



CHEUK NANG (HOLDINGS) LIMITED

(Stock Code: 131)

INTERIM REPORT
FOR THE SIX MONTHS ENDED 31/12/2025

CHEUK NANG (HOLDINGS) LIMITED

INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

CHAIRMAN STATEMENT

On behalf of the Board of Directors, I am pleased to present the results of Cheuk Nang (Holdings) Limited for the six months ended 31 December 2025.

Market Overview

The past year has presented the real estate industry with a complex operating environment across our key markets. In Mainland China, the property sector continued to navigate structural headwinds, with new and existing home prices in most major cities experiencing year-on-year declines, although the pace of monthly declines has shown signs of moderation in early 2026. The Central Government and local authorities have maintained their commitment to stabilize the market through targeted financial and regulatory initiatives, and we have observed tentative improvements in buyer sentiment, particularly in economically resilient tier-one cities.

Hangzhou has demonstrated relative strength, recording a year-on-year increase in new home sales, while other major cities including Shenzhen have faced more pronounced pricing pressures. Our developments in Hangzhou and Shenzhen are positioned in city clusters that continue to benefit from strong economic fundamentals and population inflows, and we remain confident in the medium-term prospects for quality residential projects in these locations.

In Hong Kong, the residential market has shown encouraging signs of stabilisation. Transaction volumes have recovered meaningfully, supported by lower mortgage rates, a buoyant equity market, and relaxed lending guidelines from the Hong Kong Monetary Authority. Prime residential values are expected to record modest gains this year following the correction of recent years, and demand from new Mainland Chinese buyers has provided an additional source of support. These conditions have created a more constructive backdrop for our Hong Kong portfolio.

Macau's property market has benefited from the sustained recovery in tourism and gaming revenues, which has underpinned local economic activity and residential demand. In Kuala Lumpur, Malaysia's stable macroeconomic environment and attractive property valuations relative to regional peers continue to draw interest from both domestic and international buyers.

Business Review

Against this backdrop, the Group has remained focused on disciplined execution and prudent capital management. Our project portfolio across Hong Kong, Hangzhou, Shenzhen, Macau, and Kuala Lumpur comprises predominantly residential developments, and we have continued to advance construction and pre-sales activities in line with our schedules.

In Hong Kong, asset enhancement reviews on our Cheuk Nang Lookout at The Peak and the One Kowloon Peak projects have progressed satisfactorily, and we have been encouraged by the level of leasing enquiries as market sentiment has improved. We remain attentive to launch timing to optimise sales outcomes when appropriate.

Our Mainland China operations have adopted a prudent approach in response to market conditions. In Hangzhou and Shenzhen, we have concentrated on delivering quality products that meet the evolving preferences of homebuyers, with particular attention to design, specifications, and community amenities. We believe that projects of genuine quality in well-located sites will continue to attract demand even in a more selective market. Gross profit margins across the Mainland development sector remain under pressure industry-wide, and we have implemented measures to enhance operational efficiency and manage costs without compromising product standards.

In Macau, our project will benefit from the territory's economic revival, and we have observed healthy interest from local investors. Our portfolio in Kuala Lumpur continue to appeal to potential buyers seeking exposure to the region within key city centre locations in an attractively priced market, and we are monitoring opportunities to expand our presence in Malaysia as conditions warrant.

Financial Position

The Group has maintained a healthy financial position throughout the period. We have continued to prioritise cash flow, balance sheet strength and liquidity, ensuring that we have the flexibility to meet our obligations and to capitalise on opportunities as they arise. Our approach to land acquisition remains selective and disciplined, and we will pursue new projects where risk-adjusted returns meet our criteria.

Outlook

Looking ahead, we expect market conditions to remain challenging but gradually improving. Policy support in Mainland China is anticipated to continue, and we are cautiously optimistic that stabilisation measures will gain traction over the coming quarters. In Hong Kong, the combination of improved affordability, supportive government policies, and recovering economic activity should provide a more favourable environment for residential sales. Macau and Kuala Lumpur offer diversification benefits and exposure to markets with distinct demand drivers.

The Group will continue to focus on executing our existing projects to a high standard, managing costs effectively, and maintaining financial discipline. We remain committed to creating long-term value for shareholders through thoughtful capital allocation and a prudent approach to risk management.

Acknowledgements

I would like to express my sincere gratitude to our shareholders for their continued trust and support. I also wish to thank my fellow Directors for their guidance, our management team and staff for their dedication and important contribution during the period.

By order of the Board
CECIL CHAO SZE TSUNG
Executive Chairman

Hong Kong, 27 February 2026

RESULTS

The unaudited accounts of the Company and its subsidiaries (collectively referred to as the “Group”) which have been reviewed by the Company’s audit committee are listed as follows:

Condensed Consolidated Statement of Profit or Loss

For the six months ended 31 December 2025

		Six months ended	
		31 December	
	<i>Notes</i>	2025	2024
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	3	272,396	77,685
Direct costs		(203,346)	(20,568)
Gross profit		69,050	57,117
Other income	4	6,000	14,839
Change in fair value of investment properties		202,257	(22,242)
Change in fair value of financial assets at fair value through profit or loss (“FVTPL”)		(59)	6,487
Administrative expenses		(23,182)	(28,613)
Finance costs	5a	(21,010)	(30,317)
Profit/(Loss) before income tax	5	233,056	(2,729)
Income tax expense	6	(52,840)	(32,190)
Profit/(Loss) for the period		180,216	(34,919)
Profit/(Loss) for the period attributable to:			
Owners of the Company		180,241	(49,518)
Non-controlling interests		(25)	14,599
		180,216	(34,919)
Earnings/(Loss) per share for profit/(loss) attributable to the owners of the Company during the period			
Basic	8	HK\$0.28	(HK\$0.08)
Diluted		HK\$0.28	(HK\$0.08)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 31 December 2025

	Six months ended 31 December	
	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Unaudited)
Profit/(Loss) for the period	180,216	(34,919)
Other comprehensive income for the period, net of tax		
Item that will be reclassified subsequently to profit or loss:		
Change in fair value of financial assets at fair value through other comprehensive income (“FVTOCI”) (recycling)	26	1,400
Exchange gain on translation of financial statements of foreign operations	<u>33,009</u>	<u>4,099</u>
	33,035	5,499
Item that will not be reclassified subsequently to profit or loss:		
Change in fair value of land and buildings held for own use	<u>10,403</u>	<u>1,863</u>
Other comprehensive income for the period, net of tax	<u>43,438</u>	<u>7,362</u>
Total comprehensive income/(expense) for the period	<u>223,654</u>	<u>(27,557)</u>
Total comprehensive income/(expense) for the period attributable to:		
Owners of the Company	223,679	(42,156)
Non-controlling interests	<u>(25)</u>	<u>14,599</u>
	<u>223,654</u>	<u>(27,557)</u>

Condensed Consolidated Statement of Financial Position

As at 31 December 2025

		At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Investment properties	9	3,905,005	3,682,520
Property, plant and equipment	9	197,404	187,465
Other non-current asset		950	950
Other financial assets	10	22,924	23,238
Deferred tax assets		15,001	15,001
		<u>4,141,284</u>	<u>3,909,174</u>
Current assets			
Properties under development for sale	9	2,112,242	2,076,838
Completed properties for sale		1,337,769	1,513,738
Financial assets at fair value through profit or loss	11	2,896	2,955
Trade and other receivables	12	22,701	21,436
Pledged time deposits	13	4,083	4,036
Bank balances and cash	13	540,443	834,506
		<u>4,020,134</u>	<u>4,453,509</u>
Current liabilities			
Other payables		143,067	144,672
Contract liabilities	15	8,049	38,803
Amounts due to non-controlling shareholders		239,990	239,990
Amount due to a related company		4,951	4,911
Interest-bearing borrowings		287,560	543,520
Advance from a director		261,433	250,134
Lease liabilities		2,211	2,229
Long service payment		570	570
Tax payable		163,535	192,260
		<u>1,111,366</u>	<u>1,417,089</u>
Net current assets		<u>2,908,768</u>	<u>3,036,420</u>

	<i>Note</i>	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
Total assets less current liabilities		7,050,052	6,945,594
Non-current liabilities			
Interest-bearing borrowings		380,000	480,000
Lease liabilities		413	1,533
Deferred tax liabilities		634,160	639,183
Long service payment		113	113
		1,014,686	1,120,829
Net assets		6,035,366	5,824,765
EQUITY			
Share capital	<i>14</i>	2,468,985	2,468,985
Reserves		3,513,050	3,302,424
Equity attributable to the owners of the Company		5,982,035	5,771,409
Non-controlling interests		53,331	53,356
Total equity		6,035,366	5,824,765

Condensed Consolidated Statement of Cash Flows

For the six months ended 31 December 2025

	Six months ended 31 December	
	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Unaudited)
Cash generated from operations	167,462	23,993
Finance costs paid	(13,132)	(22,256)
Tax paid	(90,358)	(29,204)
Net cash generated from/(used in) operating activities	63,972	(27,467)
Investing activities		
Dividend received	114	2,072
Interest received	5,187	5,354
Purchases of property, plant and equipment	(736)	–
Additions of investment properties	(432)	(642)
Proceeds from redemption of financial assets at FVTOCI	340	65
Increase in pledged time deposits	(47)	–
Net cash generated from investing activities	4,426	6,849
Financing activities		
Advance from a director	3,508	25,499
Dividend paid	(13,053)	(26,107)
Bank loans raised	–	207,400
Repayment of bank loan	(355,960)	(423,908)
Increase in amount due to a related company	40	–
Payment of lease liabilities	(1,225)	(1,240)
Net cash used in financing activities	(366,690)	(218,356)
Net decrease in cash and cash equivalents	(298,292)	(238,974)
Cash and cash equivalents at 1 July	834,506	881,792
Effect of foreign exchange rate changes, on cash held	4,229	(2,493)
Cash and cash equivalents at 31 December, represented by cash at bank	540,443	640,325

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2025

	Equity attributable to the owners of the Company							
	Share capital	Exchange reserve*	Property revaluation reserve*	Financial assets at FVTOCI reserve (recycling)*	Retained profits*	Total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Balance at 1 July 2024	2,468,985	(427,133)	33,150	(31,674)	4,641,040	6,684,368	208,228	6,892,596
Loss for the period	-	-	-	-	(49,518)	(49,518)	14,599	(34,919)
Other comprehensive income/ (expense) for the period:								
Exchange gain on translation of financial statements of foreign operations	-	4,099	-	-	-	4,099	-	4,099
Change in fair value of financial assets at FVTOCI	-	-	-	1,400	-	1,400	-	1,400
Change in fair value of land and buildings held for own use	-	-	1,863	-	-	1,863	-	1,863
Total comprehensive income/ (expense) for the period	-	4,099	1,863	1,400	(49,518)	(42,156)	14,599	(27,557)
2024 final dividend approved and paid (Note 7)	-	-	-	-	(26,107)	(26,107)	-	(26,107)
Balance at 31 December 2024	<u>2,468,985</u>	<u>(423,034)</u>	<u>35,013</u>	<u>(30,274)</u>	<u>4,565,415</u>	<u>6,616,105</u>	<u>222,827</u>	<u>6,838,932</u>

Equity attributable to the owners of the Company

	Share capital <i>HK\$'000</i> (Unaudited)	Exchange reserve* <i>HK\$'000</i> (Unaudited)	Property revaluation reserve* <i>HK\$'000</i> (Unaudited)	Financial assets at FVTOCI (recycling)* <i>HK\$'000</i> (Unaudited)	Retained profits* <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)	Non- controlling interests <i>HK\$'000</i> (Unaudited)	Total equity <i>HK\$'000</i> (Unaudited)
Balance at 1 July 2025	2,468,985	(337,535)	31,589	(2,679)	3,611,049	5,771,409	53,356	5,824,765
Profit for the period	-	-	-	-	180,241	180,241	(25)	180,216
Other comprehensive income/ (expense) for the period:								
Exchange gain on translation of financial statements of foreign operations	-	33,009	-	-	-	33,009	-	33,009
Change in fair value of financial assets at FVTOCI	-	-	-	26	-	26	-	26
Change in fair value of land and buildings held for own use	-	-	10,403	-	-	10,403	-	10,403
Total comprehensive income/ (expense) for the period	-	33,009	10,403	26	180,241	223,679	(25)	223,654
2025 final dividend approved and paid (<i>Note 7</i>)	-	-	-	-	(13,053)	(13,053)	-	(13,053)
Balance at 31 December 2025	<u>2,468,985</u>	<u>(304,526)</u>	<u>41,992</u>	<u>(2,653)</u>	<u>3,778,237</u>	<u>5,982,035</u>	<u>53,331</u>	<u>6,035,366</u>

* These reserve accounts comprise the Group's reserves of HK\$3,513,050,000 (as at 30 June 2025 (Audited): HK\$3,302,424,000) in the condensed consolidated statement of financial position.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2025

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. These condensed consolidated interim financial statements were authorised for issue on 27 February 2026, and have been reviewed by the Company’s Audit Committee.

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 30 June 2025, except for the adoption of new or amended HKFRS Accounting Standards effective on or after 1 July 2025 as disclosed in Note 2 and the accounting policy changes that are expected to be reflected in the 2026 annual financial statements.

These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 30 June 2025.

The financial information relating to the financial year ended 30 June 2025 that is included in the interim financial statements for the six months ended 31 December 2025 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 30 June 2025 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Companies Ordinance.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

2. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

(a) Amended HKFRS Accounting Standards that are effective for annual periods beginning on or after 1 July 2025

The condensed consolidated interim financial statements for the six months ended 31 December 2025 have been prepared in accordance with the accounting policies adopted in the Group's annual financial statements for the year ended 30 June 2025, except for the adoption of the Amendments to HKAS 21 "Lack of Exchangeability" ("HKAS 21") which are effective as of 1 July 2025.

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

The amendments did not have a material impact on the condensed consolidated interim financial statements of the Group.

(b) Issued but not yet effective HKFRS Accounting Standards

At the date of authorisation of these condensed consolidated interim financial statements, certain new and amended HKFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosure ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ¹
Amendments to HKAS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKFRS Accounting Standards	Annual improvements to HKFRS Accounting Standards – Volume 11 ¹
Amendment to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ²

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ Effective date not yet determined

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

2. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS (Continued)

(b) Issued but not yet effective HKFRS Accounting Standards (Continued)

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRS Accounting Standards that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group's condensed consolidated interim financial statements.

HKFRS 18 "Presentation and Disclosure in Financial Statements" ("HKFRS 18") and related amendments to Hong Kong Interpretation 5

HKFRS 18 replaces HKAS 1 "Presentation of Financial Statements" ("HKAS 1"). It carries forward many of the existing requirements in HKAS 1, with limited changes, and some HKAS 1 requirements will be moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and HKFRS 7 "Financial Instruments: Disclosures".

HKFRS 18 will not impact the recognition and measurement of financial statements items but the presentation of them. It introduces three major new requirements, including:

- reporting newly defined subtotals (namely "operating profits" and "profits before financing and income tax"), and classifying items into five newly defined categories (namely "operating", "investing", "financing", "income tax" and "discontinued operation"), depending on the reporting entity's main business activities, in the consolidated statement of profit or loss;
- Disclosure of management-defined performance measures ("MPMs") in a single note to the financial statements; and
- enhanced guidance of aggregation and disaggregation of information in the financial statements.

Besides, narrow-scope amendments have been made to HKAS 7 "Statement of Cash Flows", which includes:

- using "operating profit or loss" as the starting point for indirect method for the presentation of operating cash flows purposes; and
- the option for classifying interest and dividend cash flows as operating activities is eliminated.

In addition, there are consequential amendments to several other standards.

HKFRS 18, and the amendments to the other HKFRS Accounting Standards, are effective for annual period beginning on or after 1 January 2027 and must be applied retrospectively with specific transition provisions.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

3. SEGMENT INFORMATION

The Group is principally engaged in property development and investment and provision of property management and related services. Turnover of the Group is the revenue from these activities.

In accordance with the Group's internal financial reporting provided to the executive directors of the Company, being the chief operating decision makers who are responsible for allocating resources, assessing performance of the operating segments and making strategic decision, the executive directors consider the business from business perspective.

From business perspective, the Group organised into the following main business segments:

- Property sales;
- Property rental;
- Estate management; and
- Others – securities trading, investments in financial instruments and debentures

The chief operating decision makers assess the performance of the operating segments based on the profit/(loss) before income tax for the period.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

3. SEGMENT INFORMATION (Continued)

Information regarding the Group's reportable segments as provided to the chief operating decision makers is set out below:

For the six months ended 31 December 2025 (Unaudited)

	Property sales <i>HK\$'000</i>	Property rental <i>HK\$'000</i>	Estate management <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue					
From external customers	252,592	19,804	-	-	272,396
Inter-segment revenue	-	420	-	-	420
Reportable segment revenue	252,592	20,224	-	-	272,816
Reportable segment profit/(loss)	58,613	213,703	(2,481)	(1,793)	268,042
Other information:					
Depreciation or property, plant and equipment	15	325	-	1,849	2,189
Depreciation of right-of-use assets	-	-	1,132	-	1,132
Income tax expense	61,633	(8,793)	-	-	52,840
Increase in fair value of investment properties	-	(202,257)	-	-	(202,257)
Decrease in fair value of financial assets at FVTPL	-	-	-	59	59
As at 31 December 2025 (Unaudited)					
Reportable segment assets	3,460,446	4,109,447	4,287	2,895	7,577,075
Reportable segment liabilities	123,983	263,901	6,495	1,686	396,065

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

3. SEGMENT INFORMATION (Continued)

For the six months ended 31 December 2024 (Unaudited)

	Property sales HK\$'000	Property rental HK\$'000	Estate management HK\$'000	Others HK\$'000	Total HK\$'000
Revenue					
From external customers	61,798	15,887	–	–	77,685
Inter-segment revenue	–	–	–	–	–
Reportable segment revenue	61,798	15,887	–	–	77,685
Reportable segment profit/(loss)	50,268	(13,907)	(3,175)	6,646	39,832
Other information:					
Depreciation or property, plant and equipment	13	227	–	1,915	2,155
Depreciation of right-of-use assets	–	–	1,445	–	1,445
Income tax expense	33,296	(1,106)	–	–	32,190
Decrease in fair value of investment properties	–	22,242	–	–	22,242
Increase in fair value of financial assets at FVTPL	–	–	–	(6,487)	(6,487)
As at 30 June 2025 (Audited)					
Reportable segment assets	3,605,374	3,689,260	5,841	2,955	7,303,430
Reportable segment liabilities	160,078	262,599	7,196	2,265	432,138

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

3. SEGMENT INFORMATION (Continued)

The Group's principal activities are disclosed in above, and the revenue during the period is as follows:

	Six months ended 31 December	
	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Unaudited)
Property sales	252,592	61,798
Property rental	19,804	15,887
	<u>272,396</u>	<u>77,685</u>

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical market:

	Six months ended 31 December	
	Property sales <i>HK\$'000</i> (Unaudited)	Property rental <i>HK\$'000</i> (Unaudited)
Segments		
Geographical markets		
PRC	252,592	586
Hong Kong	–	18,576
Malaysia	–	642
	<u>252,592</u>	<u>19,804</u>
Timing of revenue recognitions under HKFRS 15 from external customers		
At a point in time	252,592	–
Rental income not in the scope of HKFRS 15	–	19,804
	<u>252,592</u>	<u>19,804</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

3. SEGMENT INFORMATION (Continued)

For the six months ended 31 December 2024 (Unaudited)

Segments	Six months ended 31 December	
	Property sales HK\$'000 (Unaudited)	Property rental HK\$'000 (Unaudited)
Geographical markets		
PRC	61,798	379
Hong Kong	–	15,040
Malaysia	–	468
	<u>61,798</u>	<u>15,887</u>
Timing of revenue recognitions under HKFRS 15 from external customers		
At a point in time	61,798	–
Rental income not in the scope of HKFRS 15	–	15,887
	<u>61,798</u>	<u>15,887</u>

The reportable segment profit can be reconciled to the Group's profit/(loss) before income tax as presented in this interim financial report as follows:

	Six months ended 31 December	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Reportable segment profit	268,042	39,832
Unallocated corporate income	5,886	11,934
Unallocated corporate expenses	(19,862)	(24,178)
Finance costs	(21,010)	(30,317)
Profit/(Loss) before income tax of the Group	<u>233,056</u>	<u>(2,729)</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

4. OTHER INCOME, NET

	Six months ended 31 December	
	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Unaudited)
Dividend income from listed equity investments	–	2,072
Dividend income from unlisted equity investments	114	–
Interest received	5,187	10,915
Sundry income	699	1,852
	6,000	14,839

5. PROFIT/(LOSS) BEFORE INCOME TAX

Profit/(Loss) before income tax is arrived at after charging the following:

	Six months ended 31 December	
	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Unaudited)
(a) Finance costs		
Interest charges on:		
Bank loans	12,966	22,256
Advances from a director	7,791	7,260
Other incidental borrowing costs	166	736
Finance charges on lease liabilities	87	65
	21,010	30,317
(b) Other items		
Depreciation	3,321	3,600
Staff costs (including directors' emoluments)		
Salaries, wages and other benefits	13,913	12,337
Contribution to defined contribution plans	423	376

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

6. INCOME TAX EXPENSE

No Hong Kong Profits Tax has been provided in the condensed consolidated interim financial statements as the Group has no assessable profit in Hong Kong for the six months ended 31 December 2025 (2024: Nil).

Under The New Law and Implementation Regulations, the tax rate of PRC subsidiaries is 25% (2024: 25%).

The provision for land appreciation tax (“LAT”) is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the jurisdictions in which the Group operates.

The taxation charge is made up as follows:

	Six months ended 31 December	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Current tax		
– Overseas		
PRC enterprise income tax	23,191	7,626
PRC land appreciation tax	38,442	25,670
	<u>61,633</u>	<u>33,296</u>
Deferred taxation	<u>(8,793)</u>	<u>(1,106)</u>
Total income tax expense	<u><u>52,840</u></u>	<u><u>32,190</u></u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

7. DIVIDENDS

	Six months ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Final dividend declared and paid of HK2.0 cents (2024: HK4.0 cents) per ordinary share	13,053	26,107
Proposed interim dividend of HK3.0 cents (2024: HK2.25 cents) per ordinary share	19,580	14,686
	<u>32,633</u>	<u>40,793</u>

The interim dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

8. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share for the period is based on the following data:

Profit/(Loss) for the period

	Six months ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit/(Loss) attributable to the owners of the Company for the purpose of calculating basic and diluted earnings/(loss) per share	<u>180,241</u>	<u>(49,518)</u>

Number of shares

	Six months ended 31 December	
	2025	2024
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share	<u>652,676,781</u>	<u>652,676,781</u>

Diluted earnings/(loss) per share for the six months ended 31 December 2025 and 2024 are the same as basic earnings/(loss) per shares as there was no potential ordinary shares outstanding as at 31 December 2025 and 2024.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

9. INVESTMENT PROPERTIES, PROPERTY, PLANT AND EQUIPMENT AND PROPERTIES UNDER DEVELOPMENT

During the six months ended 31 December 2025, capital expenditure on additions of the investment properties was HK\$432,000 (31 December 2024: HK\$642,000), on property, plant and equipment was HK\$736,000 (31 December 2024: HK\$Nil) and on properties under development was HK\$25,396,000 (31 December 2024: HK\$753,000).

The valuations of investment properties and land and buildings held for own use carried at fair value were revalued on 31 December 2025 by the independent valuers using the same valuation techniques as carrying out the 30 June 2025 valuations. As a result of the valuation, a net gain on fair value change of HK\$202,257,000 (31 December 2024: net loss of HK\$22,242,000) and a net gain on fair value change of land and buildings held for own use of HK\$10,403,000 (31 December 2024: net gain of HK\$1,863,000) have been recognised in the condensed consolidated statement of profit or loss and condensed consolidated statement of comprehensive income respectively.

During the six months ended 31 December 2025 and 31 December 2024, there was no disposal of investment properties.

10. OTHER FINANCIAL ASSETS

Other financial assets included the following investment:

	At 31 December 2025 HK\$'000 (Unaudited)	At 30 June 2025 HK\$'000 (Audited)
Non-current assets		
Financial assets at FVTOCI:		
Perpetual notes, listed outside Hong Kong (<i>Note (a)</i>)	19,416	19,428
Debentures, listed in Hong Kong (<i>Note (b)</i>)	3,702	4,004
Less: Impairment	(194)	(194)
	<u>22,924</u>	<u>23,238</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

10. OTHER FINANCIAL ASSETS (Continued)

The movement of gross balance of financial assets at FVTOCI is as follows:

	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	Total HK\$'000
At 1 July 2024	41,850	–	45,590	87,440
Change in fair value	(10,287)	–	4,248	(6,039)
Disposal	(12,135)	–	(45,834)	(57,969)
At 30 June 2025 (Audited)	<u>19,428</u>	<u>–</u>	<u>4,004</u>	<u>23,432</u>
Change in fair value	(12)	–	38	26
Redemption	–	–	(340)	(340)
At 31 December 2025 (Unaudited)	<u><u>19,416</u></u>	<u><u>–</u></u>	<u><u>3,702</u></u>	<u><u>23,118</u></u>

The movements of impairment loss for financial assets at FVTOCI are as follows:

	At 31 December 2025 HK\$'000 (Unaudited)	At 30 June 2025 HK\$'000 (Audited)
Stage 3		
At the beginning of the reporting period	194	37,564
Impairment loss written off	–	(37,370)
At the end of the reporting period	<u><u>194</u></u>	<u><u>194</u></u>

The Group held the above investments under a business model whose objective is hold to collect the associated cash flows and sale; and the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Note:

- (a) The Group has investments in two perpetual notes (30 June 2025 (Audited): two perpetual notes) with principal amount of US\$1,000,000 and US\$1,400,000 (30 June 2025 (Audited): US\$1,000,000 and US\$1,400,000) listed outside Hong Kong without fixed maturity date at a coupon rate ranging from 6.50% to 8.00% (30 June 2025 (Audited): ranging from 6.50% to 8.00% per annum), payable semi-annually.
- (b) The Group has investment in one listed debenture (30 June 2025 (Audited): one listed debenture) with principal amounts of US\$547,009 (30 June 2025 (Audited): US\$588,611) listed in Hong Kong with maturity dates of 31 January 2028 at a fixed coupon rates of 6.50% (30 June 2025 (Audited): 6.50%) per annum, payable semi-annually.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 31 December 2025 HK\$'000 (Unaudited)	At 30 June 2025 HK\$'000 (Audited)
Financial assets at fair value through profit or loss		
Unlisted investment fund (<i>Notes (i) and (ii)</i>)	<u>2,896</u>	<u>2,955</u>

Notes:

- (a) The fair value of the Group's investments in listed equity securities have been measured as described in Note 19.
- (b) The unlisted investment fund as at 31 December 2025 was a fund managed by a financial institution incorporated in Hong Kong. It was mandatorily measured at fair value through profit or loss in accordance with HKFRS 9 "Financial Instruments" ("HKFRS 9") as contractual cash flows are not solely payments of principal and interest. The fund is classified as current at 31 December 2025 as the investment is redeemable with 12 months after the end of the reporting period.

12. TRADE AND OTHER RECEIVABLES

	At 31 December 2025 HK\$'000 (Unaudited)	At 30 June 2025 HK\$'000 (Audited)
Trade receivables		
From third parties	<u>3,157</u>	<u>3,666</u>
Other receivables		
Prepaid expenses	6,745	6,446
Utilities deposits	2,209	2,601
Other deposits	1,500	1,117
Others	<u>9,090</u>	<u>7,606</u>
	<u>19,544</u>	<u>17,770</u>
	<u>22,701</u>	<u>21,436</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

12. TRADE AND OTHER RECEIVABLES (Continued)

The trade receivables of the Group represent rental fee in arrears. The Group maintains a credit policy to minimise any credit risk associated with trade receivables. As at the end of the reporting period, the ageing analysis of the trade receivables (which is included in trade and other receivables), based on the debit note or invoice date, is as follows:

	At 31 December 2025 HK\$'000 (Unaudited)	At 30 June 2025 HK\$'000 (Audited)
0 – 30 days	59	71
31 – 60 days	56	–
61 – 90 days	–	–
Over 90 days	3,042	3,595
	<u>3,157</u>	<u>3,666</u>

Trade receivables are due upon presentation of invoices.

The Group has no significant concentrations of credit risk, and sufficient rental deposits are held to cover potential exposure to credit risk.

Other receivables included deposits paid to constructors to perform construction works for the Group's investment properties and properties under development. The credit risk of deposits paid are considered to be low, therefore the impact on expected credit loss ("ECL") is considered as immaterial.

13. BANK BALANCES AND CASH

	At 31 December 2025 HK\$'000 (Unaudited)	At 30 June 2025 HK\$'000 (Audited)
Bank deposits	369,083	392,938
Cash at banks	175,443	445,604
	<u>544,526</u>	<u>838,542</u>
Less: Pledged time deposits	(4,083)	(4,036)
Cash and cash equivalents as stated in the consolidated statement of financial position	<u>540,443</u>	<u>834,506</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

13. BANK BALANCES AND CASH (Continued)

Included in bank and cash balances of the Group is HK\$156,761,000 (30 June 2025 (Audited): HK\$150,736,000) of bank balances denominated in Renminbi are placed with banks in the PRC. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the bank balances are not freely transferred.

The credit risk on pledged deposits and cash at banks are considered to be insignificant because the counterparties are banks with high credit ratings, assigned by international credit-rating agencies.

14. SHARE CAPITAL

	As at 31 December 2025		As at 30 June 2025	
	No. of shares	HK\$'000	No. of shares	HK\$'000
	(Unaudited)		(Audited)	
Voting ordinary shares:				
At the beginning and the end of the period/year	<u>652,676,781</u>	<u>2,468,985</u>	<u>652,676,781</u>	<u>2,468,985</u>

15. CONTRACT LIABILITIES

	At 31 December 2025 HK\$'000 (Unaudited)	At 30 June 2025 HK\$'000 (Audited)
Contract liabilities arising from receipt in advance from sale of properties	<u>8,049</u>	<u>38,803</u>

The contract liabilities represented the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period. The Group expects the transaction price allocated to the unsatisfied performance obligations will be recognised as revenue when the Group transfers good or service to the customer.

The significant decrease in contract liabilities during the six months ended 31 December 2025 is mainly due to recognition of revenue.

Since all the contracts with an original duration of one year or less, as permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

16. COMMITMENTS

(a) Capital commitments

Capital commitments in respect of properties under development outstanding at the end of the reporting period not provided for in the condensed consolidated financial statements are as follows:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
Contracted but not provided for	<u>91,068</u>	<u>92,637</u>

(b) Operating lease commitments – as lessor

At the end of the reporting period, the Group had future aggregate minimum lease rental receivables under non-cancellable operating leases in respect of the Group's properties as follows:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
Within one year	32,345	28,197
After 1 year but within 2 years	<u>10,148</u>	<u>11,258</u>
	<u>42,493</u>	<u>39,455</u>

(c) Operating lease commitments – as lessee

At 31 December 2025, the lease commitments for short-term leases (30 June 2025: the lease commitments for short-term lease) of an office of the Group are as follows:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
Within one year	<u>95</u>	<u>–</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

17. PLEDGE OF ASSETS

At 31 December 2025, the Group's total bank borrowings of HK\$667,560,000 (30 June 2025 (Audited): HK\$1,023,520,000) was secured by the following:

- (i) legal charges on certain of the Group's investment properties and land and building with carrying values of approximately HK\$2,502,756,000 (30 June 2025 (Audited): HK\$2,368,955,000) and HK\$191,312,000 (30 June 2025 (Audited): HK\$180,660,000) respectively;
- (ii) floating charge over all the assets and undertakings of certain subsidiaries;
- (iii) charge over bank account balances with carrying values of approximately HK\$4,083,000 (30 June 2025 (Audited): HK\$4,036,000);
- (iv) financial assets at FVTOCI of approximately HK\$22,924,000 (30 June 2025 (Audited): HK\$23,238,000); and
- (v) assignments of sales proceeds, insurance proceeds, rental income and deposits arising from the tenancy agreements of certain properties.

18. MATERIAL RELATED PARTY TRANSACTIONS

Details of material related party transactions which were carried out in the ordinary course of the Group's business are as follows:

	Notes	Six months ended	
		31 December	
		2025	2024
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Salaries and other short-term employee benefits paid to key management personnel, including amounts paid to the Company's directors		8,236	7,636
Interest paid to Dr. Chao Sze-Tsung Cecil	(a)	7,791	7,260
Building management fee paid to Maximus Property Management Limited	(b)	3,899	3,355

- (a) Dr. Chao Sze Tsung Cecil has provided unsecured advances, to the Group at 1% over prime interest rate in Hong Kong per annum. At 31 December 2025, the advances from Dr. Chao Sze Tsung Cecil amounted to approximately HK\$261,433,000 (30 June 2025 (Audited): HK\$250,134,000). Dr. Chao Sze Tsung Cecil confirmed that the advance would be repayable on demand and therefore classified as a current liability.
- (b) Other than the above, no other transaction, arrangement or contract of significance to which the Company was a party and in which a director of the Company or a connected entity of the director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the period.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

19. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 "Fair Value Measurement". The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2, inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets and liabilities measured at fair value in the condensed consolidation statement of financial position are grouped into the fair value hierarchy as follows:

At 31 December 2025 (Unaudited)			
<i>Notes</i>	Level 1	Level 2	Total
	HK\$'000	HK\$'000	HK\$'000
Assets			
Financial assets at FVTPL:			
Unlisted investment fund	(a) –	2,896	2,896
Financial assets at FVTOCI			
(before ECL):			
Perpetual notes, listed outside			
Hong Kong	(b) –	19,416	19,416
Debentures, listed in Hong Kong	(b) –	3,702	3,702
	<u>–</u>	<u>26,014</u>	<u>26,014</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2025

19. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

		At 30 June 2025 (Audited)		
Notes	Level 1 HK\$'000	Level 2 HK\$'000	Total HK\$'000	
Assets				
Financial assets at FVTPL:				
Unlisted investment fund	(a) –	2,955	2,955	
Financial assets at FVTOCI (before ECL):				
Perpetual notes, listed outside				
Hong Kong	(b) –	19,428	19,428	
Debentures, listed in Hong Kong	(b) –	4,004	4,004	
	–	26,387	26,387	

There have been no transfers between levels 1, 2 and 3 in the reporting period.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting periods.

Notes:

(a) Unlisted investment fund

The fair value of unlisted investment fund is determined based on their net asset value, representing the fair value of the fund reported by respective fund managers as at the end of the reporting period.

(b) Listed debt securities

The listed debt securities are denominated in United States dollars. Fair values have been determined by reference to their quoted bid prices at the end of the reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Financial Highlights

Revenue for the six months ended 31 December 2025 (the “Period 2025”) amounted to HK\$272,396,000 (for the six months ended 31 December 2024 (the “Period 2024”): HK\$77,685,000), 250.6% increase as compared with Period 2024.

For property sale, the Period 2025 recorded that an increase of 308.7% in properties sold in Shenzhen as compared with that for Period 2024, amounting HK\$252,592,000 (Period 2024: HK\$61,798,000).

For property leasing, the Period 2025 recorded that an increase of 24.7% in rental income as compared with that for Period 2024, amounting HK\$19,804,000 (Period 2024: HK\$15,887,000).

Gross profit for the Period 2025 amounted to HK\$69,050,000, as compared with gross profit of HK\$57,117,000 for Period 2024.

Other income decreased by 59.6% to HK\$6,000,000 for Period 2025 as compared with that for Period 2024. The other income for the Period 2025 were mainly attributed to dividend income and interest income. Negative change in fair value of financial assets at fair value through profit or loss amounted to HK\$59,000 (Period 2024: Positive change in fair value of HK\$6,487,000). Positive change in fair value of investment properties amounted to HK\$202,257,000 (Period 2024: Negative change in fair value of HK\$22,242,000). Administrative expenses decreased by 19% to HK\$23,182,000 as compared with that of Period 2024. Finance costs decreased by 30.7% to HK\$21,010,000 as compared with Period 2024 (Period 2024: HK\$30,317,000). The decrease was mainly due to decrease in interest charges on bank loans and decrease in bank loan during the Period 2025. Income tax charge for the Period 2025 was HK\$52,840,000 (Period 2024: HK\$32,190,000).

Profit attributable to owners of the Company for the Period 2025 was HK\$180,241,000 (Period 2024: Loss attributable to owners of the Company HK\$49,518,000). Basic earnings per share was HK\$0.28 (Period 2024: Basic loss per share was HK\$0.08) and fully diluted earnings per share was HK\$0.28 (Period 2024: fully diluted loss per share was HK\$0.08).

Final dividend of HK2.0 cents per share for the year ended 30 June 2025 (30 June 2024: HK4.0 cents per share) was paid during the Period 2025.

The Board resolved an interim dividend for Period 2025 of HK3.00 cents (Period 2024: HK2.25 cents) payable in cash. The interim dividend will be dispatched to all shareholders on 17 April 2026.

Total Equity Attributable To The Owners Of The Company

As at 31 December 2025, the Group's total equity attributable to the owners of the Company amounted to approximately HK\$5,982,035,000 (30 June 2025: HK\$5,771,409,000), an increase of HK\$210,626,000 or 3.6% when compared with 30 June 2025. With the total number of ordinary shares in issue of 652,676,781 as at 31 December 2025 (30 June 2025: 652,676,781 shares), the total equity attributable to the owners of the Company per share was HK\$9.17, representing an increase of 3.6% compared to HK\$8.84 as at 30 June 2025.

Other than the existing projects and those disclosed in the annual report, the Group did not have any confirmed future plans for material investment or acquiring capital assets.

Investment In Financial Assets At Fair Value Through Profit Or Loss And Other Comprehensive Income

As at 31 December 2025, the fair value of investment in fund and perpetual note and debentures amounted to HK\$2,896,000 and HK\$22,924,000 respectively were classified as the financial assets at fair value through profit or loss and the financial assets at fair value through other comprehensive income. For investment in fund, the loss on fair value was HK\$59,000 (Period 2024: HK\$48,000) during the Period 2025. For perpetual note and debenture, a total of HK\$340,000 (Period 2024: HK\$65,000) was redeemed and gain on fair value was HK\$26,000 (Period 2024: gain on fair value of HK\$1,400,000). The investment in financial assets as at 31 December 2025 represented 0.3% (30 June 2025: 0.3%) of the total assets, which formed part of the Group's cash management activities.

Equity

The number of issued ordinary shares as at 31 December 2025 and 30 June 2025 were 652,676,781 and 652,676,781 respectively.

Debts And Gearing

As at 31 December 2025, the Group's bank and other borrowings amounted to HK\$928,993,000 (30 June 2025: HK\$1,273,654,000). Cash and bank balances amounted to HK\$544,526,000 (30 June 2025: HK\$838,542,000) and net borrowing of HK\$384,467,000 (30 June 2025: HK\$435,112,000).

Total debts to equity ratio was 15.6% (30 June 2025: 22.2%) and net debts to equity ratio was 6.4% (30 June 2025: 7.5%).

The decrease in the total debt to equity ratio was mainly due to increase in net assets value and decrease in bank borrowing during the Period 2025.

As at 31 December 2025, the Group's bank and other borrowings were denominated in Hong Kong dollars. Of the Group's total bank and other borrowings HK\$928,993,000 (30 June 2025: HK\$1,273,654,000), 59.1% (30 June 2025: 62.3%) and 40.9% (30 June 2025: 37.7%) were repayable within 1 year and 1 to 2 years respectively reference to the repayment on demand clause based on scheduled repayments of the loan agreement. The Group's bank and other borrowings carried interest rates by reference to Hong Kong Interbank Offer Rate ("HIBOR").

Pledge Of Assets

As at 31 December 2025, the Group's investment properties and land and building held for own use with carrying values of approximately HK\$2,502,756,000 (30 June 2025: HK\$2,368,955,000) and HK\$191,312,000 (30 June 2025: HK\$180,660,000) respectively were pledged to secure general banking facilities of the Group.

Finance Costs

Financial costs included interest expenses on bank and other loans, arrangement, facility and commitment fee expenses. Interest expenses for the Period 2025 amounted to HK\$21,010,000, representing 30.7% decrease over the interest expenses of HK\$30,317,000 recorded for Period 2024.

The decrease in interest expense was mainly due to the repayment of bank loan and decrease in bank loans interest rates during Period 2025.

The average interest rate over the year under review was 3.8% (Period 2024: 4.9%) which was expressed as a percentage of total interest expenses over the average total borrowing.

Property Valuation

A property valuation has been carried out by Messrs. Roma Appraisals Limited and K.T. Liu Surveyors Limited in respect of the Group's investment properties and certain property, plant and equipment as at 31 December 2025 and that valuation was used in preparing 2025 financial statements. The Group's investment properties and investment properties under development were valued at HK\$3,450,368,000 and HK\$454,637,000 respectively making the total HK\$3,905,005,000 (30 June 2025: HK\$3,265,107,000 and HK\$417,413,000 respectively making the total HK\$3,682,520,000). The increase in fair value of approximately HK\$202,257,000 (Period 2024: The decrease in fair value of approximately HK\$22,242,000 was charged to the income statement) was credited to the income statement during Period 2025. The Group's land and building held for the directors' quarter carried at fair value were valued at HK\$191,312,000 (30 June 2025: HK\$180,660,000). The increase in fair value of HK\$10,403,000 for the Period 2025 were recorded in property revaluation reserves. Properties under development for sale of the Group were stated at lower of cost or net realisable value in the financial statements.

RISK MANAGEMENT

The Group has established adequate risk management procedures that enable it to identify, measure, monitor and control the various types of risk it faces. This is supplemented by active management involvement and effective internal controls in the best interests of the Group.

REMUNERATION POLICIES AND SHARE OPTION SCHEME

As at 31 December 2025, the Group employed a total of 51 (as at 30 June 2025: 49) staff.

Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration packages comprised salary, year end double pay and year end discretionary bonus based on market conditions and individual performance. The Executive Directors continued to review employees' contributions and to provide them with necessary incentives and flexibility for their better commitment and performance. No share option scheme was adopted by the Company.

FINANCIAL KEY PERFORMANCE INDICATOR

Profit Attributable To Owners Of The Company and Earnings Per Share

The Company uses the profit attributable to owners of the company and earnings per share as the Group's as the financial key performance indicator. The Company's aim to increase the Group's profit attributable to owners of the company and earnings per share. We compare the profit against the previous period as a measure of the performance.

INTERNAL CONTROL

The Group has appointed external professional firm to perform periodic review on the internal control of the Group.

ENVIRONMENTAL POLICIES AND COMPLIANCE

Our environmental policy is to meet all the environmental legislations which relate to our operation.

A review on the performance on our environmental policy has been carried out.

KEY RELATIONSHIPS

Relationships with vendors

We have established relationships with numbers of suppliers for the construction and renovation work in Hong Kong, PRC and Malaysia. Other than one supplier relating to our construction work which recently has financial problem, the work originally carried by the contractor has been reassigned to other contractor. Other than this, there is no major events affecting our relationships with our suppliers.

Relationships with customers

Our sale and leasing team maintain good relationship with our customers especially our tenants.

Relationships with employees

During the Period, we are not aware of any major event affecting our relationships with our employees.

BUSINESS REVIEW

Hong Kong Properties

One Kowloon Peak, No. 8 Po Fung Terrace, Ting Kau, Tsuen Wan

The development is currently used as temporary rental purpose. The occupancy rate has reached 50%. We intend to put the properties to market for sale focused on the featured units with brand new renovation.

Villa Cecil Phase II, 192 Victoria Road, Pokfulam

The occupancy rate maintained at 60%.

Villa Cecil Phase III, 216 Victoria Road, Pokfulam

The occupancy rate of the two blocks has reached 90% which contributed good rental income to the Group.

Cheuk Nang Lookout, 30 Severn Road, The Peak

We are carrying out asset enhancement work on the properties to ensure quality is upheld after a period of vacancy.

New Villa Cecil, 33 Cheung Chau Sai Tai Road, Cheung Chau

Over 20% of the villas in Phase 1 are leased out. The Occupation Permit for Phase 2 will be ready for application by second to third quarter of 2026.

China Properties

Cheuk Nang Garden

Longhwa, Shenzhen

The sales campaign still continues and achieving satisfactory results. Up till now, a total of 878 units were sold and with sales amounting to RMB4,235,000,000.

Cheuk Nang • Riverside

Yue Hang Qu, Hangzhou

The pre-sale approval of the development will be applied in the next few weeks with a target to commence pre-sale between May to August 2026.

Macau Properties

Golden Cotai No. 1

Estrada de Seac Pai Van, Coloane

New architectural plans have been submitted for approval in August 2025. Our architect is in the midst of revising the plans after receipt of the comments from DSSCU in December 2025. It is anticipated that the revised plans will be re-submitted in April to May 2026 depending on the readiness of the required Air Ventilation Report.

Malaysia Properties

Phase I “Parkview”

Lot 1359, Section 57, Lorong Perak, Kuala Lumpur

The occupancy of the serviced apartments currently is 80%, and upgrading of the property to improve the occupancy is still in progress.

Phase II “Cecil Central Residence”

Lot 11385 and 11386, Section 57, Lorong Perak, Kuala Lumpur

We have been approached by several developers offering for either joint venture or outright purchase of our land in Kuala Lumpur. We are still evaluating the offers and will make announcement as soon as the offer is confirmed.

INTERIM DIVIDEND

The Directors resolved to recommend the payment of an interim dividend of HK3.0 cents (2024: HK2.25 cents) per share payable to those shareholders whose names appeared in the register of members as at the close of business on 2 April 2026. The interim dividend will be paid on 17 April 2026.

CLOSURE OF REGISTER

The register of members of the Company will be closed from 27 March to 2 April 2026 (both days inclusive) during which period no transfers of shares would be effected. In order to qualify for the interim dividend, all transfer of shares together with the relevant share certificates must be lodged with the Company’s Share Registrars, Computershare Hong Kong Investor Services Limited at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on 26 March 2026.

PURCHASE AND CANCELLATION OF SHARES

There was no redemption, purchase or cancellation of shares by the Company or any of its subsidiaries during the six months ended 31 December 2025.

CORPORATE GOVERNANCE

Code on Corporate Governance Practices

The Board believes that good corporate governance is crucial to improve the efficiency and performance of the Group and to safeguard the interests of the shareholders. During the period, the Company had complied with the relevant provisions set out in the Corporate Governance Code based on the principles set out in Appendix 14 to the Listing Rules, save the role and responsibilities of Chairman and the Chief Executive Officer are not separated as we are still looking for suitable person to act as Chief Executive Officer.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Company and discussed the auditing, internal controls and financial reporting matters including a review of the unaudited interim results of the Company for the six months ended 31 December 2025.

The financial information disclosed above complies with the disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted codes of conduct regarding securities transactions by Directors (the “Securities Code”) and relevant employees on terms no less exacting than the required standard set out in the Model Code contained in Appendix C3 of the Listing Rules (“Model Code”) throughout the six months ended 31 December 2025. The Company had also made specific enquiries of all Directors and the Company was not aware of any non-compliance with the required standard of dealings set out in the Model Code and its code of conduct regarding securities transactions by Directors.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 December 2025, the interests and short positions of the Directors and Chief Executive in the shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code, were as follows:

Name	Equity	Personal interest	Corporate interests
Chao Sze-Tsung Cecil	Ordinary Shares of	32,573,397 shares	453,408,112 shares
Lee Ding Yue Joseph	Ordinary Shares of	1,765,767 shares	–

Note: The shareholdings disclosed by Dr. Cecil Sze-Tsung Chao under the heading "Corporate Interests" in the above represents the shares held by Yan Yin Company Limited and Szehope Securities Company Limited, substantial shareholders of the Company.

The Company did not grant to the Directors, Chief Executive or their associates any right to subscribe for shares in the Company.

Save as disclosed above, none of the Directors or their associates had any interest or short position in the shares of the Company or its subsidiaries as at 31 December 2025 that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

At no time during the period was the Company, any of its subsidiaries, its fellow subsidiaries or its holding company a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

By order of the Board
HO SAU FUN CONNIE
Company Secretary

Hong Kong, 27 February 2026