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ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the “**Board**”) of Eternity Investment Limited (the “**Company**”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 together with the comparative figures for 2024 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the six months ended 30 June	
	<i>Notes</i>	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited) (Restated)
Revenue	4	107,702	108,156
Cost of sales		(48,101)	(50,216)
Gross profit		59,601	57,940
Investment and other income	5	10,526	9,090
Other gains and losses	6	(19,236)	(87,599)
Selling and distribution expenses		(2,339)	(2,448)
Reversal of allowance/(allowance) for expected credit losses on financial assets	7	1,702	(1,127)
Administrative expenses		(54,515)	(57,876)
Share of results of associates		713	(842)
Loss from operations		(3,548)	(82,862)
Finance costs	8	(37,639)	(44,036)
Loss before taxation		(41,187)	(126,898)
Income tax expense	9	(4,179)	(1,085)
Loss for the period	10	(45,366)	(127,983)

		For the six months ended 30 June	
		2025	2024
		<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited) (Restated)
Loss for the period attributable to:			
Owners of the Company		(45,366)	(127,983)
Non-controlling interests		—	—
		<u>(45,366)</u>	<u>(127,983)</u>
Interim dividend	11	—	—
		<u>—</u>	<u>—</u>
Loss per share	12		
Basic (<i>Hong Kong cents</i>)		(12.28)	(34.63)
		<u>(12.28)</u>	<u>(34.63)</u>
Diluted (<i>Hong Kong cents</i>)		(12.28)	(34.63)
		<u>(12.28)</u>	<u>(34.63)</u>

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited) (Restated)
Loss for the period	(45,366)	(127,983)
Other comprehensive income/(expense) for the period, net of income tax,		
<i>Items that will not be reclassified to profit or loss:</i>		
Fair value loss on equity instruments at fair value through other comprehensive income	—	(1,720)
	—	(1,720)
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translating foreign operations	17,057	(9,182)
	17,057	(9,182)
Other comprehensive income/(expense) for the period, net of income tax	17,057	(10,902)
Total comprehensive expense for the period	(28,309)	(138,885)
Total comprehensive (expense)/income for the period attributable to:		
Owners of the Company	(28,224)	(138,925)
Non-controlling interests	(85)	40
	(28,309)	(138,885)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 30 June 2025	At 31 December 2024
	<i>Notes</i>	HK\$'000 (Unaudited)	HK\$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		923,299	914,704
Right-of-use assets		189,612	191,146
Investment properties		166,027	192,185
Intangible assets		609,679	608,713
Goodwill		–	–
Interests in associates		4,111	3,399
Deferred tax assets		63,031	62,570
Financial assets at fair value through profit or loss		10,286	10,135
Finance lease receivables		139,447	150,291
		<u>2,105,492</u>	<u>2,133,143</u>
Current assets			
Inventories		29,895	30,468
Loans receivables	13	174,062	171,816
Trade receivables	14	37,919	36,756
Deposits, prepayments and other receivables		95,988	92,626
Finance lease receivables		35,184	26,319
Financial assets at fair value through profit or loss		68,617	64,323
Pledged bank deposits		–	23
Cash and cash equivalents		41,070	30,322
		<u>482,735</u>	<u>452,653</u>
Assets classified as held for sale		13,735	13,527
		<u>496,470</u>	<u>466,180</u>
Total assets		<u><u>2,601,962</u></u>	<u><u>2,599,323</u></u>

		At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
EQUITY			
Share capital		38,196	38,196
Shares held for share award plan		(24,455)	(24,455)
Reserves		1,019,370	1,044,459
		<u>1,033,111</u>	<u>1,058,200</u>
Equity attributable to owners of the Company		(5,639)	(5,554)
Non-controlling interests			
		<u>1,027,472</u>	<u>1,052,646</u>
LIABILITIES			
Current liabilities			
Trade payables	15	39,368	43,006
Deposits received, accruals and other payables		202,607	194,892
Receipts in advance		48,920	56,553
Tax payables		91,155	83,729
Bank borrowings		135,236	137,825
Other borrowings		252,201	252,536
Lease liabilities		4,454	4,123
Guaranteed secured notes		193,166	174,267
Amounts due to associates		8,523	9,385
Amounts due to directors and related party		69,604	73,496
Convertible bonds		396	—
		<u>1,045,630</u>	<u>1,029,812</u>
Non-current liabilities			
Deposits received and other payables		72,818	72,503
Lease liabilities		264,665	265,005
Deferred tax liabilities		180,289	179,357
Convertible bonds		11,088	—
		<u>528,860</u>	<u>516,865</u>
Total liabilities		1,574,490	1,546,677
Total equity and liabilities		2,601,962	2,599,323
Net current liabilities		(549,160)	(563,632)
Total assets less current liabilities		1,556,332	1,569,511

Notes:

1. Basis of preparation

The condensed consolidated financial statements of Eternity Investment Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 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 (the “**HKICPA**”) and the applicable disclosure requirements set out in Appendix D2 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Exchange**”).

The condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2024. Except as described in note 2 below, the accounting policies and methods of computation used in the condensed consolidated financial statements are the same as those presented in the audited consolidated financial statements for the year ended 31 December 2024.

Going concern

During the six months ended 30 June 2025, the Group incurred a loss for the period attributable to owners of the Company of HK\$45,366,000, and, as of that date, the Group’s current liabilities exceeded its current assets by HK\$549,160,000.

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity, operating performance of the Group and its available sources of financing, and are of the opinion that the cash flow generated from operating activities and certain appropriate financing activities of the Group will be able to meet the funding needs of operations and repay the outstanding borrowings. In order to improve the Group’s financial position, the directors of the Company have been implementing various measures as follows:

- taking active measures to collect loan receivables to improve operating cash flows and its financial position;
- formulating various sale and marketing initiatives to increase the occupancy rate of the residential serviced apartments in Beijing, the People’s Republic of China (the “**PRC**”);
- negotiating with respective lenders to renew and extend the existing borrowings upon their maturities;
- reviewing its investments and actively considering to realise certain financial assets at fair value through profit or loss (“**FVTPL**”) in order to enhance the cash flow position of the Group whenever it is necessary; and
- implementing an active cost-saving measures to control administrative costs through various ways to improve operating cash flows at a level sufficient to finance the working capital requirements of the Group.

The directors of the Company have carried out detail review on the Group's cash flow projections prepared by management. The cash flow projections cover a period up to 31 August 2026. In preparing the cash flow projection, the directors of the Company have considered the historical cash requirements of the Group as well as other key factors, including the availability of the loan finance which may impact the operations of the Group during the next twelve-month period. They are of the opinion that, taking into account the above-mentioned measures, the Group would have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the date of approval of the condensed consolidated financial statements.

Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the condensed consolidated financial statements for the six months ended 30 June 2025 on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these adjustments have not been reflected in the condensed consolidated financial statements.

2. Principal accounting policies

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

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's audited consolidated financial statements for the year ended 31 December 2024.

Application of amendments to HKFRSs

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

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in the condensed consolidated financial statements.

3. Operating segments

The Group's operating segments have been determined based on the information reported to the Chairman of the board of directors (the "**Board**"), being the chief operating decision maker, that are used for performance assessment and to make strategic decisions. The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other operating segments. The Group currently has five operating segments:

(a) Property investment	Leasing of rental properties and property management
(b) Sale of financial assets	Sale of financial assets at FVTPL
(c) Money lending	Money lending
(d) Sale of jewelry products	Design and sale of jewelry products
(e) Golf club operation	Golf club operation

An analysis of the Group's reportable segment revenue, results, assets, liabilities and other selected financial information for the periods ended 30 June 2025 and 2024, and for the year ended 31 December 2024 by operating segments are as follows:

Segment revenue and results

For the six months ended 30 June 2025

	Property investment <i>HK\$'000</i> (Unaudited)	Sale of financial assets <i>HK\$'000</i> (Unaudited)	Money lending <i>HK\$'000</i> (Unaudited)	Sale of jewelry products <i>HK\$'000</i> (Unaudited)	Golf club operation <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
Segment revenue	<u>2,815</u>	<u>(574)</u>	<u>6,774</u>	<u>31,255</u>	<u>67,432</u>	<u>107,702</u>
Segment (loss)/profit	<u>(46,610)</u>	<u>7,214</u>	<u>8,466</u>	<u>408</u>	<u>28,752</u>	<u>(1,770)</u>
Interest income on bank deposits						107
Unallocated corporate income						211
Unallocated corporate expenses						(2,809)
Finance costs						(37,639)
Share of results of associates						713
Loss before taxation						(41,187)
Income tax expense						(4,179)
Loss for the period						<u>(45,366)</u>

For the six months ended 30 June 2024

	Property investment <i>HK\$'000</i> (Unaudited)	Sale of financial assets <i>HK\$'000</i> (Unaudited)	Money lending <i>HK\$'000</i> (Unaudited)	Sale of jewelry products <i>HK\$'000</i> (Unaudited)	Golf club operation <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
Segment revenue	<u>5,235</u>	<u>(4,621)</u>	<u>11,133</u>	<u>31,796</u>	<u>64,613</u>	<u>108,156</u>
Segment (loss)/profit	<u>(88,890)</u>	<u>(24,109)</u>	<u>9,489</u>	<u>(1,803)</u>	<u>24,860</u>	<u>(80,453)</u>
Interest income on bank deposits						105
Unallocated corporate income						228
Unallocated corporate expenses						(1,900)
Finance costs						(44,036)
Share of results of associates						<u>(842)</u>
Loss before taxation						(126,898)
Income tax expense						<u>(1,085)</u>
Loss for the period						<u><u>(127,983)</u></u>

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both periods.

Segment results represent (loss incurred)/profit earned by each segment without allocation of central administrative expenses including directors' emoluments, share of results of associates, certain investment and other income, certain other gains and losses, finance costs and income tax (expense)/credit. This is the measure reported to the Chairman of the Board for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

At 30 June 2025

	Property investment <i>HK\$'000</i> (Unaudited)	Sale of financial assets <i>HK\$'000</i> (Unaudited)	Money lending <i>HK\$'000</i> (Unaudited)	Sale of jewelry products <i>HK\$'000</i> (Unaudited)	Golf club operation <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
Segment assets						
– Hong Kong	260,503	69,055	217,155	66,543	–	613,256
– The PRC	1,560,076	–	–	–	406,175	1,966,251
	<u>1,820,579</u>	<u>69,055</u>	<u>217,155</u>	<u>66,543</u>	<u>406,175</u>	<u>2,579,507</u>
Unallocated corporate assets						<u>22,455</u>
Consolidated total assets						<u>2,601,962</u>
Segment liabilities						
– Hong Kong	(91,697)	(97,779)	(10,893)	(10,325)	–	(210,694)
– The PRC	(494,426)	–	–	–	(346,648)	(841,074)
	<u>(586,123)</u>	<u>(97,779)</u>	<u>(10,893)</u>	<u>(10,325)</u>	<u>(346,648)</u>	<u>(1,051,768)</u>
Unallocated corporate liabilities						<u>(522,722)</u>
Consolidated total liabilities						<u>(1,574,490)</u>

At 31 December 2024

	Property investment <i>HK\$'000</i> (Audited)	Sale of financial assets <i>HK\$'000</i> (Audited)	Money lending <i>HK\$'000</i> (Audited)	Sale of jewelry products <i>HK\$'000</i> (Audited)	Golf club operation <i>HK\$'000</i> (Audited)	Consolidated <i>HK\$'000</i> (Audited)
Segment assets						
– Hong Kong	284,481	64,337	214,946	66,985	–	630,749
– The PRC	<u>1,582,457</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>363,843</u>	<u>1,946,300</u>
	<u><u>1,866,938</u></u>	<u><u>64,337</u></u>	<u><u>214,946</u></u>	<u><u>66,985</u></u>	<u><u>363,843</u></u>	<u><u>2,577,049</u></u>
Unallocated corporate assets						<u>22,274</u>
Consolidated total assets						<u><u>2,599,323</u></u>
Segment liabilities						
– Hong Kong	(93,777)	(97,985)	(11,046)	(13,152)	–	(215,960)
– The PRC	<u>(505,447)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(334,840)</u>	<u>(840,287)</u>
	<u><u>(599,224)</u></u>	<u><u>(97,985)</u></u>	<u><u>(11,046)</u></u>	<u><u>(13,152)</u></u>	<u><u>(334,840)</u></u>	<u><u>(1,056,247)</u></u>
Unallocated corporate liabilities						<u>(490,430)</u>
Consolidated total liabilities						<u><u>(1,546,677)</u></u>

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than interests in associates, certain financial assets at FVTPL, certain deposits, prepayments, other receivables, and cash and cash equivalents that are not attributable to individual segments. Assets used jointly by individual segments are allocated on the basis of the revenues earned by individual segments; and
- all liabilities are allocated to operating segments other than certain bank borrowings, certain other borrowings, guaranteed secured notes, certain accruals and other payables, certain tax payables, amounts due to associates, and amounts due to directors and related party that are not attributable to individual segments. Liabilities for which segments are jointly liable are allocated in proportion to segment assets.

Other segment information

For the six months ended 30 June 2025

	Property investment <i>HK\$'000</i> (Unaudited)	Sale of financial assets <i>HK\$'000</i> (Unaudited)	Money lending <i>HK\$'000</i> (Unaudited)	Sale of jewelry products <i>HK\$'000</i> (Unaudited)	Golf club operation <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
Amount included in the measure of segment (loss)/profit and segment assets						
Additions to property, plant and equipment	8,708	–	–	45	13	8,766
Amortisation of intangible assets	(7,666)	–	–	–	(693)	(8,359)
Depreciation of property, plant and equipment	(5,892)	–	–	(6)	(6,175)	(12,073)
Depreciation of right-of-use assets	–	–	–	(152)	(2,853)	(3,005)
Imputed interest income on finance lease receivables	9,938	–	–	–	–	9,938
Gain arising on change in fair value of financial assets at FVTPL	–	7,828	–	–	–	7,828
Loss arising on change in fair value of investment properties	(27,058)	–	–	–	–	(27,058)
Reversal of allowance for expected credit loss (“ECL”) on loan receivables	–	–	1,702	–	–	1,702
	<u>–</u>	<u>–</u>	<u>1,702</u>	<u>–</u>	<u>–</u>	<u>1,702</u>

For the six months ended 30 June 2024

	Property investment <i>HK\$'000</i> (Unaudited)	Sale of financial assets <i>HK\$'000</i> (Unaudited)	Money lending <i>HK\$'000</i> (Unaudited)	Sale of jewelry products <i>HK\$'000</i> (Unaudited)	Golf club operation <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
Amount included in the measure of segment (loss)/profit and segment assets						
Additions to property, plant and equipment	28,650	–	–	–	22	28,672
Allowance for ECL on trade receivables	–	–	–	(2,120)	–	(2,120)
Amortisation of intangible assets	(7,806)	–	–	–	(706)	(8,512)
Depreciation of property, plant and equipment	(6,721)	–	–	(6)	(6,717)	(13,444)
Depreciation of right-of-use assets	–	–	–	(152)	(2,889)	(3,041)
Imputed interest income on finance lease receivables	8,540	–	–	–	–	8,540
Loss arising on change in fair value of financial assets at FVTPL	–	(19,418)	–	–	–	(19,418)
Loss arising on change in fair value of investment properties	(22,444)	–	–	–	–	(22,444)
Loss on disposals of niches	(146)	–	–	–	–	(146)
Reversal of allowance for ECL on loan receivables	–	–	993	–	–	993
	<u>–</u>	<u>–</u>	<u>993</u>	<u>–</u>	<u>–</u>	<u>993</u>

Geographical information

The Group mainly operates in Hong Kong and the PRC. The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

	Revenue from external customer		Non-current assets	
	For the six months ended 30 June		At 30 June	At 31 December
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Australia	891	586	–	–
Europe	4,069	3,696	–	–
Hong Kong	33,455	36,082	259,988	283,035
The PRC	69,287	67,792	1,632,740	1,627,112
	<u>107,702</u>	<u>108,156</u>	<u>1,892,728</u>	<u>1,910,147</u>

Note:

Non-current assets excluded deferred tax assets, financial assets at FVTPL and finance lease receivables.

Information about major customers

No external customer contributed 10% or more of the total revenue of the Group for the six months ended 30 June 2025 and 2024.

4. Revenue

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Disaggregation of revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by types of goods and services		
Sale of jewelry products	31,255	31,796
Golf club operation		
– club activities	35,900	35,012
– food and beverage	5,429	5,398
– membership fees	17,075	15,257
Property investment		
– property management income	662	729
	90,321	88,192
Revenue from other sources		
Sale of financial assets		
– sale of financial assets at FVTPL, net	(574)	(4,621)
Golf club operation		
– rental income	9,028	8,946
Money lending		
– interest income on loans	6,774	11,133
Property investment		
– rental income	2,153	4,506
Total revenue	107,702	108,156
Timing of revenue recognition		
– a point in time	72,584	72,206
– over time	17,737	15,986
Revenue from contracts with customers	90,321	88,192

Revenue from sale of financial assets at FVTPL is recorded on a net basis, details of which are as follows:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Proceeds from sale of financial assets at FVTPL	2,968	9,838
Carrying amounts of financial assets at FVTPL sold plus transaction costs	(3,542)	(14,459)
	(574)	(4,621)

5. Investment and other income

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Dividend income	196	228
Imputed interest income on finance lease receivables	9,938	8,540
Interest income on bank deposits	107	105
Sundry income	285	217
	10,526	9,090

6. Other gains and losses

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Impairment loss on goodwill	–	(45,591)
Gain/(Loss) arising on change in fair value of financial assets at FVTPL	7,828	(19,418)
Loss arising on change in fair value of investment properties	(27,058)	(22,444)
Loss on disposals of niches	–	(146)
Written-off of property, plant and equipment	(6)	–
	(19,236)	(87,599)

7. (Reversal of allowance)/allowance for expected credit losses on financial assets

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
(Reversal of allowance)/allowance for ECL on loan receivables:		
– 12 months ECL	–	156
– lifetime ECL not credit-impaired	–	8,038
– lifetime ECL credit-impaired	<u>(1,702)</u>	<u>(9,187)</u>
	(1,702)	(993)
Allowance for ECL on other receivables:		
– 12 months ECL	–	–
Allowance for ECL on trade receivables	<u>–</u>	<u>2,120</u>
	<u>(1,702)</u>	<u>1,127</u>

8. Finance costs

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest on amount due to an associate	270	330
Interest on amount due to directors and related party	2,971	2,457
Interest on bank borrowings	3,811	3,373
Interest on lease liabilities	6,744	6,920
Interest on other borrowings	14,915	10,984
Interest on convertible bonds	396	–
Interest on others	6	6
Imputed interest on guaranteed secured notes	<u>12,780</u>	<u>24,260</u>
	41,893	48,330
Less: interest on lease liabilities capitalised in the cost of qualifying assets	<u>(4,254)</u>	<u>(4,294)</u>
	<u>37,639</u>	<u>44,036</u>

9. Income tax (expense)/credit

	For the six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Hong Kong Profits Tax		
– current tax	–	–
PRC Enterprise Income Tax		
– current tax	(6,159)	(3,126)
Deferred taxation credit	<u>1,980</u>	<u>2,041</u>
	<u>(4,179)</u>	<u>(1,085)</u>

Under the two-tiered profits tax rates regime of Hong Kong, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000 for both periods.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

10. Loss for the period

Loss for the period has been arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Amortisation of intangible assets (included in administrative expenses)	8,359	8,512
Cost of inventories sold	25,844	26,313
Depreciation of property, plant and equipment	12,073	13,444
Depreciation of right-of-use assets	3,005	3,041
Net foreign exchange (gain)/loss	(49)	38
Staff costs (including directors' emoluments):		
– salaries and allowances	32,885	38,677
– contributions to retirement benefits scheme	124	191
	33,009	38,868

11. Interim dividend

No interim dividend was paid, declared or proposed during the six months ended 30 June 2025 (2024: Nil). The Board has determined that no interim dividend will be paid in respect of the six months ended 30 June 2025 (2024: Nil).

12. Loss per share

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

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<u>Loss for the purpose of basic and diluted loss per share</u>		
Loss for the period attributable to owners of the Company	<u>(45,366)</u>	<u>(127,983)</u>
	For the six months ended 30 June	
	2025	2024
	'000	'000
	(Unaudited)	(Unaudited)
		(Restated)
<u>Number of ordinary shares</u>		
Weighted average number of ordinary shares less weighted average number of shares held for share award plan for the purpose of basic and diluted loss per share	<u>369,530</u>	<u>369,530</u>

No diluted earnings per share for the six months ended 30 June 2025 was presented as there were no potential ordinary shares in issue.

The computation of diluted loss per share did not assume the exercise of the Company's share options for the six months ended 30 June 2024 because the exercise price of those share options was higher than the average market price for shares for the six months ended 30 June 2024.

The weighted average number of ordinary shares less weighted average number of shares held for share award plan for the purpose of basic and diluted loss per share has been adjusted for the share consolidation effective on 20 June 2025. Comparative figure have also been adjusted on the assumption that the share consolidation had been effective in the prior period.

13. Loan receivables

	At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Loans to customers	929,868	929,868
Accrued interest receivables	<u>58,017</u>	<u>55,652</u>
	987,885	985,520
Less: accumulated allowance for ECL	<u>(813,823)</u>	<u>(813,704)</u>
	<u>174,062</u>	<u>171,816</u>

All loans are denominated in Hong Kong dollars. The loan receivables carry effective interest ranging from 8% to 20% per annum (31 December 2024: 8% to 20% per annum). Loans contain a repayable on demand clause and are classified under current assets. A maturity profile of the loan receivables (net of accumulated allowance for ECL) at the end of the reporting period, based on the maturity date is as follows:

	At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Within one year	–	171,816
More than one year but not exceeding two years	<u>174,062</u>	<u>–</u>
	<u>174,062</u>	<u>171,816</u>

During the six months ended 30 June 2025, a reversal of allowance for ECL on loan receivables of HK\$1,702,000 (2024: HK\$993,000) was recognised.

At 30 June 2025, four loans in the aggregate outstanding principal amount of HK\$343,518,000 are secured by corporate guarantees, three loans in the aggregate outstanding principal amount of HK\$210,101,000 are secured by corporate guarantees and a pledge over the right of use for the 4,000 ancestral tablets in Hong Kong, one loan in the outstanding principal amount of HK\$165,000,000 is secured by a corporate guarantee, a share charge of a private company, and a share pledge over certain participating shares of a closed-end private fund, and one loan in the outstanding principal amount of HK\$10,958,000 is secured by a share charge.

Included in the carrying amount of loan receivables at 30 June 2025 is an accumulated allowance for ECL of HK\$813,823,000 (31 December 2024: HK\$813,704,000).

Movements in the accumulated allowance for ECL are as follows:

	12 months ECL HK\$'000 (Unaudited)	Lifetime ECL not credit- impaired HK\$'000 (Unaudited)	Lifetime ECL credit- impaired HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
At 1 January 2024	5,652	–	749,254	754,906
Transfer to lifetime ECL credit- impaired	(5,322)	–	5,322	–
Unwinding of discount	–	–	20,944	20,944
Allowance for ECL (reversed)/ recognised	(330)	–	38,184	37,854
At 31 December 2024 (audited) and 1 January 2025	–	–	813,704	813,704
Unwinding of discount	–	–	1,821	1,821
Allowance for ECL reversed	–	–	(1,702)	(1,702)
At 30 June 2025	–	–	813,823	813,823

14. Trade receivables

	At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
Trade receivables	40,809	39,646
Less: accumulated allowance for ECL	(2,890)	(2,890)
	37,919	36,756

The following is an aging analysis of trade receivables (net of accumulated allowance for ECL) at the end of the reporting period presented based on the invoice dates:

	At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
0 — 30 days	4,871	5,036
31 — 60 days	3,651	6,795
61 — 90 days	7,376	6,628
91 — 120 days	3,758	4,103
121 — 180 days	7,555	10,052
Over 180 days	10,708	4,142
	<u>37,919</u>	<u>36,756</u>

The Group allows credit period ranging from 0 to 270 days to its customers. The directors assess the credit status and impose credit limits for customers in accordance with the Group's credit policy. The credit limits are closely monitored and subject to periodic reviews.

During the six months ended 30 June 2025, no allowance for ECL on trade receivables (2024: HK\$2,120,000) was recognised.

Included in the carrying amount of trade receivables at 30 June 2025 is an accumulated allowance for ECL of HK\$2,890,000 (31 December 2024: HK\$2,890,000).

15. Trade payables

	At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
Trade payables	<u>39,368</u>	<u>43,006</u>

The following is an aging analysis of trade payables at the end of the reporting period presented based on the invoice dates:

	At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
0 — 30 days	1,729	1,555
31 — 60 days	1,036	3,084
61 — 90 days	1,236	726
91 — 120 days	671	84
Over 120 days	34,696	37,557
	39,368	43,006

The average credit period on purchase of goods and services is 120 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

16. Equity-settled share-based payment transaction

a. *Share options scheme adopted on 12 December 2011*

Pursuant to an ordinary resolution passed by the shareholders on 12 December 2011, the Company adopted a new share option scheme (the “**2011 Share Option Scheme**”) to replace the share option scheme adopted on 21 January 2002. Details of the 2011 Share Option Scheme were set out in the Company’s circular dated 18 November 2011. A summary of the 2011 Share Option Scheme was disclosed in the Company’s 2023 annual report.

As the 2011 Share Option Scheme expired on 11 December 2021, no further share options can be granted under the 2011 Share Option Scheme, but the provisions of the 2011 Share Option Scheme remain in full force and effect in respect of the outstanding share options granted before its expiry.

Details of the specific categories of share options are as follows:

Share option type	Date of grant	Vesting schedule	Performance target	Exercise period	Exercise price	Closing price of shares prior to the date of grant
2021	4 June 2021	100% of the share options were vested on 4 June 2021	Nil	4 June 2021 to 3 June 2024	HK\$0.298	HK\$0.290

The following table discloses the movements of the 2011 Share Option Scheme during the six months ended 30 June 2024:

Share option type	Number of share options					Outstanding at 30 June 2024
	Outstanding at 1 January 2024	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period	
2021	171,760,000	—	—	—	(171,760,000)	—
Exercisable at the end of the reporting period						—
Weighted average exercise price					HK\$0.298	—

b. Share options scheme adopted on 16 December 2021

As the 2011 Share Option Scheme expired on 11 December 2021, the Company adopted a new share option scheme (the “**2021 Share Option Scheme**”), pursuant to an ordinary resolution passed by the shareholders at the special general meeting held on 15 December 2021. Details of the 2021 Share Option Scheme were set out in the Company’s circular dated 25 November 2021. A summary of the 2021 Share Option Scheme was disclosed in the Company’s 2024 annual report.

No share option was granted under the 2021 Share Option Scheme since its adoption.

On 15 August 2024, in view of the amendments to Chapter 17 of the Listing Rules relating to share scheme which came into effect on 1 January 2023, the Company terminated the 2021 Share Option Scheme.

c. Share options scheme adopted on 15 August 2024

In view of the amendments to Chapter 17 of the Listing Rules relating to share scheme which came into effect on 1 January 2023, the Company adopted a new share option scheme (the “**2024 Share Option Scheme**”) pursuant to an ordinary resolution passed by the shareholders at the special general meeting held on 15 August 2024. Details of the 2024 Share Option Scheme are set out in the Company’s circular dated 29 July 2024. A summary of the 2024 Share Option Scheme was disclosed in the Company’s 2024 annual report.

No share option was granted under the 2024 Share Option Scheme since its adoption.

d. Share award scheme

On 16 September 2021, the board of directors resolved to adopt a share award scheme. At the special general meeting of the Company held on 15 August 2024, certain amendments to be made to the share award scheme to, among other things, bring it in line to reflect the latest amendments to the requirements under Chapter 17 of the Listing Rules which took effect on 1 January 2023 was approved by the shareholders of the Company. Details of the share award scheme are set out in the Company’s circular dated 29 July 2024. A summary of the share award scheme was disclosed in the Company’s 2024 annual report.

Details of movements in the Company’s shares held for the share award plan are as follows:

	Number of shares held for share award plan		Shares held for share award plan	
	2025 <i>HK\$’000</i> (Unaudited)	2024 <i>HK\$’000</i> (Unaudited)	2025 <i>HK\$’000</i> (Unaudited)	2024 <i>HK\$’000</i> (Unaudited)
At 1 January	12,431	12,431	24,455	24,455
Shares purchased for share award plan	—	—	—	—
At 30 June	<u>12,431</u>	<u>12,431</u>	<u>24,455</u>	<u>24,455</u>

During the six months ended 30 June 2025 and 2024, none of the shares of the Company was acquired through purchases on open market under the share award plan.

The following table discloses movements in the share awards granted under the Company's share award scheme adopted on 16 September 2021 (as amended on 15 August 2024) during the year ended 31 December 2024 (assuming that the share consolidation of the Company effective on 20 June 2025 had been effective) pursuant to Rule 17.12(1)(a) of the Listing Rules:

Name or category of grantee	Date of grant	Unvested as at 1 January 2024	Granted during the year	Vested during the year	Cancelled/ forfeited during the year	Lapsed during the year	Unvested as at 31 December 2024	Vesting date and period	Purchase price of share awards	Closing price immediately before the date of grant	Fair value at the date of grant
Directors of the Company	N/A	-	-	-	-	-	-	N/A	N/A	N/A	N/A
Five highest paid individuals during the financial year in aggregate	N/A	-	-	-	-	-	-	N/A	N/A	N/A	N/A
Other grantees:											
Consultant											
Mr. Wong Chun Hung	4 September 2024	-	3,800,000	-	-	-	3,800,000	4 September 2025, 4 September 2024 to 4 September 2025	Nil	HK\$0.65	HK\$0.65

e. Disclosure pursuant to Rule 17.07(1)(c) of the Listing Rules

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (equity-settled share-based payment reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share-based payment reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses (unless the goods or services qualify for recognition as assets).

f. Disclosure pursuant to Rule 17.07(2) of the Listing Rules

As at 31 December 2024, 1 January 2025 and 30 June 2025, the total number of options and awards available for grant under the 2024 Share Option Scheme and the share award scheme (assuming that the share consolidation of the Company effective on 20 June 2025 had been effective) is 34,396,064.

As at 31 December 2024, 1 January 2025 and 30 June 2025, within the total number of options and awards which available for grant under the 2024 Share Option Scheme and the share award scheme (assuming that the share consolidation of the Company effective on 20 June 2025 had been effective), the number of options available for grant to the service provider is 19,606.

g. Disclosure pursuant to Rule 17.07(3) of the Listing Rules

The number of shares that may be issued in respect of options and awards granted under the 2024 Share Option Scheme and the share award scheme during the year ended 31 December 2024 (assuming that the share consolidation of the Company effective on 20 June 2025 had been effective) (i.e. 3,800,000) divided by the weighted average number of shares of the Company in issue for the year ended 31 December 2024 (assuming that the share consolidation of the Company effective on 20 June 2025 had been effective) (i.e. 381,960,648) was 0.99%.

h. Disclosure pursuant to Rule 17.07A of the Listing Rules

During the year ended 31 December 2024, the remuneration committee of the Company reviewed and approved (i) the proposal for adoption of the 2024 Share Option Scheme; (ii) certain amendments to be made to the share award scheme; and (iii) the grant of the share awards under the share award scheme on 4 September 2024.

In determining the grant of share awards under the share award scheme, the eligibility and allocation of share awards for each participant were determined by an allocation mechanism, approved by the remuneration committee of the Company. This mechanism consists of several key determinants, including (i) roles and relationships of the participants with the Group; (ii) contributions to the Group of the participants; (iii) financial performance and staff expenses budget of the Company; and (iv) business outlook of the Group and industry practices.

17. Comparative figures

Certain comparative figures have been adjusted in respect of the share consolidation effective on 20 June 2025 set out in note 12. Comparative figures have been adjusted on the assumption that the share consolidation had been effective in the prior period.

INTERIM DIVIDEND

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

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Results of operations

During the six months ended 30 June 2025, the Group recorded a revenue of HK\$107,702,000, a 0.4% decrease from HK\$108,156,000 for the previous period. The decrease in revenue was mainly attributable to a HK\$4,359,000 decrease from the money lending operation and a HK\$2,420,000 decrease from the property investment operation. This decrease was partly offset by (i) the recognition of a trading loss of HK\$574,000 for the sale of financial assets, compared with a trading loss of HK\$4,621,000 for the six months ended 30 June 2024, and (ii) a HK\$2,819,000 increase in the golf club operation. Of the total revenue, HK\$6,774,000 was generated from money lending, HK\$31,255,000 was generated from the sale of jewelry products, HK\$2,815,000 was generated from property investment, HK\$67,432,000 was generated from golf club operation, and the trading loss of HK\$574,000 was generated from the sale of financial assets.

Loss for the period ended 30 June 2025 attributable to owners of the Company amounted to HK\$45,366,000, a 65% decrease from HK\$127,983,000 in the six months ended 30 June 2024. This decrease was mainly attributable to (i) the absence of the impairment loss on goodwill of HK\$45,591,000 recognised for the six months ended 30 June 2024; and (ii) a gain arising on change in fair value of financial assets at fair value through profit or loss of HK\$7,828,000, whereas the Group recorded a loss of HK\$19,418,000 for the six months ended 30 June 2024.

The gross profit of the sale of jewelry products business decreased by 1% from HK\$5,483,000 in the six months ended 30 June 2024 to HK\$5,412,000 in the six months ended 30 June 2025. In addition, the gross profit margin for the sale of jewelry products business remained constant at 17% during the six months ended 30 June 2024 and the six months ended 30 June 2025. The gross profit and gross profit margin are discussed in the “*Sale of jewelry products business*” section under “Operations Review” below.

The gross profit for the property investment business decreased by 46% from HK\$5,235,000 in the six months ended 30 June 2024 to HK\$2,815,000 in the six months ended 30 June 2025. This decrease in gross profit is discussed in the “*Property investment business*” section under “Operations Review” below.

The golf club operation business generated a gross profit of HK\$45,175,000 (2024: HK\$40,710,000) and recorded a gross profit margin of 67% (2024: 63%) in the six months ended 30 June 2025. The gross profit and gross profit margin of the golf course business are discussed in the “*Golf club operation business*” section under “Operations Review” below.

Significant items of other gains and losses recorded by the Group are as follows:

- (a) At the end of the reporting period, the Group measured its Hong Kong-listed equity securities at fair value based on the closing prices quoted on The Stock Exchange of Hong Kong Limited (the “**Exchange**”) and recognised a gain of HK\$7,828,000 arising on change in fair value of financial assets at FVTPL.
- (b) During the six months ended 30 June 2024, the directors performed an impairment test for the goodwill arising from the acquisition of the entire issued shares in and the shareholder’s loan due by Smart Title Limited and recognised an impairment loss in respect of goodwill of HK\$45,591,000. Please refer to the “*Property investment business*” section under “Operations Review” below for information on the recognition of the impairment loss in respect of goodwill.
- (c) At the end of the reporting period, the Group measured the investment properties located in Hong Kong and Beijing, Mainland China at fair value based on valuations prepared by an independent professional valuer and recognised a loss of HK\$27,058,000.

Selling and distribution expenses mainly represent staff costs and commission of the sales team, overseas travelling expenses, freight charges, and exhibition expenses incurred by the Group’s sale of jewelry products business. Selling and distribution expenses decreased by 4% from HK\$2,448,000 in the six months ended 30 June 2024 to HK\$2,339,000 in the six months ended 30 June 2025. This decrease was mainly attributable to decreased overseas travelling and exhibition expenses.

Reversal of allowance for ECL on financial assets was HK\$1,702,000 in the six months ended 30 June 2025 as compared to an allowance for ECL on financial assets of HK\$1,127,000 in the six months ended 30 June 2024. Of the total reversal of allowance for ECL on financial assets for the period ended 30 June 2025, a reversal of allowance for ECL of HK\$1,702,000 was recognised for loan receivables, which is discussed in the “*Money lending business*” section under “Operations Review” below, and nil was recognised for trade receivables, which is discussed in the “*Sale of jewelry products*” section under “Operations Review”.

Administrative expenses decreased from HK\$57,876,000 in the six months ended 30 June 2024 to HK\$54,515,000 in the six months ended 30 June 2025. This decrease was mainly attributable to the effective costs-saving measures implemented by the Group during the six months ended 30 June 2025.

Share of profits of associates amounted to HK\$713,000 (2024: share of losses of associates of HK\$842,000) for the six months ended 30 June 2025, representing (i) the share of profit of HK\$713,000 (2024: HK\$123,000) from Elite Prosperous Investment Limited (“**Elite Prosperous**”), a 49% owned associate of the Company, (ii) the share of loss of nil (2024: HK\$965,000) from China Healthwise Holdings Limited (“**China Healthwise**”), a 21.94% owned associate of the Company.

Finance costs decreased by 15% from HK\$44,036,000 in the six months ended 30 June 2024 to HK\$37,639,000 in the six months ended 30 June 2025. This decrease was mainly due to the delay in settlement of partial redeem principal and semi-annual interest for the guaranteed secured notes due 2025 from the period 23 March 2024 to 3 April 2024 which generated additional finance costs in the six months ended 30 June 2024 and the decrease in the amounts due to directors and related party in 2025.

The Group recorded an income tax expense of HK\$4,179,000 for the six months ended 30 June 2025. The income tax expense mainly derived from (i) the recognition of deferred tax expense of HK\$279,000 resulting from the movements in deferred tax assets related to lease contracts and (ii) the current year's tax expense of HK\$6,159,000, which were partly offset by the recognition of deferred tax credit of HK\$2,259,000 resulting from the movements in the deferred tax liabilities recognised for the fair value adjustments on the acquisition of Smart Title Limited in October 2015.

Liquidity and financial resources

During the six months ended 30 June 2025, the Group funded its operations through a combination of cash generated from operations, equity attributable to owners of the Company, and borrowings. Equity attributable to owners of the Company decreased from HK\$1,058,200,000 at 31 December 2024 to HK\$1,033,111,000 at 30 June 2025. This decrease was due to the loss incurred by the Group for the six months ended 30 June 2025, which were partly offset by the exchange gain arising on translating foreign operations of the Group.

At 30 June 2025, the cash and cash equivalents of the Group amounted to HK\$41,070,000 (31 December 2024: HK\$30,322,000).

At 30 June 2025, the Group had outstanding borrowings of HK\$650,207,000 (31 December 2024: HK\$638,124,000) representing:

- (a) the carrying principal amount of the guaranteed secured notes due 2025 issued by the Company on 29 December 2022 (the “**Guaranteed Secured Notes due 2025**”) of HK\$193,166,000, which is interest-bearing at 10% per annum from 23 January 2024, secured by (i) a share charge over 100% issued shares in Eternity Investment (China) Limited, a wholly-owned subsidiary of the Company and the principal assets of which are (1) the rights to construct and operate the club facilities of a membership golf club and resort (the “**Club**”) in Beijing, Mainland China and (2) the rights to develop and operate a piece of 580 Chinese acre land adjacent to the Club (the “**Subject Land**”) and the rights to manage the properties erected on the Subject Land, and (ii) the personal guarantees given by Mr. Lei Hong Wai, the Chairman of the Board and an executive director, and Mr. Cheung Kwok Wai Elton, an executive director, and (iii) repayable by 18 partial redemptions during the period from 23 September 2023 to 23 March 2025 and a final redemption on 23 September 2025;

- (b) the banking facilities granted by a bank in the aggregate principal amount of HK\$135,236,000, comprising (i) an installment loan of HK\$89,991,000, which is interest-bearing at 2.5% per annum over one-month HIBOR quoted by the bank from time to time, secured by (1) a first legal charge over the Group's properties located at Unit Nos. 1201, 1202, 1203, 1209, 1210, 1211 & 1212 and the corridor on the 12th Floor, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong (the "**Shun Tak Property**") and (2) a charge/mortgage over the cash deposit, structured investment products, stocks, the key management personnel life insurance policy, and other securities held by a wholly-owned subsidiary of the Company, guaranteed by the Company and two wholly-owned subsidiaries of the Company, and repayable by 153 equal monthly installments ending on 18 March 2038, (ii) a term loan in the principal amount of HK\$35,839,000, which is interest-bearing at 2.5% per annum over one-month HIBOR, secured by (1) the first legal charge over the Shun Tak Property and (2) a charge/mortgage over the cash deposit, structured investment products, stocks, the key management personnel life insurance, and other securities held by the wholly-owned subsidiary of the Company, guaranteed by the Company and two wholly-owned subsidiaries of the Company, and repayable by 201 equal monthly installments ending on 10 March 2042, and (iii) a term loan in the principal amount of US\$1,203,000 (equivalent to HK\$9,406,000), which is interest-bearing at 1% per annum over one month bank's cost of funds on the outstanding amount, secured by (1) the first legal charge over Shun Tak Property and (2) the charge/mortgage over the cash deposit, structured investment products, stocks, the key management personnel life insurance policy, and other securities held by a wholly-owned subsidiary of the Company, guaranteed by the Company, and two wholly-owned subsidiaries of the Company, and repayable by 206 equal monthly installments ending on 25 August 2042;
- (c) a loan of HK\$200,000,000 granted by a finance company, which is interest-bearing at 10% per annum from 1 April 2024, secured by (i) the post-dated cheques drawn in favour of the finance company for payment of the principal and the interests stipulated under the loan agreement, and (ii) a personal guarantee given by Mr. Lei Hong Wai, and maturing on 1 April 2025. The maturity date of the loan have been extended to 1 April 2027 on 1 August 2025;
- (d) a loan of HK\$85,000 granted by a finance company, which is unsecured, interest-bearing at the prime rate plus 3% per annum, and repayable on demand;
- (e) the securities margin financing facilities of HK\$34,652,000 granted by a securities brokerage firm, which is interest-bearing at prime rate plus 3% per annum and secured by the Group's Hong Kong-listed equity securities held in the margin securities trading account and a personal guarantee given by Mr. Lei Hong Wai;
- (f) the loan of HK\$14,984,000 granted by a securities brokerage firm, which is unsecured, interest-bearing at a fixed rate of 6% per annum and repayable by equal semi-annual installments ending on June 2028;
- (g) the cash advance of HK\$12,312,000 made by Mr. Lei Hong Wai, which is interest-bearing at 21.60% per annum quoted by a finance company, unsecured, and repayable on demand;

- (h) the cash advance of HK\$1,200,000 made by Mr. Cheung Kwok Fan, an executive director, which is non-interest bearing, unsecured, and repayable on demand;
- (i) the cash advance of HK\$3,872,000 made by Mr. Cheung Kwok Wai Elton, which is interest-bearing at the one-month HIBOR quoted by Bank of China (Hong Kong) Limited plus 1.3% per annum or 2.25% per annum below the prime rate for Hong Kong dollars quoted by Bank of China (Hong Kong) Limited, whichever is lower, unsecured, and repayable on demand;
- (j) the cash advance of HK\$52,220,000 made by Ms. Chan Mei Sau Teresina, the spouse of Mr. Cheung Kwok Wai Elton, which is interest-bearing at the one-month HIBOR quoted by Bank of East Asia Limited plus 1.3% per annum or 2.50% per annum below the prime rate for Hong Kong dollars quoted by Bank of East Asia Limited, whichever is lower, unsecured, and repayable on demand; and
- (k) the cash advance of HK\$2,480,000 made by a person which is interest-bearing at 4% per annum, unsecured and maturing on 21 October 2025.

Gearing ratio

At 30 June 2025, the gearing ratio calculated as a percentage of total borrowings over equity attributable to owners of the Company was 63% (31 December 2024: 60%).

Net current liabilities and current ratio

At 30 June 2025, the Group's net current liabilities and current ratio were HK\$549,160,000 (31 December 2024: HK\$563,632,000) and 0.47 (31 December 2024: 0.45), respectively.

Capital structure

During the six months ended 30 June 2025, there was no change in the Company's capital structure.

Share consolidation

On 20 June 2025, the Company consolidated every ten (10) issued and unissued ordinary share in the share capital of the Company of par value of HK\$0.01 each into one (1) ordinary share of HK\$0.10 each in the share capital of the Company (the "**Share Consolidation**").

Before the Share Consolidation, the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 ordinary shares of the Company of par value of HK\$0.01 each, of which 3,819,606,486 ordinary shares of the Company have been issued. Immediately after the Share Consolidation, the authorised share capital of the Company become HK\$100,000,000 divided into 1,000,000,000 ordinary shares of the Company of par value of HK\$0.10 each, of which 381,960,648 ordinary shares of the Company was in issue.

Use of Proceeds from Fund Raising Activities

The Company has carried out the following equity fund raising activity in the past 12 months immediately preceding the date of this announcement:

Date of announcements	Fund raising activity	Net proceeds	Intended use of proceeds as announced	Actual use of proceeds
23 December 2024 and 7 January 2025	Subscription of convertible bonds under general mandate	Approximately HK\$4 million	General working capital	Same as intended use of proceeds as announced
16 April 2025 and 29 April 2025	Subscription of convertible bonds under general mandate	Approximately HK\$9 million	(i) approximately up to HK\$2 million, will be used as general working capital mainly including payment of (i) staff costs; and (ii) legal and professional expenses; and (ii) approximately up to HK\$7 million, will be used for the repayment of indebtedness of the Group.	Same as intended use of proceeds as announced

As at 30 June 2025, there was no unutilised proceed from fund raising activities. Save as disclosed above, the Company had not carried out any fund raising activities in the past 12 months immediately preceding the date of this announcement.

Material acquisitions of subsidiaries, associates, and joint ventures

During the six months ended 30 June 2025, the Group did not have any material acquisitions of subsidiaries, associates and joint ventures.

Material disposals of subsidiaries, associates, and joint ventures

During the six months ended 30 June 2025, the Group did not have any material disposals of subsidiaries, associates and joint ventures.

Pledge of assets

At 30 June 2025, the following Group's assets were pledged:

- (a) the Shun Tak Property with a carrying amount of HK\$210,500,000 (31 December 2024: HK\$261,100,000), of which HK\$115,000,000 (31 December 2024: HK\$145,100,000) was classified under "property, plant and equipment" and HK\$95,500,000 (31 December 2024: HK\$116,000,000) was classified under "investment properties", for securing the banking facilities granted to the Group;
- (b) the 100% issued shares in Eternity Investment (China) Limited with the unaudited combined net assets of HK\$1,125,074,000 (31 December 2024: HK\$1,106,014,000) after adjusting for purchase price allocation for securing the Guaranteed Secured Notes due 2025;
- (c) the Group's Hong Kong-listed equity securities with a fair value of HK\$71,680,000 (31 December 2024: HK\$89,641,000), of which HK\$59,847,000 (31 December 2024: HK\$64,323,000) was related to the Group's financial assets at FVTPL and HK\$11,833,000 (31 December 2024: HK\$25,318,000) was related to a part of the Group's listed investment in an associate, for securing the margin financing facilities and banking facilities granted to the Group;
- (d) the bank deposits of HK\$23,000 as at 31 December 2024 for securing the banking facilities granted to the Group; and
- (e) the key management personnel life insurance of HK\$10,286,000 (31 December 2024: HK\$10,135,000) to secure the banking facilities granted to the Group.

Material commitments

At 30 June 2025, the Group had a total commitment of HK\$246,284,000 (31 December 2024: HK\$227,207,000) relating to the development costs for the Subject Land, which were contracted but not provided for.

Exchange risk and hedging

The majority of the Group's transactions, assets, and liabilities are denominated in Hong Kong dollars and Renminbi. The Group is exposed to exchange risk with respect mainly to Renminbi, which may affect its performance. The directors closely monitor statements of financial position and cash flow exchange risk exposures and, where considered appropriate, use financial instruments, such as forward exchange contracts, foreign currency options, and forward rate agreements, to hedge this exchange risk. During the six months ended 30 June 2025, no financial instruments for hedging purposes were used by the Group.

Contingent liabilities

On 6 May 2021, a Beijing law firm as plaintiff filed a civil claim to the People's Court in Chaoyang District, Beijing, Mainland China against four defendants, one of the four defendants is 北京北湖九號商務酒店有限公司 (Beijing Bayhood No. 9 Business Hotel Company Limited, “**Bayhood No. 9 Co.**”), a wholly-owned subsidiary of the Company, for an unsettled legal fee of RMB31,000,000 (equivalent to HK\$33,967,000) (excluding overdue interest) regarding an engagement of such law firm by the four defendants to resolve a civil dispute brought against them by an independent third party in relation to a property transaction in 2010. Details of the civil claim are disclosed in the Company's announcement dated 6 August 2021.

The Group's Mainland Chinese legal adviser has advised that the possibility of Bayhood No. 9 Co. being required to pay the unsettled legal fee is remote. Accordingly, no provision for liability has been made with respect to the civil claim.

Employees and remuneration policy

At 30 June 2025, the headcount of the Group was 346 (2024: 357). Staff costs (including directors' emoluments) amounted to HK\$33,009,000 in the six months ended 30 June 2025 (2024: HK\$38,868,000). The decrease in staff costs was mainly attributable to the decrease number of headcount of the Group and the effective costs-saving measures implemented by the Group. In addition to basic salaries, contributions to the retirement benefits scheme, and discretionary bonuses, staff benefits include a medical scheme, share options, and share awards.

Operations Review

Sale of financial assets business

During the six months ended 30 June 2025, the Group's sale of financial assets business reported a segment gain (before taxation) of HK\$7,214,000, as compared to a segment loss (before taxation) HK\$24,109,000 for the previous period. The segment gain (before taxation) was mainly comprise the gain arising on change in fair value of financial assets at FVTPL of HK\$7,828,000.

During the six months ended 30 June 2025, the Group did not acquire any Hong Kong-listed equity security, and made a trading loss of HK\$574,000 from selling three Hong Kong-listed equity securities with the aggregate carrying amounts of HK\$3,534,000 at the aggregate net sale proceeds of HK\$2,960,000. At the end of the reporting period, the Group measured its Hong Kong-listed equity securities at fair value based on the closing prices quoted on the Exchange and recognised the gain of HK\$7,828,000 arising on change in fair value of financial assets at FVTPL.

Movements in the carrying amount of the Hong Kong-listed equity securities held by the Group recorded as “financial assets at FVTPL” during the six months ended 30 June 2025 and 2024 are as follows:

	2025 HK\$'000	2024 HK\$'000
Carrying amount at 1 January	64,323	97,316
Add: acquisitions	–	2,790
Less: disposals	(3,534)	(14,424)
gain/(loss) arising on change in fair value recognised	7,828	(19,418)
Carrying amount at 30 June	68,617	66,264

Details of certain significant Hong Kong-listed equity securities held by the Group recorded as “financial assets at FVTPL” at 30 June 2025 are as follows:

Name of Hong Kong-listed equity securities	Number of shares held at 30 June 2025	Fair value at 30 June 2025 HK\$'000	Fair value as compared to the consolidated total assets of the Group at 30 June 2025	Dividend received/receivable in the six months ended 30 June 2025 HK\$'000	Gain/(loss) arising on change in fair value recognised in the six months ended 30 June 2025 HK\$'000
Brockman Mining Ltd. (stock code: 159)	78,223,000	7,197	0.3%	–	(626)
Huanxi Media Group Ltd. (stock code: 1003)	20,830,000	8,019	0.3%	–	(1,666)
Nimble Holdings Company Ltd. (stock code: 186)	83,673,268	18,994	0.7%	–	(418)
Yunfeng Financial Group Limited (stock code: 376)	5,234,000	11,986	0.5%	–	6,543
		46,196		–	3,833

The directors believe that the future performance of the Hong Kong-listed equity securities held by the Group is primarily affected by economic factors, investor sentiment, demand and supply balance of an investee company's shares, and fundamentals of an investee company, such as the investee company's news, business fundamentals and development, financial performance, and prospects. Accordingly, the directors closely monitor the above factors, particularly the fundamentals of each investee company in the Group's equity securities portfolio, proactively adjust the Group's equity securities portfolio mix from time to time, and realise the Hong Kong-listed equity securities into cash as and when appropriate.

Money lending business

During the six months ended 30 June 2025, the Group's money lending business generated interest income on loans amounting to HK\$6,774,000, a 39% decrease from HK\$11,133,000 for the previous period and reported a segment profit (before taxation) was HK\$8,466,000, a 11% decrease from HK\$9,489,000 in the six month ended 30 June 2024.

The 39% decrease in interest income on loans was mainly due to no further interest income being recognised for nine loan receivables that were classified under stage 3 (credit-impaired) and fully impaired, and interest income on three loans under stage 3 (credit-impaired) was calculated based on effective interest rate on its net carrying amount (after deducting accumulated allowance for ECL).

The 11% decrease in segment profit (before taxation) was mainly attributable to a HK\$4,359,000 decrease in interest income on loans, which were partly offset by a HK\$2,400,000 decrease in salaries.

During the six months ended 30 June 2025, no new loan was granted and no customers made drawings from the existing loans.

At 30 June 2025, 12 loans granted by the Group's money lending business remained outstanding. 12 loan receivables with an aggregate gross balance of HK\$987,885,000 were classified under stage 3 (credit-impaired).

At the end of the reporting period, the directors performed an impairment assessment on the Group's loan receivables. The ECL is measured impairment on loan receivables using the general approach, which is often referred to as the "three-stage model" under HKFRS 9 Financial Instruments. Based on the assessment, a reversal of allowance for ECL on loan receivables of HK\$1,702,000 was made, and a reversal of allowance for ECL on loan receivables of HK\$993,000 was made for the six months ended 30 June 2024.

Reference is made to the loan receivables classified under stage 3 (credit-impaired) as referred to on pages 291 to 302 of the Company's annual report for the year ended 31 December 2024. Set out below is the latest development of the recovery of these loan receivables:

(a) Customer A

During the year ended 31 December 2024, the three loan receivables from Customer A with the aggregate outstanding principal amount of HK\$210,101,000 were transferred from stage 1 (initial recognition) to stage 3 (credit-impaired) as Customer A failed to repay the loans on 9 November 2024, being the final repayment date. On 8 November 2024, the Group has conditionally extended the final repayment date to 9 November 2026 with the pledge over the right of use for the 4,000 ancestral tablets located in Hong Kong in favour of the Group. The conditions for the loan extension were fulfilled in March 2025.

(b) Customer D

Since December 2023, the Group has been negotiating the terms of the settlement with Customer D. However, no terms have been finalised yet, and the negotiation is still ongoing.

(c) Customer I

In September 2021, Customer I procured one of the guarantors to enter into an agreement (the “**Debt Assignment Agreement**”) to assign a debt in the face value of HK\$117,000,000 owned by the guarantor (the “**Assigned Debt**”) to the Group to enable the Group to demand payment and liquidate the Assigned Debt and to apply the proceeds, if any, from the recovery of the Assigned Debt to offset the loan due by Customer I.

After establishing dialogues with the representative of the debtor of the Assigned Debt, the Group decided to abort the recovery action on the Assigned Debt and revert to pursuing Customer I and the guarantors on the original loan due by Customer I. In August 2022, the Group terminated the Debt Assignment Agreement. In October 2022, the Group commenced civil proceedings against Customer I and the guarantors for recovering the outstanding principal amount of the original loan together with the accrued and unpaid interest thereon.

Subsequently, the Group was notified by its legal adviser that the writ of summons and the statement of claim delivered to Customer I and the guarantors were returned to the Group's legal adviser and could not be served personally on them.

The Group has instructed its legal adviser to apply to the High Court for an order for substituted service for serving the writ of summons and the statement of claim against Customer I and the guarantors.

(d) Customer J

On 22 September 2023, the court handed down the judgement of the civil appeal in which the court dismissed the civil appeal lodged by Customer J and upheld the first instance judgment.

In October 2023, the Group was approached by an independent third party purchaser proposing to acquire the loan receivable due from Customer J and the accrued and unpaid interest thereon by transferring the ownership of a number of properties located in Guangzhou, Mainland China, legally and beneficially owned by the independent third party to the Group. The Group is currently discussing the terms and conditions of such a proposal with the purchaser.

(e) Customer H

In October 2023, the Group applied for compulsory enforcement of the asset preservation order over Customer H's assets in Mainland China. In November 2023, the Group received RMB383,000 (equivalent to HK\$419,000) from enforcing Customer H's bank accounts under the compulsory enforcement of the asset preservation order.

In August 2024, the court handed down a notice that the enforcement was terminated as Customer H's assets being frozen by the PRC Public Security Bureau.

(f) Customer F

In November 2023, the Group took legal action against Customer F in Hong Kong by issuing the writ of summons and the statement of claim to Customer F. Customer F has put her residential property in Hong Kong on the market for sale and has made arrangements for the Group to share the proceeds of the property sale (after the payment of two outstanding mortgage loans) with other lenders. In September 2024, the residential property in Hong Kong was sold and the Group received the net proceeds of HK\$17,184,000 as partial settlement of the unpaid interest on the loans. The Group discontinued the legal action against Customer F in Hong Kong.

(g) Customer L

The Group has been negotiating with Customer L on the repayment of the loan receivables with a view to entering into a binding settlement agreement. During the negotiation period from January 2024 to June 2024, Customer L repaid USD300,000 (equivalent to HK\$2,337,000) to the Group to settle part of the unpaid interest and principal on the loan. The negotiation is still ongoing.

(h) Customer N

The Group has been negotiating with Customer N on the repayment of the loan receivables with a view to entering into a binding settlement agreement since default in March 2023. During the negotiation, Customer N repaid HK\$850,000 to the Group during the year ended 31 December 2024. In May 2024, the Group and Customer N entered into a settlement agreement, in which Customer N repaid HK\$6,000,000 on 28 May 2024 and shall repay the remaining outstanding balance on or before 29 August 2024. Customer N failed to repay the remaining balance in August 2024. In October 2024, the Group took legal action against Customer N in Hong Kong by issuing writ of summons and the statement of claim to Customer N.

(i) Customer G

During the year ended 31 December 2024, the loan was reclassified from stage 1 (initial recognition) to stage 3 (credit-impaired) as Customer G failed to repay the outstanding principal amount of the loan together with the accrued and unpaid interest thereon on the repayment date. The Group has been negotiating with Customer G on the repayment of the loan receivables with a view to entering into a binding settlement agreement. The negotiation is still ongoing.

At 30 June 2025, the Group's loan and interest receivables (after accumulated allowance for ECL) amounted to HK\$174,062,000 (31 December 2024: HK\$171,816,000).

Information on the Group's money lending business, including (i) business model, (ii) internal control system, (iii) basis of determining the allowance for ECL on loan receivables, (iv) major terms of each outstanding loan receivables, and (v) actions being taken for recovering the loan receivables classified under stage 3 (credit-impaired) are disclosed in the Company's annual report for the year ended 31 December 2024.

Sale of jewelry products business

During the six months ended 30 June 2025, the Group's sale of jewelry products business generated revenue of HK\$31,255,000, a 2% decrease from HK\$31,796,000 for the previous period, and reported a segment profit (before taxation) of HK\$408,000, in contrast to the segment loss of HK\$1,803,000 in the previous period.

The revenue and the gross profit generated from the sale of jewelry products business were steady for both periods. The segment recorded a profit this period, reversing the prior period's loss. This improvement is largely attributable to the fact that no provision for trade receivables was made in the current period.

At the end of the reporting period, the directors performed an impairment assessment on the Group's trade receivables. Based on the assessment, no allowance for ECL on trade receivables was made, a HK\$2,120,000 decrease compared to the previous period.

To cope with the sluggish market condition and the surge in gold price, the Group is expanding its product categories by developing budgeted jewelry products to meet the shrinking budget of the consumer public. Starting from the fourth quarter of 2023, the Group launched its other stone-type jewelry products and received sales inquiries from several customers with order of small quantities. It was expected that customers would not place any quantity orders for the other stone-type jewelry products until the second half of 2025. In addition, the Group would continue to cultivate new markets for its jewelry products, such as Japan and other Asian Pacific countries in the second half of 2025 by attending trade shows and organizing sales trips.

At 30 June 2025, the Group's inventories of jewelry products, including raw materials, work-in-progress, and finished goods, amounted to HK\$26,816,000 (31 December 2024: HK\$27,400,000).

Property investment business

During the six months ended 30 June 2025, the Group's property investment business generated a turnover of HK\$2,815,000, a 46% decrease from HK\$5,235,000 for the previous period, and recorded a segment loss (before taxation) of HK\$46,610,000. A segment loss (before taxation) of HK\$88,890,000 was recorded in the previous period.

Of the total turnover, HK\$960,000 was rental income generated from the investment property portion of the Shun Tak Property, HK\$1,192,000 was rental income generated from the residential serviced apartments under short-term lease agreements, and HK\$663,000 was derived from property and car parks management fees. Following the delivery of the vacant possession of the residential serviced apartments to lessees upon completion of three blocks of residential serviced apartments erected on the Subject Land in the third quarter of 2022, rental income is generated from the residential serviced apartments under short-term lease agreements, and property management fees are charged to the delivered residential serviced apartments. The decrease in turnover mainly resulted from the lower occupancy rate from the residential serviced apartments.

The improvement in segment results was mainly attributable to the absence of the HK\$45,591,000 impairment loss in respect of goodwill in the six months ended 30 June 2025.

The Company's indirect wholly-owned subsidiary, Bayhood No. 9 Co., owns (i) the rights to construct and operate the club facilities of the Club and (ii) the rights to develop and operate the Subject Land and the rights to construct and manage properties (each a **"Property"** and collectively, the **"Properties"**) erected on the Subject Land (the **"Management Rights"**) for around 37 years until 30 January 2062. As disclosed previously in the Company's annual report for the year ended 31 December 2020, due to the unprecedented impact of the COVID-19 pandemic on the hotel industry, the Company modified its business strategy for the second and third phases of the Subject Land such that the Properties are constructed and leased out on a long-term or short-term lease basis.

The second and third phases of the Subject Land have been developed into seven blocks of three-storey residential serviced apartments comprising 279 residential serviced apartments with an aggregate gross floor area of 45,165 square meters (with individual apartments of sizes ranging from approximately 88 to 459 square meters), together with two blocks of three-storey office buildings each having a gross floor area of approximately 6,300 square meters with total construction costs of RMB726,000,000 (equivalent to HK\$796,132,000). The residential serviced apartments and the office buildings are offered for lease by Bayhood No. 9 Co..

Short-term lease agreements are treated as operating leases. The Group recognises the Total Rental Income (net of VAT) as rental income on a straight-line basis over the term of a short-term lease agreement commencing on the delivery of vacant possession of a Property to a lessee. Upon commencement of a short-term lease agreement, the related assets of the Property recorded in “property, plant and equipment”, “intangible assets”, and “right-of-use assets” are transferred to “investment properties”. At the end of the reporting period, such investment properties are measured at fair value based on a valuation prepared by an independent professional valuer.

During the six months ended 30 June 2025, no long-term lease agreement for a residential serviced apartment and lease agreement for office premises was signed, and none of vacant possession of residential serviced apartments was delivered under long-term lease agreements. As a result, the Group did not recognise any gain on disposals of residential serviced apartments in the six months ended 30 June 2025.

At 30 June 2025, there was one signed long-term lease agreement for residential serviced apartments remaining undelivered.

As at 30 June 2024, the directors performed an impairment test for the goodwill arising from the acquisition of Smart Title Limited, the intangible assets, and the right-of-use assets relating to (i) the rights to construct and operate the club facilities of the Club and (ii) the rights to develop and operate the Subject Land and the rights to manage the properties erected on the Subject Land with reference to the discounted cash flow projections to assess the value in use of the property investment business and the golf club operation business in Beijing, Mainland China. As the carrying amount of the cash-generating units of the Group’s property investment business and golf club operation business exceeded their recoverable amounts, an impairment loss of HK\$45,591,000 in respect of the goodwill was recognised for the six months ended 30 June 2024. The impairment loss arose from the change in key assumption and input for longer delivery dates of residential serviced apartments and office premises used in the discounted cash flow projection of the property investment business to reflect the prevailing market conditions and the management’s latest estimation.

At the end of the reporting period, the directors measured the investment properties of the residential serviced apartments under short-term lease agreements at fair value. Based on a valuation prepared by an independent professional valuer, the Group recognised a loss of HK\$6,845,000 arising on change in fair value of investment properties.

At the end of the reporting period, the directors measured the investment properties of 11 niches at Po Fook Hill, Hong Kong at fair value. Based on a valuation prepared by an independent professional valuer, the Group recognised a gain of HK\$287,000 arising on the change in fair value of investment properties.

At the end of the reporting period, the directors measured the investment property portion of the Shun Tak Property at fair value. Based on a property valuation prepared by the independent professional valuer, the fair value of the investment property portion of the Shun Tak Property decreased from HK\$116,000,000 at 31 December 2024 to HK\$95,500,000 at 30 June 2025. Accordingly, the Group recognised a loss of HK\$20,500,000 arising on change in fair value of investment properties.

Golf club operation business

On 3 April 2023, the Group received an advance notice from the lessee of the assets of the Club for the termination of the club lease agreement by 5 October 2023. Upon such termination by 5 October 2023, the Group expanded into the golf club operation business by operating and managing the Club on its own.

With a proximity location, the Club is only about a 10-minute drive from the Beijing Capital International Airport and a 25-minute drive from the urban center of Beijing. The Club is one of Beijing's largest high-end leisure complexes operating under membership plans for corporations and individuals. With an area of 1,150 Chinese acres, the Club was designed jointly by several world-renowned design firms with a comprehensive range of facilities, including an 18-hole golf course, a golf academy, restaurants, lakeside VIP private rooms, conference facilities, and a retail shop. The Group's golf club operation business mainly derives income from membership, golf club operation, and food and beverage operation.

Given that the Subject Land is located next to the Club, the directors consider that the operation and management of the Club by the Group itself will provide great flexibility to the Group in formulating marketing plans for leasing the residential serviced apartments erected on the Subject Land, such as allowing admission by lessees to use the facilities of the Club.

During the six months ended 30 June 2025, the Group's golf club operation business generated a turnover of HK\$67,432,000 (2024: HK\$64,613,000) and recorded a segment profit (before taxation) of HK\$28,752,000 (2024: HK\$24,860,000). As such, the Club can generate a steady revenue and segment profit. The directors are cautiously monitor the revenue and the operation costs of the Club from time to time in order to create a continuous income stream.

Investments in associates

Elite Prosperous is an investment holding company whose principal asset is 47,643 ordinary shares in an unlisted investment holding company, representing 2.65% of the entire issued share capital of the unlisted investment holding company. The principal subsidiaries of the unlisted investment holding company are engaged in (i) agency payment services, (ii) currency exchange services, and (iii) provision of online, mobile, and cross-border payment services. At the end of the reporting period, Elite Prosperous measured its investment in the unlisted investment holding company at fair value. Based on an assessment prepared by the directors of the Company, the fair value of the investment increased from HK\$5,731,000 at 31 December 2024 to HK\$7,186,000 at 30 June 2025. Accordingly, Elite Prosperous recognised a gain of HK\$713,000 arising on change in fair value of its investment in the unlisted investment holding company.

China Healthwise is an investment holding company, and its subsidiaries are principally engaged in sales of Chinese health products, money lending business, and investment in financial instruments.

During the six months ended 30 June 2024, China Healthwise reported a loss of HK\$28,663,000, and the Group should entitle to share a loss of HK\$6,289,000 from China Healthwise. At 30 June 2024, the carrying amount of interests in associates from China Healthwise before sharing a loss from China Healthwise during the six months ended 30 June 2024 was HK\$965,000. According to HKAS 28 *Investments In Associates and Joint Ventures*, the entity's share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture, no further losses is recognised. As a result, the Group shared a loss of HK\$965,000 from China Healthwise during the six months ended 30 June 2024.

Future Prospects

In 2025, the global macroeconomic environment was marked by uncertainty. Persistent inflation, fluctuating energy prices, and geopolitical tensions, including the ongoing Russia-Ukraine conflict, disrupted supply chains and heightened market volatility. Additionally, the trade war between the U.S. and key trading partners, particularly China, continued to strain global trade relations, impacting economic growth. Central banks worldwide grappled with balancing inflation control and economic stability, leading to mixed monetary policies. While technological advancements and green energy transitions offered growth opportunities, uneven implementation and geopolitical risks hindered progress. Overall, the first half of 2025 was a year of cautious optimism, with businesses and governments navigating a complex landscape of risks and opportunities.

The directors expect the global macroeconomic environment to remain uncertain in the second half of 2025. As such, the directors will cautiously monitor the equity market, adjust the Group's equity securities portfolio from time to time, and realise the Group's equity securities into cash as and when appropriate in the second half of 2025.

Given the global macroeconomic environment is expected to be uncertain, the directors intend to maintain the size of the Group's loan portfolio in the second half of 2025. As a result, the interest income on loans generated from the Group's money lending business in the second half of 2025 is expected to be more or less the same as in the first half of 2025. Nevertheless, the directors will closely monitor the performance of the Group's loan portfolio, especially in each customer's repayment and financial condition, and make every effort to recover the overdue loan receivables.

Due to the sluggish market condition, the Group has been developing new product lines, such as other stone-type and budgeted jewelry products, to meet the shrinking budget of the consumer public. In addition, the Group has planned to broaden its sales territories by cultivating new overseas markets, such as Japan and other Southeast Asian countries. Although measures have been taken to improve the performance of the Group's sale of jewelry products business, the directors expect the performance of the Group's sale of jewelry products business in the second half of 2025 will be more or less the same as in the first half of 2025 due to the uncertainty casting on the global macroeconomic environment.

Although there is a sign showing that the Mainland Chinese economy is slowing down, the directors will put more effort and resources into marketing and leasing activities to achieve a high level of occupancy rate in order to build up the continuous income stream derived from rental income of the properties erected on the Subject Land. In addition, the directors will put more effort and resources into completing the remaining four blocks of residential serviced apartments and two blocks of office buildings as planned.

Starting from October 2023, the Group expanded into the golf club operation business following the termination of the club lease agreement relating to the assets of the Club by the lessee. The future prospects of the golf course operation business in Beijing are moderately positive, with potential growth driven by increasing interest in leisure activities among the city's affluent residents. However, challenges such as strict land use regulations, environmental concerns, and limited space for expansion may constrain significant growth. The directors believe this business will generate stable revenue with modest, steady growth for the Group. Management will focus on improving operational efficiency, enhancing customer experience, and adopting sustainable practices to maintain competitiveness. While the business may not see rapid expansion, it is expected to contribute reliably to the Group's overall performance in the coming years.

Due to the global macroeconomic environment remaining uncertain in the second half of 2025, the directors remain cautious and watchful over the key risks for the second half of 2025 and their impact. The directors commit to leading the Group to weather the challenges, monitor the business environment cautiously, and strengthen the Group's business foundation by focusing on its existing businesses.

Events after the End of the Reporting Period

The Group did not have any material events after the reporting period and up to the date of approval of the condensed consolidated financial statements.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company complied with the code provisions of the Corporate Governance Code (the “**Code**”) as set out in Part 2 of Appendix C1 of the Listing Rules throughout the six months ended 30 June 2025, except for code provision C.2.1.

Code provision C.2.1 of the Code requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During the six months ended 30 June 2025, Mr. Lei Hong Wai has taken up the roles of the Chairman of the Board and the Chief Executive Officer of the Company. Mr. Lei possesses essential leadership skills and has extensive experience in corporate management and business development. The Board is of the view that currently vesting the roles of the Chairman and the Chief Executive Officer in the same person provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

REVIEW OF FINANCIAL INFORMATION

The Audit Committee of the Board has reviewed the 2025 interim report and the condensed consolidated financial statements for the six months ended 30 June 2025 and agreed to the accounting policies and practices adopted by the Company.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT ON THE WEBSITES OF THE EXCHANGE AND THE COMPANY

This interim results announcement is published on the Company’s and the Exchange’s websites. The Company’s interim report for the six months ended 30 June 2025 in accordance with the relevant requirements as set out in Appendix D2 of the Listing Rules will be dispatched to the shareholders and published on the Company’s and the Exchange’s websites in due course.

By Order of the Board
Eternity Investment Limited
Lei Hong Wai
Chairman

Hong Kong, 28 August 2025

As at the date of this announcement, the Board comprises three executive directors, namely, Mr. Lei Hong Wai, Mr. Cheung Kwok Wai Elton, and Mr. Cheung Kwok Fan; and four independent non-executive directors, namely, Mr. Wan Shing Chi, Mr. Ng Heung Yan, Ms. Leung Man Yee Fanny and Mr. Law Kwok Ho Kenward.