ZHONGCHANG INTERNATIONAL HOLDINGS GROUP LIMITED
中昌國際控股集團有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 859)

UNAUDITED INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the "**Board**") of directors (the "**Directors**") of Zhongchang International Holdings Group Limited (the "**Company**", together with its subsidiaries, collectively referred to as the "**Group**") announces the unaudited consolidated interim results of the Group for the six months ended 30 June 2025 ("**Interim Period**"), together with the comparative figures for the six months ended 30 June 2024 as follows.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Unaudited	
		Six months ended 30 June 2025	Six months ended 30 June 2024
	Notes	***HK$'000***	*HK$'000*
Revenue	4	**14,683**	16,863
Other income, net	5	**10**	1,115
Net loss in fair value of investment properties	11	**(16,400)**	(12,016)
Staff costs	6	**(1,386)**	(1,498)
Depreciation of property, plant and equipment	6	**–**	(17)
Depreciation of right-of-use assets	6	**(428)**	(428)
Other operating expenses		**(2,275)**	(2,187)
(Loss)/profit from operations	6	**(5,796)**	1,832
Finance costs	7	**(25,013)**	(25,795)
Loss before tax		**(30,809)**	(23,963)
Income tax expense	8	**(657)**	(2,366)
Loss for the period		**(31,466)**	(26,329)

	Notes	Unaudited **Six months ended 30 June 2025** ***HK$'000***	 Six months ended 30 June 2024 *HK$'000*
Other comprehensive income/(loss), net of tax			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on translating foreign operations		**74**	(36)
Other comprehensive income/(loss) for the period, net of tax		**74**	(36)
Total comprehensive loss for the period		**(31,392)**	(26,365)
Loss for the period attributable to the owners of the Company		**(31,466)**	(26,329)
Total comprehensive loss for the period attributable to the owners of the Company		**(31,392)**	(26,365)
Loss per share attributable to ordinary equity holders of the Company			
Basic and diluted			
– For loss for the period (in HK cents)	10	**(2.80)**	(2.34)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	**Unaudited 30 June 2025** *HK$'000*	Audited 31 December 2024 *HK$'000*
ASSETS AND LIABILITIES			
Non-current assets			
Right-of-use assets		**214**	642
Investment properties	11	**1,565,700**	1,582,100
		1,565,914	1,582,742
Current assets			
Trade and other receivables, deposits and prepayments	12	**3,287**	2,064
Tax recoverables		**503**	377
Cash and cash equivalents		**7,731**	16,738
		11,521	19,179
Current liabilities			
Other payables, deposits and accrued expenses	13	**8,086**	10,171
Lease liabilities		**239**	702
Interest-bearing bank and other borrowings	14	**800,225**	792,028
Tax payables		**3,803**	3,803
		812,353	806,704

	Notes	Unaudited 30 June 2025 *HK$'000*	Audited 31 December 2024 *HK$'000*
Net current liabilities		**(800,832)**	(787,525)
Total assets less current liabilities		**765,082**	795,217
Non-current liabilities			
Other payables and deposits	13	**5,169**	4,607
Deferred tax liabilities		**14,620**	13,925
		19,789	18,532
Net assets		**745,293**	776,685
CAPITAL AND RESERVES			
Share capital	15	**112,502**	112,502
Reserves		**632,791**	664,183
Total equity		**745,293**	776,685

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. GENERAL INFORMATION

The Company was incorporated in Bermuda on 16 December 1999 as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended).

The Company acts as an investment holding company and the principal activities of the Group are leasing of investment properties in Hong Kong.

The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

The functional currency of the Company is Hong Kong Dollars ("**HK$**") and the functional currency of its operation in the PRC is Renminbi ("**RMB**"). The condensed consolidated financial statements are presented in HK$, unless otherwise stated. The condensed consolidated financial statements has not been audited.

2. BASIS OF PREPARATION

Statement of compliance

The interim condensed consolidated financial statements for the six months ended 30 June 2025 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial statements does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

Going concern

As at 30 June 2025, the Group's total current liabilities exceeded its total current assets by approximately HK$800,832,000 (31 December 2024: approximately HK$787,525,000). The Directors considered that the controlling shareholder has intention to provide continuing financial support to the Company so as to enable the Company to meet its liabilities as and when they fall due. Accordingly, the Directors believe that the Group has adequate resources to continue its operations in the foreseeable future of not less than 12 months from the end of the reporting period. Therefore, they are of the opinion that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial statements.

Amendments to HKAS 21	*Lack of Exchangeability*

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

The segmentations are based on the information about the operation of the Group that management uses to make decisions and regularly review by the Directors, being the chief operating decision maker for the purpose of allocating resources to segments and assessing their performance.

The Group's operating and reportable segment under *HKFRS 8 Operating Segments* is property investment – leasing of investment properties in Hong Kong. Accordingly, no operating segment is presented.

5. OTHER INCOME, NET

	Unaudited	
	Six months ended 30 June 2025	Six months ended 30 June 2024
	HK$'000	*HK$'000*
Bank interest income	**9**	265
Exchange gain, net	**–**	20
Sundry income	**1**	830
	10	1,115

6. LOSS FROM OPERATIONS

	Unaudited	
	Six months ended 30 June 2025	Six months ended 30 June 2024
	HK$'000	*HK$'000*
The Group's loss from operations is arrived at after charging/(crediting):		
Directors' emoluments	**270**	270
Other staff costs	**1,116**	1,228
Total staff costs	**1,386**	1,498
Depreciation of property, plant and equipment	**–**	17
Depreciation of right-of-use assets	**428**	428
Gross rental income from investment properties	**(14,683)**	(16,863)
Less: Direct operating expenses from investment properties that generated rental income during the period	**1,458**	1,234
	(13,225)	(15,629)

7. FINANCE COSTS

	Unaudited	
	Six months ended 30 June 2025	Six months ended 30 June 2024
	HK$'000	*HK$'000*
Interest on bank and other borrowings	**24,992**	25,738
Interest on lease liabilities	**21**	57
	25,013	25,795

8. INCOME TAX EXPENSE

	Unaudited Six months ended 30 June 2025 *HK$'000*	Six months ended 30 June 2024 *HK$'000*
Current tax		
Hong Kong profits tax		
– Provision for the period	**–**	1,693
– Over-provision in prior years	**(38)**	–
	(38)	1,693
Deferred taxation		
– Charged to the condensed consolidated statement of profit or loss and other comprehensive income	**695**	673
	657	2,366

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (six months ended 30 June 2024: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (six months ended 30 June 2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (six months ended 30 June 2024: 16.5%).

Under the law of the PRC on EIT (the "**EIT Law**") and implementation regulation of the EIT Law, the PRC subsidiaries of the Group are subjected to PRC EIT of a rate of 25%.

9. INTERIM DIVIDEND

The Directors do not recommend any interim dividend for the Interim Period (six months ended 30 June 2024: Nil).

10. LOSS PER SHARE

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

	Unaudited	
	Six months ended 30 June 2025	Six months ended 30 June 2024
	HK$'000	*HK$'000*
Loss		
Loss attributable to ordinary equity holders of the Company used in the basic and diluted loss per share	**(31,466)**	(26,329)

	Six months ended 30 June 2025	Six months ended 30 June 2024
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**1,125,027**	1,125,027

For the six months ended 30 June 2025 and 2024, the diluted loss per share is the same as the basic loss per share. The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2025 and 2024.

11. INVESTMENT PROPERTIES

	Completed investment properties, in Hong Kong
	HK$'000
FAIR VALUE:	
At 1 January 2025	1,582,100
Net loss in fair value recognised in the condensed consolidated statement of profit or loss and other comprehensive income	(16,400)
At 30 June 2025 (Unaudited)	**1,565,700**

The fair value of the Group's investment properties as at 30 June 2025 was determined by valuations carried out by Vincorn Consulting and Appraisal Limited (31 December 2024: Vincorn Consulting and Appraisal Limited), an independent qualified professional valuer not connected to the Group.

The responsible valuers of Vincorn Consulting and Appraisal Limited are members of the Hong Kong Institute of Surveyors, and it has appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was determined based on (i) the sales comparison approach, which involves an analysis of sales transactions of comparable properties within the neighbourhood area of the properties; and (ii) the income capitalisation approach, which involves estimating the rental incomes of the properties and capitalising them all on an appropriate rate to produce a capital value.

There have been no changes to the valuation techniques during the Interim Period.

The resulting decrease in fair value of investment properties of HK$16,400,000 (six months ended 30 June 2024: approximately HK$12,016,000) has been recognised directly in the condensed consolidated statement of profit or loss and other comprehensive income for the Interim Period.

As at 30 June 2025, investment properties with a carrying amount in aggregate of HK$1,565,700,000 (31 December 2024: HK$1,582,100,000) were pledged as collateral for the Group's bank borrowings.

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Unaudited 30 June 2025	Audited 31 December 2024
	HK$'000	*HK$'000*
Rental receivables, net of allowance for credit losses *(Note (i))*	**781**	84
Other receivables, deposits and prepayments, net of allowance for credit losses *(Note (ii))*	**2,506**	1,980
	3,287	2,064

Notes:

(i) The amount represents rental receivables for leasing of investment properties.

The Group maintains a defined and restricted credit policy to assess the credit quality of each counterparty or tenant. The collection is closely monitored to minimise any credit risk associated with these rental receivables.

The ageing analysis of the Group's rental receivables is as follows:

	Unaudited 30 June 2025	Audited 31 December 2024
	HK$'000	*HK$'000*
0 to 30 days	**351**	23
31 to 60 days	**259**	20
61 to 90 days	**105**	21
91 to 180 days	**66**	20
	781	84

Rental receivables that were past due but not impaired relate to a number of independent tenants that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there have not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

(ii) The amount represents other receivables, deposits and prepayments:

	Unaudited 30 June 2025 *HK$'000*	Audited 31 December 2024 *HK$'000*
Prepayments	**209**	35
Deposits and other receivables	**276,867**	272,377
Prepaid tax	**14**	14
	277,090	272,426
Less: Allowance for credit losses	**(274,584)**	(270,446)
	2,506	1,980

The movements in the allowance for credit losses of other receivables, deposits and prepayments are as follows:

	Unaudited 30 June 2025 *HK$'000*	Audited 31 December 2024 *HK$'000*
At 1 January	**270,446**	276,158
Impairment loss, net	**–**	162
Exchange realignment	**4,138**	(5,874)
At 30 June/31 December	**274,584**	270,446

13. OTHER PAYABLES, DEPOSITS AND ACCRUED EXPENSES

	Unaudited 30 June 2025 *HK$'000*	Audited 31 December 2024 *HK$'000*
Rental deposits received	**8,780**	9,123
Other payables and accrued expenses	**4,220**	5,440
	13,000	14,563
Contract liabilities *(Note)*	**255**	215
	13,255	14,778
Analysed into:		
Non-current portion	**5,169**	4,607
Current portion	**8,086**	10,171
	13,255	14,778

Note:

Details of contract liabilities are as follows:

	Unaudited 30 June 2025 *HK$'000*	Audited 31 December 2024 *HK$'000*
Short-term advance payments received from tenants	**255**	215

Contract liabilities include short-term advance payments received from tenants, which is related to advance rental payments from tenants at the end of the reporting period.

14. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 June 2025 (Unaudited)			31 December 2024 (Audited)		
	Effective interest rate	**Maturity**	***HK$'000***	Effective interest rate	Maturity	*HK$'000*
Current	**HIBOR plus**	**31 March**		HIBOR plus		
Bank loans – secured	**1.25%**	**2026**	**650,371**	1.25%	On demand	649,910
		31 December			31 December	
Other loans – unsecured	**12%**	**2025**	**149,854**	12%	2025	142,118
			800,225			792,028

The carrying amount of the above bank and other borrowings are repayable as follows:

	Unaudited	Audited
	30 June	31 December
	2025	2024
	HK$'000	*HK$'000*
On demand or within one year	**800,225**	792,028

As at 30 June 2025, interest payable of approximately HK$20,416,000 (31 December 2024: approximately HK$12,218,000) was included in bank and other borrowings.

The bank borrowings are secured by the Group's assets which were set out in the section "Charges on Group Assets" of this announcement.

Details of corporate guarantees of the Group were set out in the section "Corporate Guarantee" of this announcement.

15. SHARE CAPITAL

			Amount	
	Number of shares		**Unaudited**	Audited
	30 June	31 December	**30 June**	31 December
	2025	2024	**2025**	2024
	'000	*'000*	***HK$'000***	*HK$'000*
Authorised:				
Ordinary of shares of HK$0.10 each	**2,000,000**	2,000,000	**200,000**	200,000
Issued and fully paid	**1,125,027**	1,125,027	**112,502**	112,502

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

During the Interim Period, the Group's revenue was primarily derived from rental income generated from its investment properties in Hong Kong, which are mainly situated at prime retail and shopping locations in Causeway Bay, Hong Kong Island.

The first half of 2025 has been another challenging period in Hong Kong. Global economic uncertainties, geopolitical tension, the changes in consumption patterns of visitors and resident and the persistent drop in consumer sentiment have collectively contributed to the adverse impact on the retail market. The business prospect of the Group has been highly correlated with the retail consumption situation in Hong Kong. Provisional figures released by the Hong Kong Census and Statistics Department showed Hong Kong's retail sales dropped 3.3 per cent in the first half of 2025 compared with the same period in 2024.

Property leasing business

During the Interim Period, the Group recorded rental income from investment properties of approximately HK$14.7 million (six months ended 30 June 2024: approximately HK$16.9 million).The decrease in rental income was primarily attributable to the negative rental reversion arising from renewal of certain existing tenancy agreements and the decline in the occupancy rate as compared to the corresponding period of last year.

As at 30 June 2025, the investment property portfolio of the Group achieved an occupancy rate (as measured by the percentage of total leased lettable area over the total lettable area of the Group's portfolio) of approximately 70.6% (31 December 2024: 70.6%). Jardine Center remained as the Group's core and steady income generator, accounted for approximately 77.0% of the total revenue of the Group during the Interim Period.

During the Interim Period, the Group remained focused on further bolstering the resilience of its core business of property leasing in Hong Kong, particularly in Causeway Bay, in order to preserve its long-term competitiveness and ensure sustainable development in this challenging market. The investment properties of the Group are mainly situated in the prime shopping district of Causeway Bay in Hong Kong. During the Interim Period, the tenants of the Group were mainly engaged in catering, beauty parlour and other retailing businesses.

Set out below is a table summarising the valuation of the investment properties portfolio of the Group in Hong Kong as at the end of the Interim Period and 31 December 2024, and revenue contribution of the investment properties portfolio of the Group in Hong Kong for the Interim Period as compared to that for the six months ended 30 June 2024:

	Valuation of investment properties as at 30 June 2025	Valuation of investment properties as at 31 December 2024	**Decrease in fair value of investment properties**	**Revenue for the six months ended 30 June 2025**	Revenue for the six months ended 30 June 2024	**Increase/ (decrease) in revenue**
	HK$'000	*HK$'000*	***HK$'000***	***HK$'000***	*HK$'000*	**%**
Causeway Bay						
Jardine Center, No.50 Jardine's Bazaar[1]	**1,257,000**	1,270,000	**(13,000)**	**11,308**	12,978	**(12.9)**
Ground Floor and Cockloft Floor, No.38 Jardine's Bazaar[2]	**68,000**	69,000	**(1,000)**	**965**	961	**0.4**
First Floor, Nos.38 and 40 Jardine's Bazaar[2]	**11,500**	11,600	**(100)**	**246**	235	**4.7**
Ground Floor including Cockloft, No.41 Jardine's Bazaar[2]	**86,000**	87,000	**(1,000)**	**1,072**	1,071	**0.1**
Ground Floor, No.57 Jardine's Bazaar[2]	**97,000**	98,000	**(1,000)**	**1,092**	1,092	**–**
Mid-Levels						
Shop No.1 on Ground Floor of K.K. Mansion, Nos.119, 121 & 125 Caine Road[2]	**46,200**	46,500	**(300)**	**–**	526	**(100.0)**
Total	**1,565,700**	1,582,100	**(16,400)**	**14,683**	16,863	**(12.9)**

(1) 24-storey commercial building

(2) Street-shop

As at 30 June 2025, the investment properties of the Group were revalued at HK$1,565.7 million (31 December 2024: HK$1,582.1 million) by an independent professional valuer. During the Interim Period, the loss in fair value of investment properties of HK$16.4 million (six months ended 30 June 2024: approximately HK$12.0 million) was recognised in the condensed consolidated statement of profit or loss and other comprehensive income. The loss in fair value of investment properties was mainly due to challenging macro environment.

OUTLOOK

Looking ahead, the difficult economic environment will continue to put pressure on Hong Kong economy in the second half of 2025. While the retail sector continues to adapt to the changes in consumption patterns, the Hong Kong Government's proactive efforts in promoting tourism and mega events, in tandem with the increase in employment earnings and sustained steady growth of the Mainland economy, will help bolster consumption sentiment and support the consumption market. The Group also believes that Hong Kong Government's measures to attract talent and promote Hong Kong as a business headquarters will have a positive impact on the retail market. We will continue enhancing our operational efficiency to ensure agility during the current economic situation.

Under the impact of ongoing uncertainties, the Group will continue to focus on its core business in property leasing and will continue to act with prudence and caution. The business priorities of the Group are to improve its liquidity and financial position. The Group has been continuing negotiating with financial institutions to roll over or to reschedule the loan repayments. The Group will continue with its best effort to adopt prudent capital management and liquidity risk management in order to preserve adequate buffer to meet the challenges ahead.

Looking ahead into second half of 2025, the Group believes that retail leasing is expected to remain stable as domestic consumption and tourist foot traffic improve. Demand will primarily be driven by food and beverage operators catering to the mass- and mid-market segments. Retailers offering affordable goods and services aiming at the local community will comprise a sizable portion of demand for retail space. As the investment properties of the Group are mainly situated in the prime shopping district of Causeway Bay in Hong Kong, the Board of the Group believes it remains well-paced to capture potential growth opportunities during the recovery of Hong Kong's tourism and retail sector.

FINANCIAL REVIEW

Revenue

For the Interim Period, the revenue of the Group amounted to approximately HK$14.7 million, representing a decrease of approximately 12.9% from approximately HK$16.9 million recorded in the corresponding period of last year. The decrease in rental income was primarily attributable to the negative rental reversion arising from renewal of certain existing tenancy agreements and the decline in the occupancy rate as compared to the corresponding period of last year.

Other income

Other income for the Interim Period was approximately HK$0.01 million (six months ended 30 June 2024: approximately HK$1.1 million). The decrease was mainly due to (i) decrease in bank interest income and (ii) absence of sundry income during the Interim Period as compared with the corresponding period of last year.

Staff costs

For the Interim Period, the Group's staff costs amounted to approximately HK$1.4 million, representing a decrease of approximately 7.5% from approximately HK$1.5 million recorded in the corresponding period of last year. The decrease in staff costs was mainly due to departures of certain staff during the Interim Period.

Other operating expenses

Other operating expenses amounted to approximately HK$2.3 million for the Interim Period, representing an increase of approximately 4.0% from approximately HK$2.2 million recorded in the same period of last year. Other operating expenses mainly comprised of investment properties operating costs, professional fees and general administrative costs.

Net loss in fair value of investment properties

As at 30 June 2025, the investment properties of the Group were revalued at HK$1,565.7 million (31 December 2024: HK$1,582.1 million) by an independent professional valuer. During the Interim Period, a fair value loss on investment properties of HK$16.4 million was recognised in the condensed consolidated statement of profit or loss and other comprehensive income. The fair value loss on the investment properties was primarily due to challenging macro environment.

Finance costs

For the Interim Period, finance costs of the Group amounted to approximately HK$25.0 million, representing a decrease of approximately 3.0% from approximately HK$25.8 million recorded in the corresponding period of last year. Such decrease was mainly attributable to the decrease in bank loan interest rate during the Interim Period.

Loss for the period attributable to the owners of the Company

Loss for the period attributable to the owners of the Company for the Interim Period amounted to approximately HK$31.5 million (six months ended 30 June 2024: loss of approximately HK$26.3 million). As a result of the reasons mention above, the loss for the Interim Period was primarily due to loss in fair value of investment properties of HK$16.4 million and finance costs of approximately HK$25.0 million incurred.

Liquidity and financial resources

The Group's business operations were generally funded by its internal resources and bank and other borrowings. As at 30 June 2025, the Group's outstanding bank and other amounted to approximately HK$800.2 million (31 December 2024: approximately HK$792.0 million), of which all outstanding bank and other borrowings are repayable within one year.

As at 30 June 2025, the Group maintained cash and cash equivalents of approximately HK$7.7 million (31 December 2024: approximately HK$16.7 million). The decrease in cash and cash equivalents was mainly attributable to payment of interest on bank borrowings during the Interim Period.

The Group's gearing ratio as at 30 June 2025, which is calculated on the basis of total liabilities over total assets, was approximately 52.8% (31 December 2024: approximately 51.5%). The current ratio of the Group, which is calculated by dividing current assets over current liabilities as at 30 June 2025, was approximately 0.01 (31 December 2024: approximately 0.02). The decrease in current ratio as at 30 June 2025 as compared to 31 December 2024 was mainly due to the decrease in cash and bank balances of the Group.

As at 30 June 2025, the Group recorded net current liabilities of approximately HK$800.8 million (31 December 2024: approximately HK$787.5 million). The net current liabilities were mainly due to maturity of the Group's bank and other borrowings which were repayable within one year. The maturity date of bank borrowings in principal amount of approximately HK$649.8 million was extended from 30 June 2025 to 31 March 2026. The Group's ability to continue as a going concern largely depends on the sufficiency of financial resources available to the Group. The Directors are of the view that, the Group will have sufficient working capital to meet its financial obligations as and when they fall due within one year.

Capital structure

As at 30 June 2025, the issued share capital of the Company was 1,125,027,072 ordinary shares. During the Interim Period, there was no movement of the issued share capital of the Company.

As at 30 June 2025, the unaudited net assets of the Group amounted to approximately HK$745.3 million, representing a decrease of approximately 4.0% from the net assets of approximately HK$776.7 million as at 31 December 2024. With the total number of 1,125,027,072 ordinary shares in issue as at 30 June 2025, the net assets value per share was approximately HK$0.66 (31 December 2024: approximately HK$0.69).

Treasury Policy

The Group's transactions and its monetary assets and liabilities are principally denominated in HK$ and RMB. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

INTERIM DIVIDEND

The Directors do not recommend any interim dividend for the Interim Period (six months ended 30 June 2024: Nil).

CORPORATE GUARANTEE

As at 30 June 2025, the Company provided corporate guarantee to a bank for securing banking facilities granted to its subsidiaries which amounted to HK$1,127.0 million (31 December 2024: HK$1,127 million).

CHARGES ON GROUP ASSETS

As at 30 June 2025, the Group has pledged the following assets:

(a) Investment properties in Hong Kong with an aggregate carrying amount of HK$1,565.7 million for securing the Group's bank borrowings;

(b) Share mortgage of certain subsidiaries for securing their respective bank borrowings; and

(c) Rent assignments in respect of the investment properties held by the Group.

CONTINENT LIABILITIES

As at 30 June 2025, the Group had no significant contingent liabilities.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group had 3 employees (31 December 2024: 5 employees). The Group offers its employees competitive remuneration packages which commensurate with their performance, experience and job responsibilities. The Group also provides other benefits including but not limited to medical insurance, discretionary bonus and mandatory provident fund schemes.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have significant investments, material acquisitions and disposals during the Interim Period.

EVENT AFTER THE REPORTING PERIOD

No material events have been taken place after the reporting period and up to the date of this announcement.

NO MATERIAL CHANGES

Since the publication of our audited financial statements for the year ended 31 December 2024 on 28 March 2025, there have been no material changes to our business.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Interim Period.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has adopted a corporate governance code prepared based on the code provisions (the "**Code Provisions**") of the latest code on corporate governance (the "**CG Code**") as set out in Appendix C1 to Listing Rules from time to time as the guidelines for corporate governance of the Company. The Company has complied with the CG Code throughout the Interim Period.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding securities transactions by the Directors. Following specific enquiry by the Company, all the Directors have confirmed that they have fully complied with the required standard as set out in the Model Code throughout the Interim Period.

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company ("**Audit Committee**") comprises two independent non-executive Directors, namely, Mr. Yip Tai Him (Chairman) and Mr. Liu Xin and one non-executive Director, namely, Ms. Yu Dan. The unaudited consolidated financial statements of the Group for the six months ended 30 June 2025 have been reviewed with no disagreement by the Audit Committee.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of the Company at www.zhongchangintl.hk and the website of the Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. The interim report of the Company for the six months ended 30 June 2025 will be despatched to the shareholders of the Company and will be available on the above websites in due course.

APPRECIATION

Finally, I would like to take this opportunity to thank the Group's shareholders and business partners for their support and encouragement to the Group during the past six months. I would also like to thank our Directors and all staff member of the Group for their hard work and contribution to the Group.

By order of the Board
Zhongchang International Holdings Group Limited
Chen Zhiwei
Chairman and Executive director

Hong Kong, 29 August 2025

As at the date of this announcement, the Board comprises Mr. Chen Zhiwei (Chairman), Ms. Ku Ka Lee and Ms. Huang Zhenghong as executive directors; Dr. Huang Qiang, Mr. Wong Chi Keung, Kenjie, Ms. Yu Dan as non-executive directors; and Mr. Liew Fui Kiang, Mr. Liu Xin and Mr. Yip Tai Him as independent non-executive directors.