the decrease in profits before tax and LAT tax expenses during the Period as compared to the corresponding period of last year.

Loss/earnings

The loss for the Period under review of the Group was approximately RMB233.3 million, as compared to a profit of approximately RMB90.7 million for the corresponding period of 2025. During the Period under review, the loss attributable to owners of the parent of the Group was approximately RMB219.3 million, as compared to a profit attributable to owners of the parent of approximately RMB64.6 million for the corresponding period of 2025.

Contracted sales

During the Period under review, the contracted GFA sold by the Group was approximately 80,422 sq.m. with the contracted sales amount of approximately RMB1,047.5 million. Set out below are the details of the contracted sales from the Group's projects:

Projects	**City**	**Contracted GFA sold**	**Contracted amount**	**% of interest attributable to the Group**
		sq.m.	*RMB million*	
	Zhejiang			
Others(Residential)	Hangzhou	–	1.4	90.0%
International Office Centre (IOC)A3	Hangzhou	622	19.6	72.0%
International Office Centre (IOC)A2	Hangzhou	1,735	67.8	72.0%
Others(Commercial)	Hangzhou	–	0.3	64.8%
Nan Hu Ming Yu	Hangzhou	88	3.1	59.9%
Xiaoshan Lotus Mansion	Hangzhou	–	3.0	90.0%
Cloud Land	Hangzhou	–	4.9	90.0%
Chun'an Lotus Mansion	Hangzhou	429	4.6	90.0%
Long Ying Hui Jin Zuo (Bin He Yin)	Hangzhou	–	1.2	64.8%
Chuyue Mansion	Hangzhou	–	3.7	90.0%
Zecui Ju	Hangzhou	98	1.5	90.0%
Zhangyuan Mansion	Hangzhou	4,049	47.2	57.9%
Yunqiqiling	Hangzhou	3,614	42.0	36.0%
Weikechenming Mansion	Hangzhou	–	10.3	45.0%
Chenhan Mansion	Hangzhou	–	14.1	22.5%
Ruiyuan Mansion	Hangzhou	37	1.8	90.0%
Xinnongdu	Hangzhou	15,643	92.7	27.5%

Projects	City	Contracted GFA sold	Contracted amount	% of interest attributable to the Group
		sq.m.	*RMB million*	
Chenyue Land	Lishui	7,025	75.5	30.6%
Comphor Tree Bay	Lishui	–	1.0	90.0%
Xiuhu Lotus Garden	Yiwu	453	18.5	90.0%
Lakeside Mansion	Yiwu	3,163	110.5	71.9%
Wenzhou Future City	Wenzhou	3,408	39.4	45.0%
Guyue Mansion	Shaoxing	3,304	100.0	90.0%
Tang Song He Ming	Shaoxing	2,832	84.2	44.1%
Shaoxing Future City	Shaoxing	3,092	52.4	51.3%
Cloud Chen Square	Quzhou	86	1.4	45.9%
Taizhou Future City	Taizhou	7,727	97.5	90.0%
	Anhui			
Vancouver City	Huaibei	15,550	92.5	100.0%
Green Harbour	Hefei	644	4.9	84.2%
	Shandong			
Zhong An Future City	Qingdao	4,686	32.5	90.0%
	Yunnan			
Yunxing Imperial Palace	Kunming	2,137	18.0	90.0%
		80,422	**1,047.5**	

Recognised sales

During the Period under review, the recognised GFA sold by the Group was approximately 99,388 sq.m. with the amount of approximately RMB1,232.1 million. Set out below are the details of the recognised sales from the Group's projects:

Projects	**City**	**Recognised GFA sold** *sq.m.*	**Recognised amount** *RMB million*	**% of interest attributable to the Group**
	Zhejiang			
Hidden Dragon Bay	Hangzhou	2,958	36.8	66.6%
International Office Centre (IOC)A2	Hangzhou	2,886	132.8	72.0%
Fashion Color City	Hangzhou	2,195	30.8	64.8%
Cloud Land	Hangzhou	–	2.2	90.0%
Others(Residential)	Hangzhou	–	1.5	90.0%
Others(Commercial)	Hangzhou	–	0.2	64.8%
Long Ying Hui Jin Zuo (Bin He Yin)	Hangzhou	323	7.6	64.8%
Chun'an Lotus Mansion	Hangzhou	416	3.8	90.0%
Nan Hu Ming Yue	Hangzhou	757	36.8	59.9%
Xiaoshan Lotus Mansion	Hangzhou	–	2.2	90.0%
Chuyue Mansion	Hangzhou	838	25.4	90.0%
Zecui Ju	Hangzhou	2,317	34.3	90.0%
Zhangyuan Mansion	Hangzhou	4,472	48.5	57.9%
Wenzhou Future City	Wenzhou	7,180	87.2	45.0%
Taizhou Future City	Taizhou	8,591	112.3	90.0%
Chenyue Land	Lishui	16,063	196.2	30.6%
Guyue Mansion	Shaoxing	2,436	65.0	90.0%
Cixi New City	Cixi	184	1.3	64.8%

Projects	City	Recognised GFA sold	Recognised amount	% of interest attributable to the Group
		sq.m.	*RMB million*	
Xiuhu Lotus Garden	Yiwu	1,515	58.2	90.0%
Lakeside Mansion	Yiwu	2,392	77.3	71.9%
Typha Lotus Garden	Yiwu	–	1.3	90.0%
	Jiangsu			
Nanjing Future City	Nanjing	557	3.1	90.0%
	Anhui			
Vancouver City	Huaibei	31,671	165.4	100.0%
Green Harbour	Hefei	1,012	8.2	84.2%
	Shandong			
Zhong An Future City	Qingdao	5,451	35.2	90.0%
	Yunnan			
Yunxing Imperial Palace	Kunming	5,174	58.5	90.0%
		99,388	**1,232.1**	

The average property sales price per sq.m. achieved by the Group for the Period under review was approximately RMB12,397 (corresponding period in 2025: approximately RMB18,501), representing a decrease of approximately 33.0%. The average sales cost per sq.m. was approximately RMB11,968 (corresponding period in 2025: approximately RMB16,358), representing a decrease of approximately 26.8%.

Land reserve

As at 30 June 2026, the total GFA of the Group's land bank was approximately 6.52 million sq.m., the average acquisition cost of the Group's overall land bank was approximately RMB2,550 per sq.m.

This sizable land bank is sufficient for development by the Group in more than five years.

Capital structure

As at 30 June 2026, 5,635,809,800 shares in the Company were in issue (as at 31 December 2025: 5,635,809,800 shares).

As at 30 June 2026, the Group had total assets of approximately RMB26,721.7 million (as at 31 December 2025: approximately RMB28,920.0 million) which were financed by current liabilities of approximately RMB9,223.5 million (as at 31 December 2025: approximately RMB11,126.5 million), non-current liabilities of approximately RMB6,809.9 million (as at 31 December 2025: approximately RMB6,855.3 million) and shareholders' equity of approximately RMB10,688.4 million (as at 31 December 2025: approximately RMB10,938.2 million).

As at 30 June 2026, the Group had an aggregate amount of cash and cash equivalents and restricted cash of about RMB485.5 million (as at 31 December 2025: RMB898.7 million).

As at 30 June 2026, the Group's interest-bearing bank and other borrowings amounted to approximately RMB6,453.5 million (as at 31 December 2025: approximately RMB6,775.1 million).

The maturity profile of the borrowings was as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year or on demand	**441,160**	666,848
Over 1 year but within 2 years	**979,483**	1,621,404
Over 2 years but within 5 years	**1,521,245**	1,366,612
Over 5 years	**3,511,610**	3,120,271
	6,453,498	6,775,135

Interest-bearing bank and other borrowings bear interest at fixed rates and floating rates. As at 30 June 2026, the Group's interest-bearing bank and other borrowings bore an average effective interest rate of 4.65% per annum (corresponding period in 2025: 5.01% per annum).

The denominated amounts of the borrowings were as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
RMB loans and borrowings	**6,453,498**	6,775,135

The Group maintained a healthy liquidity position. The current ratio, being a ratio of total current assets to total current liabilities, was approximately 1.53 (as at 31 December 2025: approximately 1.49). The ratio of interest-bearing bank and other borrowings to total assets was 0.24 (as at 31 December 2025: 0.23). The net gearing ratio of the Group (defined as net debt divided by total equity) was 0.56 (as at 31 December 2025: 0.54) (net debt is defined as total interest-bearing bank and other borrowings less cash and cash equivalent and total restricted cash). The Group always adopts a prudent financial policy in its operation and business development.

Capital commitments

As at 30 June 2026, the Group had capital commitments of approximately RMB580.7 million (as at 31 December 2025: approximately RMB192.5 million), mainly in respect of property development expenditure. It is expected that the Group will finance such commitments from its own funds, cash proceeds from sales and external financing (such as bank loans).

Contingent liabilities

As at 30 June 2026, the contingent liabilities of the Group was approximately RMB1,283.3 million (as at 31 December 2025: approximately RMB2,407.9 million), which were guarantees provided by the Group in favour of certain banks for the grant of mortgage loans to buyers of the Group's properties.

Pledge of assets

As at 30 June 2026, investment properties with a carrying value of approximately RMB5,310.9 million (as at 31 December 2025: approximately RMB4,414.8 million), properties under development of approximately RMB95.2 million (as at 31 December 2025: approximately RMB93.4 million), completed properties held for sale of approximately RMB3,779.1 million (as at 31 December 2025: approximately RMB5,599.4 million), property and equipment of approximately RMB1,833.4 million (as at 31 December 2025: approximately RMB1,792.1 million), and no restricted cash (as at 31 December 2025: approximately RMB261.0 million) of the Group were pledged to secure the banking facilities and other borrowings for the Group.

Foreign exchange risk

As the sales, purchase and external financing of the Group in the Period under review and the corresponding period in 2025 were made mainly in RMB, the foreign exchange risk exposed to the Group was relatively minor. The Group did not use foreign exchange hedging instruments to hedge foreign exchange risks in both periods.

Interest rate risk

The interest rates for certain portion of the Group's loans were floating. Upward fluctuations in interest rates will increase the interest cost of new loans and existing loans. Given that certain portion of loans are RMB loans and the relatively stable domestic economic situation of the PRC, the Group currently does not use derivative instruments to hedge its interest rate risks.

Human resources

As at 30 June 2026, the Group employed a total of 3,166 staff (as at 30 June 2025: 4,527 staff). The employees' remuneration policy was determined by reference to factors such as remuneration information in respect of the local market, the overall remuneration standard in the industry, inflation level, corporate operating efficiency and performance of the employees. The Group conducts performance appraisal on a yearly basis for its employees, the appraisal results are taken into account in the annual salary review and promotion assessment. The Group's employees are considered for the entitlement of annual discretionary bonus according to certain performance conditions and appraisal results. To attract high calibre people and solidify the management of the Group, eligible participants (including employees of the Group) may be granted options to subscribe for shares in the Company pursuant to the share option scheme adopted by the Company. The Group also provides continuous learning and training programs to its employees to enhance their skills and knowledge, so as to maintain the attraction of the Company for talents and their competitiveness in the market.

Dividend policy

The Company may distribute dividends by way of cash or by other means that the Board considers appropriate. Any proposed distribution of dividends is subject to the discretion of the Board and, where applicable, the approval of the shareholders of the Company (the "**Shareholders**"). The Board will consider various factors before declaring or recommending any payment of dividends. These factors include the results of operation of the business of the Group, the retained earnings and distributable reserves of the Company and each of the members of the Group, the Group's actual and expected financial performance, the general business conditions and strategies, the Group's expected working capital requirements and future expansion plans, the general economic conditions and business cycle of the Group's business, the future prospects of the business of the Group, Shareholders' interests, statutory and regulatory restrictions on the payment of dividend and other internal or external factors that the Board deems appropriate.

Events after the reporting period

There were no events which caused material impact on the Group after 30 June 2026 and up to the date of this announcement.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the Period under review (corresponding period in 2025: nil).

PROSPECTS

Looking ahead to the second half of 2026, China's real estate industry is at a critical stage of arresting the decline and stabilising, alongside structural transformation. The year-on-year decline in sales of the top 100 property developers has continued to narrow, and the market is showing a posture of bottoming out and repair. However, divergence among cities and on the product side continues to intensify, and the industry as a whole is transitioning from being policy-driven to a mild recovery led by demand.

It is expected that, at the macro level, measures to stabilise the property sector will continue to be implemented, including the expansion of the financing "whitelist" system, relending support for indemnificatory housing, and urban renewal and revitalisation of existing assets, providing liquidity support for quality property developers. However, a full restoration of market confidence will still take time, and industry destocking pressures and structural adjustments will persist.

Facing a complex and ever-changing market environment, the Group will continue to adhere to its core operating principle of "securing delivery, stabilizing operations, and controlling risks", and will focus on advancing the following: in respect of the residential segment, the Group will proactively adapt to the new development model of the real estate industry, adhere to the investment strategy of "prioritising revitalisation of existing stock and pursuing incremental layout with prudence", deepen its cultivation of the Zhejiang region, and acquire quality land resources through prudent assessment. In respect of the commercial segment, the Group will continue to optimise the operating efficiency of its investment properties and enhance the operating quality and asset value of its commercial assets. In respect of financial management and control, the Group will continue to strengthen cash flow management and strictly control various operating risks. The Group will maintain operating resilience, actively respond to industry cyclical changes, and strive to achieve a steady and sustainable development.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Period under review, pursuant to the general mandate to repurchase shares approved by the shareholders of the Company at the 2025 annual general meeting of the Company, the Company repurchased a total of 28,124,000 shares on the Stock Exchange at an aggregate consideration of HK$2,667,080. The repurchase was effected for the enhancement of the net asset value and/or earnings per share of the Company for the benefit of the Company and its shareholders as a whole. Details of the repurchased shares were as follows:

Month of repurchase	**Number of shares repurchased**	**Price per share (Highest)** *(HK$)*	**Price per share (Lowest)** *(HK$)*	**Total consideration** *(HK$)*
April 2026	28,124,000	0.095	0.094	2,667,080

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Period under review.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Following specific enquiries by the Company, all Directors confirmed with the Company that they had complied with the required standard set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions during the Period.

CORPORATE GOVERNANCE

Throughout the Period, the Company had applied the principles and complied with the applicable code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules.

The Board will review the management structure of the Group from time to time and adopt appropriate measures as may be desirable for future development of the operating activities or business of the Group.

AUDIT COMMITTEE

The Audit Committee of the Company (comprising all the independent non-executive Directors) had reviewed the unaudited consolidated interim results of the Group during the Period under review, and reviewed with the management of the Group regarding the accounting standards and practices adopted by the Group, and discussed with them the internal controls and financial reporting matters.

Ernst & Young, the external auditor of the Company, had reviewed the unaudited consolidated interim results of the Group during the Period under review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The interim report of the Company for the Period under review containing all the relevant information required by the Listing Rules will be published on the websites of the Stock Exchange and the Company and despatched to the Shareholders in due course.

By order of the Board
Zhong An Group Limited
Shi Zhongan
Chairman

The PRC, 21 August 2026

As at the date of this announcement, the Board comprised five executive Directors, namely Mr Shi Zhongan (Chairman), Mr Zhang Jiangang (Chief Executive Officer), Ms Shi Jinfan, Ms Jin Ni and Mr Shen Jiayang, and three independent non-executive Directors, namely Professor Pei Ker Wei, Mr Zhang Huaqiao and Mr Fung Che Wai Anthony.