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## **MULTIFIELD INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 898)**

### **INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025**

#### **INTERIM RESULTS**

The board of directors (the “Board”) of Multifield International Holdings Limited (the “Company”) announces the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025, together with the comparative figures as follows:

#### **CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

For the six months ended 30 June 2025

		<b>For the six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>REVENUE</b>	3	<b>140,661</b>	141,050
Cost of services provided		<u><b>(23,418)</b></u>	<u>(22,803)</u>
Gross profit		<b>117,243</b>	118,247
Other income and gains	3	<b>14,737</b>	11,698
Fair value changes on financial assets at fair value through profit or loss, net		<b>207,503</b>	90,627
Operating and administrative expenses		<b>(17,161)</b>	(18,630)
Finance costs	5	<b>(27,635)</b>	(34,925)
Share of results of investments accounted for using the equity method		<u><b>(20)</b></u>	<u>(5)</u>
<b>PROFIT BEFORE TAX</b>	4	<b>294,667</b>	167,012
Income tax expense	6	<u><b>(8,417)</b></u>	<u>(7,937)</u>
<b>PROFIT FOR THE PERIOD</b>		<u><b>286,250</b></u>	<u>159,075</u>

		<b>For the six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
	<i>Note</i>	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
		<b><i>(Unaudited)</i></b>	<b><i>(Unaudited)</i></b>
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO:</b>			
Owners of the Company		<b>238,382</b>	128,541
Non-controlling interests		<b>47,868</b>	30,534
		<u><b>286,250</b></u>	<u>159,075</u>
<b>EARNINGS PER SHARE</b>			
Basic and diluted	8	<u><b>HK28.51 cents</b></u>	<u>HK15.37 cents</u>

Details of interim dividend are disclosed in note 7.

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>PROFIT FOR THE PERIOD</b>	<b>286,250</b>	159,075
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of foreign operations	26	(186)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>286,276</b>	158,889
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>		
Owners of the Company	238,410	128,402
Non-controlling interests	47,866	30,487
	<b>286,276</b>	158,889

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
	Notes		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		248,509	249,764
Investment properties		10,902,981	10,902,981
Right-of-use assets		683	843
Club debenture		330	330
Investments accounted for using the equity method		21	42
Total non-current assets		11,152,524	11,153,960
<b>CURRENT ASSETS</b>			
Amounts due from investments accounted for using the equity method		51,712	27,649
Properties held for sale		281,851	281,851
Properties under development		301,681	294,121
Trade receivables	9	6,611	5,572
Prepayments, deposits and other receivables		219,295	221,542
Financial assets at fair value through profit or loss		1,191,652	1,004,358
Cash and cash equivalents		963,178	388,261
Total current assets		3,015,980	2,223,354
<b>CURRENT LIABILITIES</b>			
Trade payables	10	602	2,170
Other payables and accruals		250,853	248,741
Lease liabilities		356	309
Interest-bearing bank borrowings		798,594	248,594
Tax payable		41,548	40,061
Total current liabilities		1,091,953	539,875
<b>NET CURRENT ASSETS</b>		1,924,027	1,683,479
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		13,076,551	12,837,439

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing bank borrowings	1,360,000	1,392,500
Amount due to a director	100,192	97,357
Lease liabilities	29	225
Deferred tax liabilities	1,389,541	1,389,541
	<hr/>	<hr/>
Total non-current liabilities	2,849,762	2,879,623
	<hr/>	<hr/>
<b>Net assets</b>	10,226,789	9,957,816
	<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>		
Equity attributable to owners of the Company		
Issued capital	41,804	41,804
Reserves	8,289,845	8,068,156
	<hr/>	<hr/>
	8,331,649	8,109,960
Non-controlling interests	1,895,140	1,847,856
	<hr/>	<hr/>
<b>Total equity</b>	10,226,789	9,957,816
	<hr/> <hr/>	<hr/> <hr/>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited interim condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The accounting policies and basis of preparation used in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2024 except as noted below.

In the current period, the Group has applied, for the first time, the following amendments issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 January 2025.

Amendments to HKAS 21	<i>Lack of Exchangeability</i>
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These amendments do not have an impact on the interim condensed consolidated financial statements of the Group.

## 2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into three (six months ended 30 June 2024: three) reportable operating segments as follows:

- (a) the property investment segment mainly comprises rental income from investment properties;
- (b) the provision of serviced apartment and property management services segment; and
- (c) the trading and investments segment includes the trading of securities and investment income from securities investment and investment holding.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group’s profit/loss before tax except that unallocated corporate expenses, interest income on bank deposits, share of results of investments accounted for using the equity method, other gains and finance costs are excluded from such measurement.

There are no sales or other transactions between the operating segments during the period (six months ended 30 June 2024: Nil).

	Property investment		Provision of serviced apartment and property management services		Trading and investments		Total	
					</			

### 3. REVENUE , OTHER INCOME AND GAINS

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<i>Revenue from contracts with customers</i>		
Serviced apartment and property management services	<u>15,385</u>	<u>16,313</u>
<i>Revenue from other sources</i>		
Rental income from property letting under fixed lease payments	94,355	97,506
Dividend income from listed equity investments	30,765	27,075
Interest income from debt securities	<u>156</u>	<u>156</u>
	<u>125,276</u>	<u>124,737</u>
	<u><u>140,661</u></u>	<u><u>141,050</u></u>

#### Revenue from contracts with customers

##### (a) Disaggregation of revenue information

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
By source of revenue:		
<i>Revenue recognised over time</i>		
Serviced apartment and property management services	<u>15,385</u>	<u>16,313</u>
By geographical locations:		
Hong Kong	664	539
Mainland China	<u>14,721</u>	<u>15,774</u>
	<u><u>15,385</u></u>	<u><u>16,313</u></u>

##### (b) Performance obligations for contracts with customers

Serviced apartment and property management services income is recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. Revenue is recognised for these serviced apartment and property management services based on monthly statement issued by the Group's property management agent using output method.



## Other income and gains

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Government grants and subsidies	3,983	3,283
Interest income on bank deposits	7,548	5,180
Interest income from amounts due from investments accounted for using the equity method	361	—
Others	2,845	3,235
	<u>14,737</u>	<u>11,698</u>

## 4. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	1,408	1,278
Depreciation of right-of-use assets	160	4
Foreign exchange differences, net	(3,328)	(83)
	<u>15,240</u>	<u>14,065</u>
Employee benefit expense (including directors' and chief executive's remuneration):		
Salaries, wages and benefits in kind	15,260	14,065
Pension scheme contributions (defined contribution scheme)	1,993	2,065
	<u>17,253</u>	<u>16,130</u>
Total staff costs	<u>17,253</u>	<u>16,130</u>

## 5. FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest on bank loans	27,635	34,925
	<u>27,635</u>	<u>34,925</u>

## 6. INCOME TAX

The provision for Hong Kong Profits Tax for the six months ended 30 June 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the period, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%) during the period under reporting.

Under the Law of the PRC on Enterprise Income Tax and Implementation Regulation of the Enterprise Income Tax Law, the tax rate of the PRC subsidiaries is 25% for both reporting periods.

Pursuant to the relevant PRC tax laws and regulations, a non-resident enterprise is generally subject to a 10% Enterprise Income Tax on PRC-sourced income if such non-resident enterprise does not have an establishment or place in the PRC. The Group's subsidiaries incorporated in Hong Kong and the British Virgin Islands, and engaged in the property investment in the PRC do not have an establishment or place in the PRC. As a result, those subsidiaries are subject to a 10% Enterprise Income Tax on PRC-sourced income.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Current tax – Hong Kong		
Charge for the period	<b>1,534</b>	1,477
Under/(over)-provision in prior years	<b>783</b>	(34)
	<b>2,317</b>	1,443
Current tax – Mainland China		
Charge for the period	<b>6,062</b>	6,395
Current tax – Malaysia		
Charge for the period	<b>38</b>	99
Total tax charge for the period	<b>8,417</b>	7,937

## 7. DIVIDENDS

(a) Dividend recognised as distribution during the period:

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Final dividend for 2024 paid – HK2 cents (2024: 2023 final dividend of HK2 cents) per ordinary share	<b>16,721</b>	16,721

(b) Dividend declared after the end of the reporting period:

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
Interim dividend declared – HK2 cents (2024: HK2 cents) per ordinary share	<b>16,721</b>	16,721

The Board declared an interim dividend of HK2 cents per ordinary share at the meeting held on 28 August 2025. Dividend warrants will be posted on or about 23 October 2025 to shareholders whose names appear on the register of members of the Company on 17 September 2025.

The above interim dividends were declared after the interim reporting dates and have not been recognised as liabilities at the end of the respective reporting periods.

## 8. EARNINGS PER SHARE

The calculation of basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the Company of approximately HK\$238,382,000 (2024: HK\$128,541,000) and the weighted average number of ordinary shares in issue during the period of 836,074,218 (2024: 836,074,218 shares).

The Group had no potentially dilutive ordinary shares in issue during the periods ended 30 June 2025 and 2024.

## 9. TRADE RECEIVABLES

	<b>As at 30 June 2025</b>	As at 31 December 2024
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
Trade receivables	<b>6,611</b>	5,572

Trade receivables mainly consist of receivables from property management services and rental receivables, the tenants are usually required to settle the rental payments on the first day of the rental period, and are required to pay rental deposits with amount ranging from two to three months' rentals in order to secure any default in their rental payments. The Group does not hold any collateral or other credit enhancements over its trade receivables balances.

An ageing analysis of trade receivables as at the end of the reporting period, based on the invoice dates and net of loss allowance, is as follows:

	As at <b>30 June</b> <b>2025</b> <i><b>HK\$'000</b></i> <i><b>(Unaudited)</b></i>	As at 31 December 2024 <i><b>HK\$'000</b></i> <i><b>(Audited)</b></i>
Within 1 month	<b>1,197</b>	1,948
1 to 2 months	<b>283</b>	700
2 to 3 months	<b>255</b>	765
3 to 12 months	<b>4,483</b>	1,765
Over 1 year	<b>393</b>	394
	<hr/> <b>6,611</b> <hr/>	<hr/> 5,572 <hr/>

#### 10. TRADE PAYABLES

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

	As at <b>30 June</b> <b>2025</b> <i><b>HK\$'000</b></i> <i><b>(Unaudited)</b></i>	As at 31 December 2024 <i><b>HK\$'000</b></i> <i><b>(Audited)</b></i>
Within 1 month	<b>602</b>	2,170
	<hr/> <b>602</b> <hr/>	<hr/> 2,170 <hr/>

The trade payables are non-interest-bearing and are normally settled on 60-day terms.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 15 September 2025 to Wednesday, 17 September 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 12 September 2025. The interim dividend will be paid to shareholders whose names appear on the register of members on Wednesday, 17 September 2025 and the payment date will be on or about Thursday, 23 October 2025.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **REVIEW OF OPERATIONS**

#### **PROPERTY INVESTMENT**

##### **Hong Kong**

The Group's investment properties in Hong Kong mainly comprise office buildings, industrial buildings, retail shops and car parks. These investment properties contributed stable rental revenue of approximately HK\$35 million for the six months ended 30 June 2025 (2024: HK\$36 million).

##### **Shanghai, China**

The Group's investment property portfolio in Shanghai, China comprises three residential complexes operating under the brand name of "Windsor Renaissance", which consists of around 182 blocks of hotel-serviced villas and 126 hotel-serviced apartments in total. Windsor Renaissance is regarded as a symbol of high quality hotel-serviced villas and apartments in Shanghai, and is well recognised by consulates and management of foreign business entities. These properties in Shanghai had an average occupancy rate of approximately 86% and generated rental and management fee revenue of approximately HK\$74 million for the six months ended 30 June 2025 (2024: HK\$77 million).

## **Zhuhai, China**

### *Zhuhai Qianshan*

The Group has a plot of 36,808 square meters commercial use land in Qianshan, Zhuhai, where a few existing residents have not yet relocated. Local government is responsible for relocation work, but the progress has been very slow.

To speed up the relocation progress, the Group has proposed to local government an adjustment in planning that a portion of such commercial use land be allocated for building residential units for in situ resettlement of existing residents. However, such proposal requires coordination among a number of government departments, for example, the change of land use planning. The Group is currently waiting for comments and approval from relevant government departments.

### *Zhuhai Doumen*

On 24 February 2021, 珠海市自然資源局 (literally translated as Zhuhai Municipal Natural Resources Bureau) issued its latest compensation notice (letter reference number (2021)52) in respect of the resumption of the 94,110.84 square meters hotel, commercial and exhibition use land located in Doumen, Zhuhai (the “Doumen Land”) which was previously owned by the Group, the amount of compensation was approximately RMB205,538,000.

The management considered that the Zhuhai Municipal Natural Resources Bureau had no legal basis to make the above compensation decision and was against legal procedures. The Zhuhai Municipal Natural Resources Bureau not only failed to specify relevant legal basis on the above compensation notice, it also once again hired valuation agency unilaterally without the Group’s consent, and submitted to such agency information which had not been confirmed by the Group as the basis for making assessment. As a result, the assessment for the Doumen Land’s value was substantially inaccurate and thus was unfair to the Group. To protect the Group’s legitimate interests, the Group has engaged lawyers to file administrative complaints against local government departments including the Zhuhai Municipal Natural Resources Bureau, and the judicial proceedings are still in progress.

As of the date of this report, the Group has not reached an agreement with the Zhuhai Municipal Natural Resources Bureau on the amount of compensation available to the Group in respect of the resumption of the Doumen Land. Nevertheless, no material negative impact on the daily operations and the financial position of the Group is expected.

## FINANCIAL INVESTMENTS

As of 30 June 2025, the Group held approximately HK\$1,188 million (31 December 2024: HK\$980 million) of highly liquid equity investments consisted mainly of blue chips stocks and Exchange Traded Funds listed in Hong Kong. These equity investments were held by the Group for long-term investment purpose and earning dividend income.

The Group's equity investments recorded a net fair value gain of approximately HK\$207 million during the reporting period (six months ended 30 June 2024: HK\$91 million) when marking the investment portfolio to market valuation as of 30 June 2025, along with dividend income of approximately HK\$31 million (six months ended 30 June 2024: HK\$27 million).

The equity investments held by the Group as at 30 June 2025 were as follows:

Stock Code	Company Name	Principal Business	Number of shares held as at 30 June 2025 '000	Percentage of shareholding as at 30 June 2025 %	Investment cost June 2025 HK\$'000	Realised gain on change in fair value for the six months ended 30 June 2025 HK\$'000	Unrealised gain on change in fair value for the six months ended 30 June 2025 HK\$'000	Dividend income for the six months ended 30 June 2025 HK\$'000	Fair value/ carrying amount as at 30 June 2025 HK\$'000	Percentage to the Company's total assets as at 30 June 2025 %
2800	Tracker Fund of Hong Kong	Collective investment fund, structured as a unit trust established under Hong Kong law, provide investment results that closely correspond to the performance of the Hang Seng Index.	7,850	0.10	196,381	–	33,441	1,727	192,482	1.36
5	HSBC Holdings plc	Banking and financial services, manages its products and services through four businesses: Retail Banking and Wealth Management (RBWM), Commercial Banking (CMB), Global Banking and Markets (GB&M), and Global Private Banking (GPB).	5,743	0.03	385,760	–	109,972	20,507	545,265	3.85
2828	Hang Seng China Enterprises Index ETF	Sub-fund of the Hang Seng Investment Index Funds Series, a unit trust established as an umbrella fund under the laws of Hong Kong, which aims to match, before expenses, as closely as practicable the performance of the Hang Seng China Enterprises Index.	2,664	0.63	337,354	–	37,669	–	235,551	1.66
3988	Bank of China Limited	Banking and financial services, a China-based company principally engage in the provision of banking and related financial services.	29,300	0.04	101,558	–	17,287	7,660	133,608	0.94

Stock Code	Company Name	Principal Business	Number of shares held as at 30	Percentage of shareholding as at 30	Investment cost HK\$'000	Realised gain on change in fair value for the six months ended 30	Unrealised gain on change in fair value for the six months ended 30	Dividend income for the six months ended 30	Fair value/ carrying amount as at 30	Percentage to the Company's total assets as at 30
			June 2025 '000	June 2025 %		June 2025 HK\$'000	June 2025 HK\$'000	June 2025 HK\$'000	June 2025 HK\$'000	June 2025 %
941	China Mobile Limited	Telecommunication and Services, a China-based company principally engage in telecommunication and related businesses including mobile businesses, wireline Broadband businesses and Internet of Things (IoT) businesses.	340	0.00	31,219	-	3,570	846	29,614	0.21
2628	China Life Insurance Company Limited	Life insurance, a China-based company principally engage provides a range of insurance products, including individual and group life insurance, health insurance and accident insurance products.	1,000	0.01	29,741	-	4,160	-	18,840	0.13
857	PetroChina Co. Ltd.	Petroleum and gases, a China-based company principally engage in the production and distribution of oil and gas.	2,378	0.01	24,819	-	1,522	-	16,050	0.11
	Other listed securities#				56,014	-	(131)	25	16,148	0.11
						-	207,490	30,765	1,187,558	8.37

# Other listed securities mainly comprised equity investments in 11 companies whose shares were mainly listed on the Main Board of Stock Exchange. The carrying value of each of these investments represented less than 1% of the total assets of the Group as at 30 June 2025.

The Board acknowledges that the performance of the equity investments could be affected by factors such as the worldwide economy and volatility in the Chinese and Hong Kong stock markets, and is susceptible to other external factors that may affect their values. In order to mitigate possible financial risk related to the equity investments, the management will closely monitor the performance of respective equity investments and the changes in market condition, and will adjust this portfolio of investments when appropriate.



## **FINANCIAL REVIEW**

The Group recorded increase in profit of approximately 80% for the six months ended 30 June 2025 to approximately HK\$286 million (2024: HK\$159 million). The increase in profit was mainly due to the increase in unrealised fair value gain and dividend income on equity investments.

In the first half of 2025, the Group's rental and property management services income decreased by approximately 4% to approximately HK\$110 million (2024: HK\$114 million). During the period under reporting, rental income from Hong Kong amounted to approximately HK\$35 million (2024: HK\$36 million); rental and management fee income from hotel-serviced apartments and villas in Shanghai decreased by approximately 4% to approximately HK\$74 million (2024: HK\$77 million).

During the six months ended 30 June 2025, the Group's equity investments recorded an unrealised fair value gain of approximately HK\$207 million (2024: HK\$91 million) and dividend income of approximately HK\$31 million (2024: HK\$27 million), represented a year-on-year increase of approximately 127% and 15% respectively.

## **MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES**

The Group did not have any material acquisitions and disposals of subsidiaries, associated companies and joint ventures during the six months ended 30 June 2025.

## **FOREIGN CURRENCY EXPOSURE**

The Group's monetary assets, liabilities and transactions are mainly denominated in Renminbi, Hong Kong dollar, United States dollar and the Malaysian Ringgit. The Group is exposed to foreign exchange risk with respect mainly to Renminbi which may affect the Group's performance. The management is aware of the possible exchange risk exposure due to the continuing fluctuation of Renminbi and will closely monitor its impact on the performance of the Group and when appropriate hedge its currency risk.

As of 30 June 2025, the Group had no financial instrument for foreign currency hedging purpose.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flows and banking facilities provided by principal bankers in Hong Kong. In order to preserve liquidity and enhance interest yields, liquid assets were maintained in the form of highly liquid equity investments of approximately HK\$1,188 million (31 December 2024: HK\$980 million) as of 30 June 2025. The Group's cash and cash equivalents as of 30 June 2025 amounted to approximately HK\$963 million (31 December 2024: HK\$388 million).

As of 30 June 2025, the Group had total bank borrowings amounted to approximately HK\$2,159 million (31 December 2024: HK\$1,641 million), which were secured by legal charges on the Group's certain investment properties in Hong Kong, Shanghai and properties under development in Malaysia. The Group's bank borrowings were mainly arranged on a floating rate basis. The maturity of bank borrowings of the Group as at 30 June 2025, ignoring the effect of any repayment on-demand clause, was as follows:

	<i>HK\$'000</i> (Unaudited)
Within one year	592,500
In the second year	280,000
In the third to fifth years, inclusive	1,204,465
After five years	<u>81,629</u>
Total	<u><u>2,158,594</u></u>

With the total bank borrowings of approximately HK\$2,159 million (31 December 2024: HK\$1,641 million) and the total equity of approximately HK\$10,227 million (31 December 2024: HK\$9,958 million), the Group's gearing ratio as at 30 June 2025 was around 21% (31 December 2024: 16%).

## CONTINGENT LIABILITY

As of 30 June 2025, the Group had no material contingent liability.

## COMMITMENTS

As of 30 June 2025, the Group had committed payment for the construction and land development expenditure amounting to approximately HK\$4 million (31 December 2024: HK\$4 million).

## **EMPLOYEES AND REMUNERATION POLICY**

As of 30 June 2025, the Group had approximately 201 employees in Shanghai, Zhuhai, Hong Kong and Malaysia. During the period, the staff costs (including directors' emoluments) amounted to approximately HK\$17 million (2024: HK\$16 million).

The objective of the Group's remuneration policy is to maintain fair and competitive packages based on business requirements and industry practice. In order to determine the level of remuneration paid to its employees (including directors and senior management), their performance, experience and the prevailing market condition are mainly considered. In addition to salaries, provident fund scheme, discretionary bonuses and tuition/training subsidies are available to employees. Level of remuneration is reviewed annually. During the review process, no individual director is involved in decisions relating to his own remuneration.

## **PROSPECT**

### **Property Investment**

Although the residential leasing market in Hong Kong remained stable in the first half of 2025, demand for office and industrial properties continued to weaken, which may adversely affect overall rental levels and occupancy rates of such properties and, in turn, the valuation of the Group's property portfolio as at the end of 2025. In addition, recent volatility in the Hong Kong Interbank Offered Rate has introduced the risk of higher borrowing costs for the Group. Although revenues from Shanghai, China, are expected to remain stable in 2025, the Group's financial performance for year 2025 remains subject to significant uncertainty.

To further expand its core business and diversify risk, the Group has in recent years actively pursued overseas investments, including real estate development projects and land bank acquisitions in Malaysia. Looking ahead, the Group will continue to seek diversified investment opportunities across various markets with the aim of further enhancing shareholder returns.

### **Financial Investment**

Despite the Group's listed securities portfolio recording significant net fair value gains in the first half of 2025, a range of factors – such as the ongoing tariff war, movements in interest rates, and geopolitical developments in Europe and the Middle East – are likely to continue influencing global financial markets in the second half of the year. As a result, the value of the Group's listed securities portfolio may experience substantial volatility in the latter half this year, posing a material impact on the Group's full-year performance for 2025. Management will continue to adopt prudent investment strategies and ensure that the Group's core operations remain insulated from these risks.

## **EVENTS AFTER THE REPORTING PERIOD**

There were no significant events which may materially affect the Group's operations and financial performance subsequent to 30 June 2025 and up to the date of this announcement.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the six months ended 30 June 2025.

## **REVIEW BY AUDIT COMMITTEE**

The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the Group's unaudited interim results for the six months ended 30 June 2025.

## **CORPORATE GOVERNANCE CODE**

In the opinion of the directors of the Company, the Company has applied the principles and complied with code provisions of the Corporate Governance Code (the "Code") as set out in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 June 2025, save as disclosed below.

Under code provision B.2.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Under the bye-laws of the Company, at each annual general meeting, one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation save any director holding office as chairman and managing director. The Board considers that the exemption of both the chairman and the managing director of the Company from such retirement by rotation provisions would provide the Group with strong and consistent leadership, efficient use of resources, effective planning, formulation and implementation of long-term strategies and business plans. The Board believes that it would be in the best interest of the Company for such directors to continue to be exempted from retirement by rotation provisions. The Company intends to propose any amendment of relevant bye-laws of the Company, if necessary, in order to ensure compliance with the Code.

## **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”) set out in Appendix C3 of the Listing Rules as its own code of conduct regarding directors’ securities transactions. Based on specific enquiry of all directors of the Company, all directors of the Company confirmed that they have complied with the required standard set out in the Model Code for the six months ended 30 June 2025.

## **BOARD OF DIRECTORS**

As of the date of this announcement, the executive directors of the Company are Mr. Lau Chi Yung, Kenneth, Mr. Lau Michael Kei Chi and Ms. Leung Wei San Saskia and the independent non-executive directors of the Company are Mr. Lo Mun Lam, Raymond, Mr. Lo Kam Cheung, Patrick, Mr. Tsui Ka Wah and Mr. Ng Sing Yip.

By Order of the Board  
**Lau Chi Yung, Kenneth**  
*Chairman*

Hong Kong, 28 August 2025