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## DYNAMIC HOLDINGS LIMITED

達力集團有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 29)**

### INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

#### INTERIM RESULTS

The board of directors (the “**Board**”) of Dynamic Holdings Limited (the “**Company**”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 31 December 2025 together with comparative figures for the corresponding period in 2024. The condensed consolidated financial statements of the Group for the six months ended 31 December 2025 are unaudited and have been reviewed by the audit committee and external auditor, Deloitte Touche Tohmatsu, of the Company.

#### Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

		<b>Six months ended 31 December</b>	
		<b>2025</b>	<b>2024</b>
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Revenue</b>	3	<b>29,471</b>	33,784
Direct costs		<u><b>(11,372)</b></u>	<u>(11,588)</u>
<b>Gross profit</b>		<b>18,099</b>	22,196
Other income, gains and losses	4	<b>3,802</b>	4,503
Decrease in fair value of investment properties	8	<b>(88,060)</b>	(64,162)
Administrative expenses		<b>(14,743)</b>	(16,006)
Finance costs		<u><b>(81)</b></u>	<u>(149)</u>
<b>Loss before taxation</b>		<u><b>(80,983)</b></u>	<u>(53,618)</u>
<b>Income tax (charge) credit</b>	5		
– current tax		<b>(691)</b>	(1,988)
– deferred tax		<u><b>23,847</b></u>	<u>13,457</u>
		<u><b>23,156</b></u>	<u>11,469</u>
<b>Loss for the period</b>		<u><b>(57,827)</b></u>	<u>(42,149)</u>

		<b>Six months ended 31 December</b>	
		<b>2025</b>	<b>2024</b>
	<i>Note</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Other comprehensive income (expense):</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Exchange differences arising on translation to presentation currency		<u>70,948</u>	<u>(106,986)</u>
<b>Total comprehensive income (expense) for the period</b>		<u>13,121</u>	<u>(149,135)</u>
<b>(Loss) profit for the period attributable to:</b>			
Owners of the Company		(57,614)	(42,182)
Non-controlling interests		<u>(213)</u>	<u>33</u>
		<u>(57,827)</u>	<u>(42,149)</u>
<b>Total comprehensive income (expense) attributable to:</b>			
Owners of the Company		12,951	(148,591)
Non-controlling interests		<u>170</u>	<u>(544)</u>
		<u>13,121</u>	<u>(149,135)</u>
<b>Loss per share (Hong Kong cents)</b>			
Basic	7	<u>(24.24)</u>	<u>(17.75)</u>

## Condensed Consolidated Statement of Financial Position

		At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
<b>Non-current Assets</b>			
Property, plant and equipment		872	1,363
Right-of-use assets		2,113	3,190
Investment properties	8	1,654,276	1,725,028
Other asset		745	738
		<u>1,658,006</u>	<u>1,730,319</u>
<b>Current Assets</b>			
Properties under development	10	12,946,136	12,812,177
Trade and other receivables and prepayments	11	15,703	13,264
Amount due from a non-controlling shareholder		847	839
Fixed bank deposits		146,803	195,455
Bank balances and cash		285,844	242,872
		<u>13,395,333</u>	<u>13,264,607</u>
<b>Current Liabilities</b>			
Trade and other payables	12	87,320	90,122
Lease liabilities		2,319	2,325
Tax payable		90,707	89,828
		<u>180,346</u>	<u>182,275</u>
<b>Net Current Assets</b>		<u>13,214,987</u>	<u>13,082,332</u>
<b>Total Assets less Current Liabilities</b>		<u>14,872,993</u>	<u>14,812,651</u>

	At <b>31 December</b> <b>2025</b> <i>HK\$'000</i> <b>(Unaudited)</b>	At 30 June 2025 <i>HK\$'000</i> <b>(Audited)</b>
<b>Capital and Reserves</b>		
Share capital	<b>237,704</b>	237,704
Reserves	<b>7,069,378</b>	7,057,616
	<hr/>	<hr/>
<b>Equity attributable to owners of the Company</b>	<b>7,307,082</b>	7,295,320
<b>Non-controlling interests</b>	<b>39,943</b>	39,773
	<hr/>	<hr/>
<b>Total Equity</b>	<b>7,347,025</b>	7,335,093
	<hr/>	<hr/>
<b>Non-current Liabilities</b>		
Deferred tax liabilities	<b>7,517,607</b>	7,469,440
Long-term rental deposits received	<b>8,361</b>	6,990
Lease liabilities	<b>–</b>	1,128
	<hr/>	<hr/>
	<b>7,525,968</b>	7,477,558
	<hr/>	<hr/>
	<b>14,872,993</b>	14,812,651
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Notes:

## 1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited.

## 2. ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 31 December 2025 are the same as those presented in the Group’s annual financial statements for the year ended 30 June 2025.

### Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 July 2025 for the preparation of the condensed consolidated financial statements:

Amendments to HKFRS 21

Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standards 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 these condensed consolidated financial statements.

## 3. REVENUE AND SEGMENT INFORMATION

Information reported to the Board of directors (the “Directors”) of the Company, being the chief operating decision maker, for the purpose of resource allocation and assessment of performance focused on the location of the properties for property rental and property development.

The property rental segment includes property leasing operation in the People’s Republic of China (the “PRC”). The Group’s investment properties portfolio, which mainly consists of offices, residential and commercial units and carparks, are located in Shanghai and Beijing, the PRC. The property development segment includes the properties under development in Shenzhen, the PRC.

Property rental analysed based on distinct geographical locations, is the basis on which the Group reports its segment information under HKFRS 8 “Operating Segments”.

The following is an analysis of the Group's revenue and results by reportable and operating segment for the period:

	Property rental				Property development		Consolidated	
	Beijing		Shanghai		Shenzhen		2025	2024
	2025	2024	2025	2024	2025	2024		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>SEGMENT REVENUE</b>								
<b>REVENUE</b>								
External sales	<u>13,073</u>	<u>14,103</u>	<u>16,398</u>	<u>19,681</u>	<u>-</u>	<u>-</u>	<u>29,471</u>	<u>33,784</u>
<b>SEGMENT RESULT</b>	<u>(16,942)</u>	<u>(5,517)</u>	<u>(53,157)</u>	<u>(36,600)</u>	<u>(528)</u>	<u>(788)</u>	<u>(70,627)</u>	<u>(42,905)</u>
Unallocated other income, gains and losses							3,096	4,534
Unallocated corporate expenses							(13,371)	(15,098)
Finance costs							(81)	(149)
Loss before taxation							<u>(80,983)</u>	<u>(53,618)</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment result represents the loss from each segment without the allocation of central administration costs, certain other income, gains and losses (mainly including exchange (loss) gain, net, bank interest income and others) and finance costs. This is the measure reported to the Board of the Company for the purposes of resources allocation and performance assessment.

No segment of assets and liabilities are presented as no discrete financial information is available.

#### 4. OTHER INCOME, GAINS AND LOSSES

<b>Six months ended 31 December</b>	
<b>2025</b>	2024
<b>HK\$'000</b>	HK\$'000
<b>(Unaudited)</b>	(Unaudited)

Included in other income, gains and losses are:

Interest income on bank deposits	<b>3,129</b>	4,074
Exchange (loss) gain, net	<u>(258)</u>	<u>236</u>

## 5. INCOME TAX CHARGE (CREDIT)

	Six months ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
The tax charge (credit) comprises:		
Current tax in the PRC (other than Hong Kong)		
Enterprise Income Tax	691	1,988
Deferred tax credit	(23,847)	(13,457)
	<u>(23,156)</u>	<u>(11,469)</u>

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as the Group has no assessable profit 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 Group’s PRC subsidiary is 25% for both periods.

Certain subsidiaries of the Company incorporated in Hong Kong and the British Virgin Islands are subject to withholding tax ranging from 10% to 25% on their taxable profit or taxable rental income, management fee income and interest income in the PRC.

## 6. DIVIDENDS

During the current interim period, a final dividend of 0.5 Hong Kong cents per share in respect of the year ended 30 June 2025 (2024: 0.5 Hong Kong cents per share in respect of the year ended 30 June 2024) was declared to the owners of the Company.

Subsequent to the end of the current interim period, the Directors of the Company have determined that an interim dividend of 0.45 Hong Kong cents per share amounting to HK\$1,070,000 in aggregate (2024: HK\$1,189,000) will be paid to the owners of the Company whose names appear in the register of members of the Company on 2 April 2026.

## 7. LOSS PER SHARE

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

	Six months ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Loss</b>		
Loss for the purposes of basic loss per share (loss for the period attributable to owners of the Company)	<u>(57,614)</u>	<u>(42,182)</u>



## 9. INTEREST IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
Cost of investment, unlisted	74,386	74,386
Share of post-acquisition profits and reserves, net of deemed distribution	<u>(74,386)</u>	<u>(74,386)</u>
	<u>—</u>	<u>—</u>

*Note:*

Shenzhen Zhen Wah Harbour Enterprises Ltd. (“**Zhen Wah**”) was a sino-foreign equity joint venture company and indirectly held by the Company. The Group was able to exercise 50% voting power in the joint venture, which was determined by the proportion of the Group’s representatives in the board of directors of Zhen Wah.

The operation period of Zhen Wah expired on 16 January 2014. Based on the PRC laws and regulations and the related interpretations by an external PRC legal counsel engaged by the Group, the legal identity of Zhen Wah still exists. Accordingly, the Directors continue to account for Zhen Wah as a joint venture of the Group using the equity method of accounting in these consolidated financial statements.

Particulars of the joint venture as at 31 December 2025 and 30 June 2025 are as follows:

<u>Name of joint venture</u>	<u>Place of establishment</u>	<u>The Group’s equity interest</u>	<u>Principal activity</u>
Shenzhen Zhen Wah Harbour Enterprises Ltd.	PRC	49%	Operation ceased

## 10. PROPERTIES UNDER DEVELOPMENT

The properties under development of the Group represent the land-use rights for a piece of land situated near Tung Kok Tau in Shenzhen, the PRC, with a land-use right of up to 70 years commencing on 5 June 2008.

The management of the Group had carried out assessment on the properties under development based on the lower of cost and net realisable value. The net realisable value was determined with reference to the valuation performed by an independent qualified professional valuer.

## 11. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

Rentals receivable from tenants are payable on presentation of invoices.

The following is an aged analysis of trade receivables of HK\$3,845,000 (30 June 2025: HK\$4,139,000), net of allowance for credit losses of HK\$2,896,000 (30 June 2025: HK\$2,663,000), presented based on invoice date at the end of the reporting period:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
0–30 days	705	1,316
31–60 days	219	93
61–90 days	25	67
	<u>949</u>	<u>1,476</u>

As at 31 December 2025, included in the Group's trade receivable balances are debtors with a carrying amount of HK\$454,000 (30 June 2025: HK\$616,000) which are past due at the end of the reporting period for which the Group has not provided for credit loss as the management considers that the loss allowance on trade receivables are insignificant to the Group. The Group does not hold any collateral over these balances.

## 12. TRADE AND OTHER PAYABLES

At 31 December 2025, the balance of trade and other payables included trade payables of HK\$1,791,000 (30 June 2025: HK\$1,836,000) and provision of compensation payable related to the relocation of an ex-tenant amounted to HK\$51,834,000 (30 June 2025: HK\$51,738,000). The following is an aged analysis of trade payables based on the invoice date at the end of the reporting period:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
0–60 days	615	741
61–90 days	126	388
Over 90 days	1,050	707
	<u>1,791</u>	<u>1,836</u>

## RESULTS REVIEW

For the six months ended 31 December 2025 (the “**period**”), the Group reported a total revenue of HK\$29,471,000 (2024: HK\$33,784,000) and gross profit of HK\$18,099,000 (2024: HK\$22,196,000). This represents a decrease in revenue and gross profit of 13% and 18% respectively, as compared with the previous corresponding period (the “**last period**”). The gross profit margin was 61% (2024: 66%). These results were primarily due to a continued decrease in rental income from the Group’s investment properties in Chinese Mainland, which was denominated in Renminbi yuan (“**RMB**”).

During the period, the Group accounted for other income and gains amounting to HK\$3,802,000 (2024: HK\$4,503,000), mainly from bank interest income of HK\$3,129,000 (2024: HK\$4,074,000) with net exchange loss of HK\$258,000 (2024: net exchange gain of HK\$236,000).

Amid persistently subdued market sentiment particularly in the office sector in the period, the fair value of investment properties of the Group recorded a significant decline of HK\$88,060,000 (2024: HK\$64,162,000).

Taking into account the decrease in fair value of investment properties and related effect of deferred taxation, the Group recorded a loss for the period attributable to shareholders of the Company of HK\$57,614,000 (2024: HK\$42,182,000), translating to a basic loss per share of HK\$0.2424 (2024: HK\$0.1775). Excluding the effects of change in fair value and related tax effect in the period, the Group recorded an underlying profit of HK\$10,429,000 for the period.

Additionally, due to exchange difference on translation to presentation currency in HKD from functional currency in RMB, and given that RMB appreciated against Hong Kong dollar (“**HKD**”) by 0.96% (2024: devalued by 1.46%), the Group recorded other comprehensive income amounted to HK\$70,948,000 (2024: other comprehensive expense of HK\$106,986,000). As a result, total comprehensive income attributable to shareholders of the Company amounted to HK\$12,951,000 (2024: total comprehensive expense of HK\$148,591,000).

## BUSINESS REVIEW

During the period, the overall revenue and segment result of the Group were derived from segment of property rental (the revenue of which was denominated in RMB) principally from its investment properties in Chinese Mainland. The segment result also included those from segments of (i) property rental from its investment properties and (ii) property under development in Chinese Mainland. The performance of rental segment of the Group was adversely affected by the ongoing downtrend of the property market, leading to reduced rental income and occupancy rates as well as the downward pressure in fair value of investment properties as compared with the last period.

Rental income from its investment properties of the Group in Shanghai and Beijing totaled RMB26,822,000 (2024: RMB30,933,000), a decrease of 13% income as compared with the last period. This revenue, reported as HK\$29,471,000 (2024: HK\$33,784,000) in the financial statements, constituted all (2024: all) consolidated revenue of the Group. The fair value of the Group's investment properties, including shopping malls, car parks and other properties in Beijing; and office units in Shanghai, decreased by RMB80,145,000 (equivalent to HK\$88,060,000) (2024: RMB58,748,000 (equivalent to HK\$64,162,000)). As a result, the property rental segment recorded a loss of RMB63,799,000 (equivalent to HK\$70,099,000) (2024: RMB38,563,000 (equivalent to HK\$42,117,000)).

Excluding the effects of the change in fair value of these investment properties and related tax effect, the underlying segment result was a profit of RMB16,346,000 (equivalent to HK\$17,961,000) (2024: RMB20,185,000 (equivalent to HK\$22,045,000)).

Besides, the Group continued to develop a piece of land situated in Shenzhen for residential and commercial use with ancillary facilities, which was distributed to the Group in the prior year as mentioned below. This property was under development and did not generate any revenue (2024: nil) in the period. The segment recorded a loss of HK\$528,000 (2024: HK\$788,000) for the period.

## **Beijing**

In Beijing, the rental income from the well-established community mall of the Group in Chaoyang District dropped, with average occupancy rate of 84% (2024: 87%) during the period. The rental income was RMB11,898,000 (2024: RMB12,913,000), representing a decline of 8%, as compared with the last period. This translated into HK\$13,073,000 (2024: HK\$14,103,000), accounting for 44% (2024: 42%) of the total revenue of the Group. The decline in both occupancy rate and rental income was primarily attributable to cautious consumption and retail sentiment compounded by a significant influx of new supply. The fair value of these investment properties decreased by RMB21,215,000 (equivalent to HK\$23,310,000) (2024: RMB11,734,000 (equivalent to HK\$12,815,000)), resulting in a segment loss of RMB15,419,000 (equivalent to HK\$16,942,000) (2024: RMB5,051,000 (equivalent to HK\$5,517,000)).

Excluding the effects of the change in fair value of these investment properties and related tax effect, the underlying segment result was a profit of RMB5,796,000 (equivalent to HK\$6,368,000) (2024: RMB6,682,000 (equivalent to HK\$7,298,000)).

## Shanghai

In Shanghai, the quality office building known as “Eton Place” located in core financial district of Little Lujiazui in Pudong recorded an average occupancy rate of 68% (2024: 71%) during the period and rental income of RMB14,924,000 (2024: RMB18,020,000), representing a decrease of 17% as compared with the last period. This translated into HK\$16,398,000 (2024: HK\$19,681,000), accounting for 56% (2024: 58%) of the total revenue of the Group. The decline was primarily due to the oversupply of office space, aggressive rental reductions and tenant incentives by landlords amid weak leasing sentiment, and tenant default on rental payments. These factors collectively resulted in low net take-up rate and downward pressure on rentals, occupancy and fair value. The fair value of these investment properties decreased by RMB58,930,000 (equivalent to HK\$64,750,000) (2024: RMB47,014,000 (equivalent to HK\$51,347,000)), leading to a segment loss of RMB48,380,000 (equivalent to HK\$53,157,000) (2024: RMB33,512,000 (equivalent to HK\$36,600,000)).

Excluding the effects of the change in fair value of these investment properties and related tax effect, the underlying segment result was a profit of RMB10,550,000 (equivalent to HK\$11,593,000) (2024: RMB13,502,000 (equivalent to HK\$14,747,000)).

## Shenzhen

During the period, the Group continued to develop a plot of land known as Land No. K709-0003 located in Tung Kok Tau, Shekou, Nanshan District, Shenzhen (the “**Land**”). The Land was granted to the Group by 深圳市規劃和自然資源局南山管理局 (Nanshan Administration of Shenzhen Municipal Bureau of Planning and Natural Resources) in the prior year.

The Land is strategically located to the east of 後海大道 (Hou Hai Avenue), to the south of 蛇口新街 (Shekou New Street), to the north of 望海路 (Wang Hai Road) and to the west of 後海濱路 (Hou Hai Bin Road) within the premier waterfront cultural and leisure region in Tung Kok Tau, Nanshan District. It covers a site area of approximately 65,000 square metres for multi-purpose development, with a developable gross floor area of approximately 179,000 square metres. This comprises about 143,000 square metres for residential use and 29,000 square metres for commercial use and other supporting ancillary facilities.

During the period, the Group commenced construction of the Land, having obtained a construction permit for the foundation pit support and earthwork project from 深圳市住房和建設局 (Shenzhen Municipal Housing and Construction Bureau). Concurrently, the Group continued to work closely with various relevant government authorities and relevant parties to refine the development options and master planning of the Land. These plans are aligned with the city planning and infrastructure, including development of metro line and station, to support cultural and leisure amenities in the region as well as the nearby opera house.

It is anticipated that the construction and development costs of the Land will be funded through internal resources, bank financing and other applicable means. Several major banks have positively indicated suitable financing terms for the property development of the Land, and the Group will procure the most favorable financing for the project.

Regarding the joint venture known as Shenzhen Zhen Wah Harbour Enterprises Ltd. (“**Zhen Wah**”), in which the Company holds 49% of equity interests and whose license expired in 2014, the Group and the JV partner (the “**JV Partner**”) continued its liquidation. Following the land swap in the prior year whereby Zhen Wah surrendered its interest in a piece of land located in Tung Kok Tau, Nanshan District, Shenzhen (the “**Previous Land**”) in the prior year, Zhen Wah no longer holds any significant assets. The Group did not record any share of profit from the JV during the period (2024: nil).

Meanwhile, as previously disclosed, an ex-tenant has objected to the relocation compensation agreement previously entered into between the relevant official authorities (the “**Authorities**”) and Zhen Wah concerning demolition, relocation and compensation for those buildings, erections and equipment on the Previous Land; and claimed additional compensation. In the prior year, the court ordered the Authorities to reconsider the ex-tenant’s compensation claim. The Authorities (including Zhen Wah as third party) have since been in negotiation with the ex-tenant about the compensation claim. The Group and the JV Partner are monitoring the situation and will take appropriate actions as and when necessary, based on the advice of their PRC legal advisers.

Based on the PRC legal advice received by the Group regarding historical disputes over Zhen Wah between the Group and JV Partner, including the change of equity interests from 80% to 49% in Zhen Wah in prior years (the “**Historical Disputes**”), the Group was entitled to the distribution of the relevant income and profit from the Previous Land held by Zhen Wah before re-development, as supported in the arbitral award made in 2010 after arbitration between the Group and JV Partner in respect of the Historical Disputes. The Group continued to act and to seek PRC legal advice and to take expedient actions (including but not limited to litigation and/or arbitration) to safeguard the best interest of the Group in Zhen Wah and its assets in respect of the Historical Disputes.

## **FINANCIAL REVIEW**

### **Capital Structure**

The financial position of the Group remains sound and liquid, and its financing and treasury policies are managed and controlled at the corporate level and in a prudent manner during the period. The main objective is to utilise the Group’s funds efficiently and to manage the financial risks effectively. At 31 December 2025, the equity attributable to owners of the Company amounted to RMB6,599,903,000 (30 June 2025: RMB6,652,967,000) with net asset value per share of RMB27.77 (30 June 2025: RMB27.99), translating into HK\$7,307,082,000 (30 June 2025: HK\$7,295,320,000). As at 31 December 2025, the Group’s total bank borrowings remained nil (30 June 2025: nil), resulting in nil (30 June 2025: nil) gearing ratio of the Group. The exposure to foreign currency fluctuations affected the Group in the period was mainly the fluctuation of RMB against HKD, resulting in the net exchange loss of HK\$258,000 (six months ended 31 December 2024: net exchange gain of HK\$236,000) and exchange difference on translation from functional currency in RMB to presentation currency in HKD, amounting to other comprehensive income of HK\$70,948,000 (six months ended 31 December 2024: other comprehensive expense of HK\$106,986,000). No financial instruments were used for hedging purposes in the period. The Group will continue to closely monitor the impact of RMB fluctuations in order to minimise its adverse impact.

## **Financial Resources and Liquidity**

The Group generated sufficient cash flow from rental income of investment properties and interest income. As at 31 December 2025, the bank balance and cash and fixed bank deposits of the Group stood at HK\$432,647,000 (30 June 2025: HK\$438,327,000) in aggregate and denominated mostly in RMB. With sufficient cash flow, the Group maintained unutilised credit facilities of HK\$1,000,000 (30 June 2025: HK\$1,000,000) as working capital at floating interest rate. As at 31 December 2025, the Group's net current assets amounted to HK\$13,214,987,000 (30 June 2025: HK\$13,082,332,000) with a current ratio of 74.28 (30 June 2025: 72.77).

As at 31 December 2025, the Group had significant commitments of capital expenditures for property development amounting to HK\$170,118,000 (30 June 2025: HK\$33,464,000). Meanwhile, the projected construction and development costs of the property development of the Land are substantial (subject to the development plan), which will be funded by internal resources, bank financing and other applicable means as appropriate. Various major banks have positively indicated appropriate financing terms for the property development of the Land, and the Group will endeavour to secure the most favorable financing for the project.

## **Pledge of Assets and/or Contingent Liabilities**

As at 31 December 2025, the Group had not pledged any of its assets, given that there was nil borrowings (30 June 2025: nil). Meanwhile, the contingent liabilities of the Group were nil as at 31 December 2025 (30 June 2025: nil).

## **PROSPECTS**

The Chinese economy continues to demonstrate resilience and signs of steady recovery, despite ongoing challenges from a weak property market, subdued domestic consumption, cautious business sentiment and geopolitical tensions. In response, Chinese Mainland has introduced a range of stimulus measures, including fiscal and monetary easing policies to stabilise the property sector and revitalise consumption. These measures are expected to support sustained high-quality, technology-driven economic growth and positively influence market sentiment, spur domestic demand and bolster business activities, thereby underpinning leasing activities in the retail and office sectors.

In Beijing, the retail market is expected to gradually stabilise, with vacancy rates declining steadily and rentals improving, following a prolonged period of high supply and rising vacancy. In the face of cautious consumer spending and weakened retailer performance, the Group will continue to implement a multifaceted strategy to maintain occupancy and recurring revenue. This will include refining leasing and marketing approaches, optimising tenant mix and redefining retail space operations to better meet local consumer needs. The Group will also adopt competitive, flexible rental strategies to attract new tenants and retain existing ones.

The office market in Shanghai is expected to remain challenging, with persistent rental pressure and high vacancy rates driven by significant oversupply and aggressive rental concessions from landlords. In response, the Group will deploy proactive and flexible leasing strategies, including fitting-out subsidies, value-added services, and more adaptable leasing terms to lower entry barriers for tenants. These initiatives are designed to stabilise occupancy rates and sustain recurring revenue.

Shenzhen is well-positioned to remain a pioneer in economic and digital competitiveness, building on its status as a premier special economic zone and global hub for innovation, entrepreneurship, and advanced technology. With continued official support and stimulus policies, particularly in the high-end, tech-centric Nanshan District, the city is expected to play a pivotal role in driving the sustainable growth and development of the Guangdong-Hong Kong-Macao Greater Bay Area.

The local property market in Shenzhen is showing signs of policy-driven stabilisation, as evidenced by the recent swift sale of new premium residential projects adjacent to the Land at strong prices. In addition, it is anticipated that the hosting of “the 33rd APEC Economic Leaders’ Meeting” in Shenzhen in November this year will significantly boost the city’s global profile and infrastructure through high-quality urban renewal, further supporting property values. A promising outlook for Shenzhen’s property market is further supported by the city’s reputation as a highly liveable destination and ongoing government stimulus policies. Enhanced urban planning around the Land as a quality cultural and leisure zone, together with the development of metro infrastructure near the opera house in Tung Kok Tau will further augment the future development value of the Land.

The Group will continue to act proactively to safeguard the Company’s interests in relation to Zhen Wah and its assets in connection with the Historical Disputes. It will pursue the best available measures and take timely action as appropriate, while continuing to seek PRC legal advice to protect and advance the Group’s position.

At the same time, the Group will maintain close collaboration with relevant authorities and other relevant parties to explore various development options, with the aim of optimising the future development value of the Land in alignment with city planning and adjacent infrastructure projects including the opera house, so as to maximise value for the Company and its shareholders.

## **INTERIM DIVIDEND**

The Directors have declared an interim dividend of 0.45 Hong Kong cents (six months ended 31 December 2024: 0.5 Hong Kong cents) per share for the six months ended 31 December 2025 to the shareholders of the Company whose names appear on the register of members on Thursday, 2 April 2026. The warrants for the interim dividend are expected to be despatched to those entitled on or about Friday, 24 April 2026.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 30 March 2026 to Thursday, 2 April 2026 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 27 March 2026.

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

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

## **CORPORATE GOVERNANCE**

Throughout the six months ended 31 December 2025, the Company has applied the principles and has complied with the code provisions as set out in the Corporate Governance Code stipulated in Part 2 of Appendix C1 to the Listing Rules.

By Order of the Board  
**Dynamic Holdings Limited**  
**CHIU Siu Hung, Allan**  
*Chief Executive Officer*

Hong Kong, 27 February 2026

*As at the date of this announcement, the Board of the Company comprises Dr. TAN Lucio C. (Chairman) (Mrs. PASCUAL Sheila Tan as his alternate), Mr. CHIU Siu Hung, Allan (Chief Executive Officer), Mrs. TAN Carmen K. (Mrs. PASCUAL Sheila Tan as her alternate), Mr. PASCUAL Ramon Sy, Ms. TAN Vivienne Khao and Ms. TAN Irene Khao as executive Directors; and Mr. CHONG Kim Chan, Kenneth, Mr. GO Patrick Lim, Mr. NGU Angel and Mr. MA Chiu Tak, Anthony as independent non-executive Directors.*