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# HONG KONG FERRY (HOLDINGS) COMPANY LIMITED

香港小輪（集團）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 50)

## 2025 INTERIM RESULTS ANNOUNCEMENT

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025 – unaudited

		Six months ended 30 June	
		2025	2024
	Note	HK\$'000	HK\$'000
Revenue	3(a)	199,158	210,743
Direct costs		<u>(120,811)</u>	<u>(130,787)</u>
		78,347	79,956
Other revenue	3(a)	28,154	34,824
Other net income	4	14,734	6,318
Valuation gains on investment properties	3(d)	51,912	2,020
Selling and marketing expenses		(2,493)	(3,877)
Administrative expenses		(52,391)	(45,115)
Other operating expenses		<u>(5,178)</u>	<u>(1,690)</u>
<b>Profit from operations</b>	3(b)	<b>113,085</b>	<b>72,436</b>
Interest on lease liabilities		(206)	(218)
Share of profits less losses of associates		192	355
Share of profits less losses of joint ventures		<u>8,775</u>	<u>23,044</u>
<b>Profit before taxation</b>	5	<b>121,846</b>	<b>95,617</b>
Taxation	6	<u>(532)</u>	<u>(8,137)</u>
<b>Profit for the period</b>		<b><u>121,314</u></b>	<b><u>87,480</u></b>
<b>Attributable to:</b>			
Equity shareholders of the Company		121,860	89,596
Non-controlling interests		<u>(546)</u>	<u>(2,116)</u>
<b>Profit for the period</b>		<b><u>121,314</u></b>	<b><u>87,480</u></b>
Earnings per share (HK\$)	8		
– Basic and diluted		<u>0.34</u>	<u>0.25</u>

Details of dividends payable to equity shareholders of the Company are set out in note 7.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the six months ended 30 June 2025 – unaudited*

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Profit for the period</b>	<b><u>121,314</u></b>	<b><u>87,480</u></b>
<b>Other comprehensive income for the period</b> <b>(after tax and reclassification adjustments):</b>		
Item that will not be reclassified to profit or loss:		
Financial assets at fair value through other comprehensive income – net movement in securities revaluation reserve (non-recycling)	<u>10,749</u>	<u>10,270</u>
	<b><u>10,749</u></b>	<b><u>10,270</u></b>
<b>Total comprehensive income for the period</b>	<b><u>132,063</u></b>	<b><u>97,750</u></b>
<b>Attributable to:</b>		
Equity shareholders of the Company	132,609	99,866
Non-controlling interests	<u>(546)</u>	<u>(2,116)</u>
<b>Total comprehensive income for the period</b>	<b><u>132,063</u></b>	<b><u>97,750</u></b>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At 30 June 2025

		At 30 June 2025 (unaudited)		At 31 December 2024 (audited)	
	Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Non-current assets</b>					
Investment properties			4,285,490		2,495,790
Other property, plant and equipment			77,958		60,015
Interest in leasehold land			<u>30,132</u>		<u>30,817</u>
			4,393,580		2,586,622
Interest in associates			5,574		5,430
Interest in joint ventures			666,250		691,388
Other financial assets			154,983		132,965
Other receivables and prepayments	9(a)		72,640		83,304
Net employee retirement benefits assets			3,018		3,127
Deferred tax assets			<u>8,684</u>		<u>3,479</u>
			5,304,729		3,506,315
<b>Current assets</b>					
Inventories			75,381		1,803,089
Trade and other receivables	9(b)		179,235		186,214
Tax recoverable			172		838
Cash and bank balances			<u>2,077,414</u>		<u>1,876,592</u>
			<u>2,332,202</u>		<u>3,866,733</u>
<b>Current liabilities</b>					
Trade and other payables	10		(368,852)		(206,577)
Long service payment liabilities			(1,383)		(1,229)
Lease liabilities			(7,459)		(4,025)
Tax payable			<u>(17,075)</u>		<u>(16,179)</u>
			<u>(394,769)</u>		<u>(228,010)</u>
<b>Net current assets</b>			<u>1,937,433</u>		<u>3,638,723</u>
<b>Total assets less current liabilities</b>			7,242,162		7,145,038
<b>Non-current liabilities</b>					
Lease liabilities			(18,284)		(3,999)
Deferred tax liabilities			<u>(91,973)</u>		<u>(87,756)</u>
			(110,257)		(91,755)
<b>NET ASSETS</b>			<u>7,131,905</u>		<u>7,053,283</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)***At 30 June 2025*

		<b>At 30 June 2025</b>		<b>At 31 December 2024</b>	
		<b>(unaudited)</b>		<b>(audited)</b>	
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>CAPITAL AND RESERVES</b>					
Share capital			<b>1,754,801</b>		1,754,801
Reserves			<b><u>5,387,086</u></b>		<u>5,307,918</u>
<b>Total equity attributable to equity shareholders of the Company</b>			<b>7,141,887</b>		7,062,719
<b>Non-controlling interests</b>			<b><u>(9,982)</u></b>		<u>(9,436)</u>
<b>TOTAL EQUITY</b>			<b><u><u>7,131,905</u></u></b>		<u><u>7,053,283</u></u>

## **NOTES:**

### **1. BASIS OF PREPARATION**

The interim results set out in the announcement do not constitute the Group's interim financial report for the six months ended 30 June 2025 but are extracted from that report.

The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The financial information relating to the financial year ended 31 December 2024 that is included in this preliminary announcement of the interim results 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 Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by 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 section 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

### **2. CHANGES IN ACCOUNTING POLICIES**

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to the interim financial report for the current accounting period.

Such amendments do not have a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in the interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 3. SEGMENT REPORTING

The operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following five reportable segments.

- Property development: development and sale of properties.
- Property investment: rental income from leasing of properties.
- Ferry, shipyard and related operations: income from operation of dangerous goods vehicular ferry service and ship repairs and maintenance services and sales of goods on cruise vessels.
- Medical, healthcare and beauty services: income from provision of medical, healthcare and beauty services.
- Securities investment: dividend, interest and other income from listed securities investments.

Segment information is presented only in respect of the Group's business segments. No geographical analysis is shown as substantially all of the Group's revenue and profit from operations were derived from activities in Hong Kong.

#### **Segment results**

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

### 3. SEGMENT REPORTING (Continued)

#### Segment results (Continued)

The segment information for the six months ended 30 June 2025 and 2024 about these reportable segments is presented below:

#### (a) Segment revenue

	Total revenue		Elimination of		Revenue from	
	Six months ended		inter-segment revenue		external customers	
	30 June		30 June		30 June	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Property development	–	–	–	–	–	–
Property investment	82,323	87,045	128	–	82,195	87,045
Ferry, shipyard and related operations	74,680	89,543	809	620	73,871	88,923
Medical, healthcare and beauty services	25,490	19,083	13	129	25,477	18,954
Securities investment	5,695	4,185	–	–	5,695	4,185
Others	96,124	91,401	56,050	44,941	40,074	46,460
	<u>284,312</u>	<u>291,257</u>	<u>57,000</u>	<u>45,690</u>	<u>227,312</u>	<u>245,567</u>
<b>Analysed by:</b>						
<b>Revenue</b>					199,158	210,743
<b>Other revenue</b>					<u>28,154</u>	<u>34,824</u>
					<u>227,312</u>	<u>245,567</u>

The principal activities of the Group are property development, property investment, ferry, shipyard and related operations, medical, healthcare and beauty services and securities investment.

Revenue represents gross income from the sales value of goods delivered to customers, income from services rendered, rental income, interest income and dividend income.

### 3. SEGMENT REPORTING (Continued)

#### Segment results (Continued)

##### (b) Segment result

	<b>Reportable segment (loss)/profit</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Property development	(6,039)	(2,966)
Property investment (note 3(d))	83,585	45,416
Ferry, shipyard and related operations	(12,510)	(2,975)
Medical, healthcare and beauty services	(3,785)	(17,087)
Securities investment	<u>15,374</u>	<u>4,500</u>
	<b>76,625</b>	<b>26,888</b>
Others (note 3(e))	<u>36,460</u>	<u>45,548</u>
	<b><u>113,085</u></b>	<b><u>72,436</u></b>

##### (c) Reconciliation of reportable segment profit

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Reportable segment profit derived from external customers	76,625	26,888
Other profit derived from external customers	36,460	45,548
Interest on lease liabilities	(206)	(218)
Share of profits of associates and joint ventures (net)	<u>8,967</u>	<u>23,399</u>
	<b>121,846</b>	<b>95,617</b>
Profit before taxation in the consolidated statement of profit or loss	<b><u>121,846</u></b>	<b><u>95,617</u></b>

(d) The segment result of the “Property investment” included valuation gains on investment properties of HK\$51,912,000 (2024: HK\$2,020,000).

(e) “Others” mainly comprises interest income, corporate expenses and exchange gains/losses.



#### 4. OTHER NET INCOME

##### Six months ended 30 June

2025 2024

HK\$'000 HK\$'000

Change in fair value of other financial assets designated at fair value through profit or loss	11,269	3,394
Sundry income	2,892	2,632
Income from sale of spare parts	487	296
Profit on disposal of other property, plant and equipment	45	–
Gain on disposal of subsidiaries	26	–
Net exchange gains/(losses)	15	(4)
	<u>14,734</u>	<u>6,318</u>

#### 5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

##### Six months ended 30 June

2025 2024

HK\$'000 HK\$'000

Amortisation of leasehold land premium	685	685
Cost of inventories	7,471	10,287
Depreciation		
– owned property, plant and equipment	5,165	5,463
– right-of-use assets	3,722	3,474
Dividend income from listed investments	(4,343)	(1,329)
Interest income	(39,957)	(48,418)

#### 6. TAXATION

##### Six months ended 30 June

2025 2024

HK\$'000 HK\$'000

##### Current tax – Hong Kong Profits Tax

Provision for the period	1,520	3,427
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##### Deferred tax

Origination and reversal of temporary differences	(988)	4,710
	<u>532</u>	<u>8,137</u>

## 6. TAXATION (Continued)

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2024: 16.5%) to the estimated assessable profits for the six months ended 30 June 2025, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

## 7. DIVIDENDS

### (a) Dividends payable to equity shareholders of the Company attributable to the interim period

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Interim dividend declared and paid after the interim period of HK10 cents (2024: HK10 cents) per ordinary share	<u>35,627</u>	<u>35,627</u>

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

### (b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Final dividend in respect of the previous financial year, approved and paid during the following interim period, of HK15 cents (six months ended 30 June 2024: HK15 cents) per ordinary share	<u>53,441</u>	<u>53,441</u>

## 8. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$121,860,000 (six months ended 30 June 2024: HK\$89,596,000) and 356,273,883 (2024: 356,273,883) ordinary shares in issue during the interim period.

There were no dilutive potential ordinary shares in existence during the six months ended 30 June 2025 and 2024, therefore diluted earnings per share are the same as basic earnings per share for both periods.

## 9. TRADE AND OTHER RECEIVABLES

### (a) Non-current

	At 30 June 2025 (unaudited) HK\$'000	At 31 December 2024 (audited) HK\$'000
Instalment receivables	69,771	83,304
Other receivables and prepayments	<u>2,869</u>	<u>–</u>
	<u><b>72,640</b></u>	<u><b>83,304</b></u>

Instalment receivables represent the proceeds receivable from the sale of properties due after more than one year from the end of the reporting period. The balance included under non-current assets is not past due. Instalment receivables due within one year from the end of the reporting period are included in “Trade and other receivables” under current assets.

### (b) Current

	At 30 June 2025 (unaudited) HK\$'000	At 31 December 2024 (audited) HK\$'000
Trade receivables	70,651	70,356
Instalment receivables	2,399	2,605
Less: loss allowance	<u>(622)</u>	<u>(5)</u>
	<b>72,428</b>	72,956
Other receivables and prepayments	71,428	79,285
Amounts due from joint ventures	<u>35,379</u>	<u>33,973</u>
	<u><b>179,235</b></u>	<u><b>186,214</b></u>

All of the trade and other receivables are expected to be recovered or recognised as expense within one year. Included in the trade and other receivables are amounts due from related companies of HK\$60,862,000 (31 December 2024: HK\$62,140,000) which are unsecured, interest-free and recoverable on demand. Related companies are companies under control of a company/person which has significant influence on the Group.

The amounts due from joint ventures are unsecured, interest-free and recoverable on demand.

## 9. TRADE AND OTHER RECEIVABLES (Continued)

### (b) Current (Continued)

Included in trade and other receivables are trade debtors (net of loss allowance) with the following ageing analysis based on due date at the end of the reporting period:

	At 30 June 2025 (unaudited) HK\$'000	At 31 December 2024 (audited) HK\$'000
Current	33,303	32,465
1 to 3 months overdue	33,001	30,805
More than 3 months but less than 12 months overdue	5,740	9,503
More than 12 months overdue	<u>384</u>	<u>183</u>
	<u><u>72,428</u></u>	<u><u>72,956</u></u>

Trade debtors are due ranging from 7 to 45 days from the date of billing. Debtors with balances that are more than 60 days overdue are generally required to settle all outstanding balances before any further credit is granted.

## 10. TRADE AND OTHER PAYABLES

All of the trade and other payables except for an amount of HK\$17,100,000 (31 December 2024: HK\$19,607,000) are expected to be settled within one year. Included in the trade and other payables are amounts due to related companies of HK\$21,874,000 (31 December 2024: HK\$29,110,000) which are unsecured, interest-free and repayable within 30–45 days or repayable on demand. Related companies are companies under control of a company which has significant influence on the Group.

During the period ended 30 June 2025, an amount of HK\$180,000,000 was received from a joint venture. The balance is unsecured, interest-free and repayable on demand.

Included in trade and other payables are trade payables with the following ageing analysis based on due date at the end of the reporting period:

	At 30 June 2025 (unaudited) HK\$'000	At 31 December 2024 (audited) HK\$'000
Due within 1 month or on demand	99,910	118,912
Due after 1 month but within 3 months	931	1,256
Due after 3 months but within 12 months	4	–
Due more than 12 months	<u>17</u>	<u>2</u>
	<u><u>100,862</u></u>	<u><u>120,170</u></u>

## **INTERIM RESULTS AND DIVIDENDS**

During the period under review, the Group's underlying profit for the six months ended 30 June 2025 was HK\$69 million, representing a decrease of approximately 19% from the same period last year. Taking into account the fair value change of the investment properties, the Group's profit attributable to shareholders for the six months ended 30 June 2025 was HK\$122 million, representing an increase of approximately 36% from the same period last year. Earnings per share was HK\$0.34 as compared with HK\$0.25 over the corresponding period of last year.

The Board of Directors (the "Board") has declared an interim dividend of HK10 cents per share (2024: interim dividend of HK10 cents per share) for the six months ended 30 June 2025. The interim dividend will be paid on Friday, 26 September 2025 to shareholders whose names appear on the Register of Members of the Company at the close of business on Friday, 12 September 2025.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Business Review**

During the period under review, the Group's operating profit was mainly derived from the rental income from shops and commercial arcades, interest income from banks as well as appreciation in value of rental properties after revaluation. The Group had no borrowings.

### ***Property Development and Investment Operations***

The gross rental income arising from the shops and commercial arcades of the Group during the period under review amounted to HK\$60 million, a decrease of 5% as compared with the same period last year. At the end of the reporting period, the commercial arcades of Metro6 were fully let. The occupancy rates of the commercial arcades of Shining Heights and The Spectacle were 95% and 91% respectively, and the occupancy rates of the commercial arcades of Green Code Plaza and Metro Harbour Plaza were 87% and 80% respectively. The decreases in gross rental income and occupancy rates were mainly attributed to certain tenants' inability to cope with market downturn and operational difficulties. The Group will refine its leasing strategy by introducing new brands and operators to sustain gross rental income and occupancy rates.

### ***The Royale (8 Castle Peak Road - Castle Peak Bay, Tuen Mun) Joint Venture Development Project***

The Group has already delivered to buyers the 1,748 residential units sold. Some of the residential units are arranged for lease to increase the Group's recurrent revenue.

### ***The Symphonie (280 Tung Chau Street, Cheung Sha Wan) Redevelopment Project***

Due to the improvement in private residential rental market in Hong Kong, rental yields have increased. The Group has been approved by the Urban Renewal Authority to convert the residential portion of "The Symphonie" for use as a youth hostel. This two-tower youth hostel will be operated by Tung Wah Group of Hospitals and named as "TN Residence", which is the sixth project approved by the Home and Youth Affairs Bureau under the Subsidy Scheme for Using Hostels and Guesthouses as Youth Hostels. The Group began receiving rental income at the agreed market level starting from the end of June this year.

## **MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

### **Business Review (Continued)**

#### ***Acquisition of Shops at Portion A of Ground Floor of Tai Hung Fai (Tsuen Wan) Centre (No. 55 Chung On Street, Tsuen Wan)***

On 19 August 2025, the Group (through a wholly-owned subsidiary) entered into a provisional agreement with an independent third party vendor to acquire the property comprising various shops at Portion A of Ground Floor (with a gross floor area of approximately 12,720 square feet) and Signage Areas of “Tai Hung Fai (Tsuen Wan) Centre” at No. 55 Chung On Street, Tsuen Wan, New Territories, Hong Kong, which is a commercial development, at the consideration of HK\$260,000,000 (the “Acquisition”). The property is sold subject to various existing tenancies and licenses. The monthly rental and license fee income in August 2025 is approximately HK\$1.22 million, representing an annualised gross rental yield of approximately 5.6% based on the purchase price of HK\$260,000,000. The Group currently intends to hold the property for investment purpose.

The Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. Completion of the Acquisition is scheduled to take place on or before 30 September 2025. Further details of the Acquisition are set out in another announcement of the Company dated 19 August 2025.

#### ***Ferry, Shipyard and Related Operations***

During the period under review, the Ferry, Shipyard and Related Operations recorded a deficit of HK\$12.5 million, an increase of HK\$9.5 million as compared to the deficit in the same period last year. The main reason for the increase in deficit is the decline in revenue from Harbour Cruise - Bauhinia business caused by the replacement of a damaged engine in one vessel during the first half of the year. The Group has successfully obtained approval from the Transport Department for a fare increase on the “North Point - Kwun Tong” dangerous goods vehicular ferry service. The new fares took effect on 12 April 2025, and the deficit is expected to be reduced in the second half of the year.

#### ***Medical, Healthcare and Beauty Services***

The Group is currently providing specialised services in cardiology, surgery, orthopedics, plastic surgery and urology at H Zentre in Tsim Sha Tsui. The performance has been steadily on the rise and net profits have continued to be recorded during the period under review.

The Group’s spine and pain centres established under the brand “Total HealthCare” at Mira Place, Tsim Sha Tsui and Metro Harbour Plaza, Tai Kok Tsui respectively are gradually getting on track. The Hong Kong Government is actively promoting public health, and its reform measures for the medical system are increasingly focused on disease prevention. In view of this, the Group has introduced advanced medical equipment in conjunction with professional registered chiropractors and sports trainers, to provide personalised treatment plans for pain-suffering patients, which helps improve the health of patients. To extend its services and better address the rehabilitation needs of various patients in orthopedics, post-surgery and various types of injuries, the Group has also partnered with a professional fitness centre with over 20 years of experience in Hong Kong to establish a physiotherapy center at H Zentre. The center will provide customised training and rehabilitation programs tailored to individual patients, and is expected to commence operations in the third quarter this year.

## **MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

### **Business Review (Continued)**

#### ***Medical, Healthcare and Beauty Services (Continued)***

The number of customers of the “AMOUR” medical aesthetic centre located at Mira Place, Tsim Sha Tsui, with a floor area of about 12,000 square feet, has increased continuously since its opening. The turnover for the six months ended 30 June 2025 was HK\$22 million, an increase of 26% compared with the same period last year. As at 30 June 2025, HK\$15 million was recorded as payments received for prepaid packages, which in accordance with standard accounting practices had not been included in the income statement of the period under review. As the “AMOUR” medical aesthetic centre approaches its third anniversary, it has expanded its leased space at Mira Place to leverage existing infrastructure and create operational synergies. This enhancement allows the centre to deliver an elevated experience for its esteemed clientele, enabling the Group to offer a broader range of services and accommodate growing customer demand.

During the period under review, although the Group’s healthcare and beauty businesses did not record a net profit, it achieved overall positive earnings before interest, taxes, depreciation and amortisation.

The Group will continue discussing with specialist doctors, specialist centres, and medical equipment and product suppliers for co-operation from time to time to seek expansion in the medical, healthcare and beauty businesses.

### **Prospects**

Since the beginning of this year, the United States Government has frequently increased its tariff policies towards various countries and regions, imposing substantial additional tariffs on a wide range of imported goods, significantly impacting global supply chains. In response to the United States Government’s tariff measures, affected countries have implemented corresponding countermeasures, directly undermining international business investment confidence and economic growth expectations, while exacerbating volatility in different financial markets. As an important trade hub in the Asia-Pacific region, Hong Kong needs to navigate the impacts of these tariff policies. However, due to the fact that apart from other important factors, the Central Government holds a dominant power over rare earth supplies, and it is in a position to exert bargaining power in the trade negotiations. Therefore, the current impacts on Hong Kong have so far been relatively mild.

In the first half of 2025, the price index of private residential properties in Hong Kong experienced a slight decline, with a decrease of approximately 0.9% as compared with the end of December 2024. Despite the introduction of several relaxation policies by the Hong Kong Government to boost confidence in the property market, including further increasing the maximum loan to value ratio for residential properties and reducing stamp duty for purchasing residential properties at lower value, market recovery still takes time. On the contrary, the private residential rental has maintained an upward trend, benefiting from a series of talent schemes and establishment of an international education hub proactively promoted by the Hong Kong Government. As of the end of June, the private residential rental index rose by about 1.6% as compared with the end of December 2024, indicating robust demand in the rental market.



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### Prospects (Continued)

In response to global uncertainties, the Hong Kong Government has consistently introduced a series of policy measures to foster economic and social development. One of the key strategies is moving full steam ahead with the planning and development of the Northern Metropolis, building Hong Kong-Shenzhen Innovation and Technology Park in the Loop, strengthening technological co-operation with Shenzhen and enhancing interconnection and intercommunication of Hong Kong and other cities in the Greater Bay Area. In addition, the Hong Kong Government expanded the scope of the “Talent List” to cover innovation and technology, finance and healthcare sectors, while streamlining approval processes for the Quality Migrant Admission Scheme and other talent admission schemes, to attract more international professionals and their families to Hong Kong, thereby boosting the competitiveness of various industries in Hong Kong. The Hong Kong Government is also consistently deepening its “Mega Event Economy” strategy, which includes facilitating various large-scale international events to be hosted in Hong Kong, staging multiple offshore pyrotechnic and drone shows, organising carnivals and various events along the Hong Kong harbourfront, hosting the 10th “Belt and Road Summit”, co-organising competitive events of the 15th National Games and so forth, to attract mainland and international visitors to Hong Kong, adding momentum to the growth of local retail, hospitality, and catering industries.

Looking ahead to the second half of the year, the Group expects its major sources of revenue to be property rentals and bank interest income. The Group has stable cash flows and will adjust leasing strategies tailored to market demand, optimise tenant mix consistently and keep a close watch on property market conditions to identify suitable investment opportunities.

### Financial Review

#### *Review of Results*

During the six months ended 30 June 2025, the Group’s revenue amounted to HK\$199 million, representing a decrease of 5% as compared with the same period last year. This was mainly attributable to the decrease in income from the Ferry, Shipyard and Related Operations.

The consolidated net profit after taxation of the Group for the six months ended 30 June 2025 was HK\$121 million, representing an increase of 39% as compared with the same period in 2024.

#### *Liquidity, Financial Resources and Capital Structure*

As at 30 June 2025, shareholders’ funds of the Group increased about 1% to HK\$7.1 billion as compared with the corresponding figure as at 31 December 2024. The increase was mainly due to the net effect of the profit realised from property leasing and revaluation gains of investment properties as well as deduction of the dividend payments.

There was no change to the capital structure of the Group during the period under review.

As at 30 June 2025, current assets of the Group stood at HK\$2,332 million and current liabilities were HK\$395 million. Current ratio of the Group decreased to 5.9 as at 30 June 2025. The decrease was mainly attributed to the decline in inventories.



## **MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

### **Financial Review (Continued)**

#### ***Gearing Ratio and Financial Management***

As there was no bank borrowing, gearing ratio was not shown. The Group's financing and treasury activities were managed centrally at the corporate level. Financing facilities extended to the Group were denominated in Hong Kong dollar.

#### ***Employees and Remuneration Policy***

As at 30 June 2025, the Group employed about 318 staff. The remuneration packages to employees were commensurable to the market trend and levels of pay in similar industries. A discretionary year-end bonus was paid to employees based on individual performance. Other benefits to employees included medical insurance, retirement scheme, training programmes and educational subsidies.

## **OTHER INFORMATION**

### **Closure of Register of Members**

For the purpose of determining shareholders' entitlement to the interim dividend for the six months ended 30 June 2025, the Register of Members of the Company will be closed on Thursday, 11 September 2025 and Friday, 12 September 2025, during which period no requests for transfer of shares will be accepted. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 10 September 2025.

### **Purchase, Sale or Redemption of the Company's Listed Securities**

During the period under review, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

### **Arrangements to Purchase Shares, Warrants, Options or Debentures**

At no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors, Chief Executive of the Company or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares, options, debentures or warrants of the Company or any other body corporate.

## **OTHER INFORMATION (Continued)**

### **Corporate Governance**

The Company is committed to maintaining high standard of corporate governance. In the opinion of the Board, the Company has complied with the code provisions of the Corporate Governance Code (the “Code”) as set out in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2025.

### **Directors’ Securities Transactions**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules as the code for dealing in securities of the Company by the Directors of the Company. Having made specific enquiries, the Company confirmed that all Directors of the Company had complied with the required standard as set out in the Model Code during the six months ended 30 June 2025.

The Company has also adopted written guidelines on no less exacting terms than the Model Code for relevant employees (including employees of the Company or Directors or employees of its subsidiaries who, because of such office or employment, are likely to be in possession of unpublished inside information in relation to the Company or its securities) in respect of their dealings in the securities of the Company in compliance with the code provision of the Code.

### **Audit Committee**

The Audit Committee met in August 2025 and reviewed the accounting principles and practices adopted by the Group and also discussed interim review, internal control and financial reporting matters with the management. The unaudited interim financial report for the six months ended 30 June 2025 has been reviewed with no disagreement by the Audit Committee.

The interim financial report for the six months ended 30 June 2025 is unaudited, but has been reviewed by KPMG, 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 HKICPA, whose unmodified review report is included in the interim financial report to be sent to shareholders.

### **Remuneration Committee**

The Remuneration Committee held its meeting in May 2025. The Remuneration Committee currently comprises three Independent Non-executive Directors and two Executive Directors.

## **OTHER INFORMATION (Continued)**

### **Forward-Looking Statements**

This announcement contains certain statements that are forward-looking or which use certain forward-looking terminologies. These forward-looking statements are based on the current beliefs, assumptions and expectations of the Board of the Company regarding the industry and markets in which it operates. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company's control which may cause actual results or performance to differ materially from those expressed or implied in such forward-looking statements.

### **Publication of Interim Results and Interim Financial Report**

This interim results announcement is published on the Company's website ([www.hkf.com](http://www.hkf.com)) and HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)). The 2025 Interim Financial Report of the Company will be despatched to the shareholders of the Company and available on the same websites in due course.

On behalf of the Board  
**Dr. Lam Ko Yin, Colin**  
*Chairman*

Hong Kong, 19 August 2025

*As at the date of this announcement, the executive directors of the Company are Dr. Lam Ko Yin, Colin (Chairman), Mr. Li Ning and Mr. Lee Gabriel (Group General Manager); the non-executive director is Mr. Au Siu Kee, Alexander; and the independent non-executive directors are Mr. Ho Hau Chong, Norman, Ms. Wong Yu Pok, Marina, Mr. Wu King Cheong and Mr. Chan Wai Yan, Ronald.*