

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



# LAI FUNG HOLDINGS

Lai Fung Holdings Limited  
(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 1125)

## ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 JANUARY 2026

### Financial Summary

	Six months ended 31 January		Change (%)
	2026 (HK\$ million)	2025 (HK\$ million)	
Turnover	927.3	647.8	43.1
Generated from:			
– Rental income	499.9	513.1	(2.6)
– Sale of properties	425.4	131.2	224.2
Administrative expenses	77.2	112.5	(31.4)
Finance costs (expensed and capitalised)	288.3	312.3	(7.7)
Adjusted EBITDA of the Group (non-HKFRS measure)	131.5	247.0	(46.8)
Net loss attributable to owners of the Company	384.0	164.0	134.1

### Results Highlights

- During the period under review, despite a difficult operating environment, the Group's rental properties and hotel and serviced apartments maintained relatively steady occupancy rates. The Group's rental properties and hotel and serviced apartments generated rental income of HK\$499.9 million, down by 2.6% compared to the same period last year. The slight decrease was primarily attributable to the Chinese New Year holiday occurred in the prior period under review but not in the current period under review.
- During the period under review, the Group made a major breakthrough and successfully contracted the sale of two accommodation towers, namely tower one ("T1") and tower three ("T3"), in Hengqin Novotown Phase II, with revenue from one of the towers (T1) recognised during the period under review contributing to an increase of 224.2% in sale of properties. The Group will continue to seek en-bloc sales of additional accommodation towers in Hengqin.
- Adjusted earnings before interests, taxes, depreciation and amortisation ("**adjusted EBITDA**") (excluding impact of fair value changes on investment properties and other non-cash and non-recurring items) amounted to HK\$131.5 million, down by 46.8% compared to the same period last year, due to the loss incurred on the sale of an accommodation tower (T1) as aforementioned during the period under review.
- Net loss attributable to owners of the Company was approximately HK\$384.0 million, versus net loss of HK\$164.0 million in the same period last year, mainly attributable to the loss incurred on the sale of an accommodation tower (T1) as aforementioned and write-down of properties (mainly T3) in Hengqin Novotown Phase II during the period under review.
- As at 31 January 2026, the Group had cash and cash equivalents of HK\$1,189.1 million, pledged and restricted time deposits and bank balances of HK\$615.2 million, and undrawn banking facilities of approximately HK\$140.5 million. As at the date of this results announcement, the undrawn banking facilities increased to HK\$1,381.0 million.
- Subsequent to the end of the reporting period, on 12 March 2026, the Group successfully refinanced one of its banking facilities with the refinanced amount of HK\$3,049.3 million equivalent with a tenor of one year with an extension of another year subject to satisfaction of certain conditions.
- The Group announced its intention to achieve a disposal of HK\$2,000 million over the next two years in its last interim results for the six months ended 31 January 2025. Since then, the aggregate gross proceeds from the disposal reached approximately HK\$1,000 million. The Group is in discussions with a potential buyer on the disposal of some of the assets to improve the Group's liquidity.

## RESULTS

The board of directors (the “**Board**”) of Lai Fung Holdings Limited (the “**Company**”) announces the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 31 January 2026 together with the comparative figures of the last corresponding period as follows:

### Condensed Consolidated Income Statement

For the six months ended 31 January 2026

		For the six months ended	
		31 January	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	HK\$'000	HK\$'000
TURNOVER	3	927,343	647,773
Cost of sales		<u>(838,494)</u>	<u>(317,174)</u>
Gross profit		88,849	330,599
Other income and gains		48,417	46,897
Selling and marketing expenses		(47,521)	(33,826)
Administrative expenses		(77,213)	(112,456)
Other operating expenses, net		(62,286)	(39,982)
Fair value losses on investment properties		<u>(27,141)</u>	<u>(5,769)</u>
PROFIT/(LOSS) FROM OPERATING ACTIVITIES	4	(76,895)	185,463
Finance costs	5	(256,194)	(259,063)
Share of profits of joint ventures		—	869
Share of loss of an associate		<u>(1)</u>	<u>(4)</u>
LOSS BEFORE TAX		(333,090)	(72,735)
Tax	6	<u>(65,275)</u>	<u>(109,254)</u>
LOSS FOR THE PERIOD		<u><u>(398,365)</u></u>	<u><u>(181,989)</u></u>
ATTRIBUTABLE TO:			
Owners of the Company		(383,967)	(163,989)
Non-controlling interests		<u>(14,398)</u>	<u>(18,000)</u>
		<u><u>(398,365)</u></u>	<u><u>(181,989)</u></u>
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY:	7		
Basic and diluted		<u><u>(HK\$1.160)</u></u>	<u><u>(HK\$0.495)</u></u>

**Condensed Consolidated Statement of Comprehensive Income**  
*For the six months ended 31 January 2026*

	<b>For the six months ended</b>	
	<b>31 January</b>	
	<b>2026</b>	<b>2025</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
LOSS FOR THE PERIOD	<b>(398,365)</b>	(181,989)
OTHER COMPREHENSIVE INCOME/(EXPENSES) THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT IN SUBSEQUENT PERIODS, NET OF TAX		
Exchange differences arising on translation to the presentation currency	<b>491,456</b>	(113,482)
Share of other comprehensive expenses of an associate	<b>(1)</b>	(1)
	<u><b>491,455</b></u>	<u>(113,483)</u>
TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE PERIOD	<u><b>93,090</b></u>	<u>(295,472)</u>
ATTRIBUTABLE TO:		
Owners of the Company	<b>96,871</b>	(275,149)
Non-controlling interests	<b>(3,781)</b>	(20,323)
	<u><b>93,090</b></u>	<u>(295,472)</u>

**Condensed Consolidated Statement of Financial Position**  
*As at 31 January 2026*

		<b>31 January 2026 (Unaudited) HK\$'000</b>	31 July 2025 (Audited) HK\$'000
	Notes		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>2,088,870</b>	2,060,344
Right-of-use assets		<b>456,621</b>	453,018
Investment properties		<b>20,197,400</b>	19,573,700
Investments in joint ventures		<b>35</b>	35
Investment in an associate		<b>75</b>	77
Debtors, deposits and prepayments	8	<b>528,884</b>	507,744
		<hr/>	<hr/>
Total non-current assets		<b>23,271,885</b>	22,594,918
<b>CURRENT ASSETS</b>			
Properties under development		<b>1,308,320</b>	1,295,261
Completed properties for sale		<b>1,855,614</b>	2,310,650
Inventories		<b>1,982</b>	2,327
Debtors, deposits and prepayments	8	<b>552,389</b>	481,705
Prepaid tax		<b>78,998</b>	67,951
Pledged and restricted time deposits and bank balances		<b>615,235</b>	799,211
Cash and cash equivalents		<b>1,189,129</b>	1,041,635
		<hr/>	<hr/>
Total current assets		<b>5,601,667</b>	5,998,740
<b>CURRENT LIABILITIES</b>			
Creditors, accruals and other payables	9	<b>666,693</b>	929,427
Contract liabilities and deposits received		<b>148,022</b>	148,137
Interest-bearing bank loans		<b>4,161,177</b>	4,266,276
Loans from a fellow subsidiary		<b>745,877</b>	565,000
Advances from a former substantial shareholder		<b>52,423</b>	50,859
Lease liabilities		<b>1,480</b>	753
Tax payable		<b>704,257</b>	671,349
		<hr/>	<hr/>
Total current liabilities		<b>6,479,929</b>	6,631,801
		<hr/>	<hr/>
<b>NET CURRENT LIABILITIES</b>		<b>(878,262)</b>	(633,061)
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>22,393,623</b>	21,961,857
		<hr/>	<hr/>

## Condensed Consolidated Statement of Financial Position (continued)

As at 31 January 2026

	Note	31 January 2026 (Unaudited) HK\$'000	31 July 2025 (Audited) HK\$'000
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>22,393,623</u>	<u>21,961,857</u>
NON-CURRENT LIABILITIES			
Lease liabilities		1,273	131
Other payables	9	926,710	899,059
Long-term deposits received		153,370	154,330
Interest-bearing bank loans		5,523,760	5,379,375
Loans from a fellow subsidiary		—	47,660
Deferred tax liabilities		<u>3,232,110</u>	<u>3,127,092</u>
Total non-current liabilities		<u>9,837,223</u>	<u>9,607,647</u>
		<u>12,556,400</u>	<u>12,354,210</u>
EQUITY			
<b>Equity attributable to owners of the Company</b>			
Issued capital		1,655,167	1,655,167
Reserves		<u>10,470,687</u>	<u>10,373,816</u>
		12,125,854	12,028,983
<b>Non-controlling interests</b>		<u>430,546</u>	<u>325,227</u>
		<u>12,556,400</u>	<u>12,354,210</u>

## Notes to Condensed Consolidated Financial Statements

### 1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 31 January 2026 have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants.

The condensed consolidated interim financial statements have not been audited by the Company’s independent auditors but have been reviewed by the Company’s audit committee.

#### Going concern basis

The Group incurred a net loss of HK\$398,365,000 during the period ended 31 January 2026 and as at 31 January 2026, the Group’s current liabilities exceeded its current assets by HK\$878,262,000. The Group had cash and cash balances (including pledged and restricted time deposits and bank balances) of HK\$1,804,364,000 under current assets, while bank and other borrowings amounted to HK\$4,959,477,000 have been classified as current liabilities.

In view of the abovementioned circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing resources to continue as a going concern for at least twelve months from 31 January 2026, taking into account the following plans and measures:

- (i) The Group will accelerate the sale of properties and continue to actively execute its assets disposal plan including identifying potential buyers or seeking other opportunities for the realisation of assets to reduce its debts and finance costs;
- (ii) The Group will, despite the challenging economic environment, continue to effectively manage its rental and hotel portfolios which could generate a steady and reliable income stream to the Group;
- (iii) The Group will continue to have active dialogues with existing lending banks and/or potential new lending banks for re-financing of the existing bank loans at costs acceptable to the Group to finance the settlement of its existing financial obligations and future operating and capital expenditures. Subsequent to the end of the reporting period, on 12 March 2026, the Group successfully refinanced one of its banking facilities originally matured on the same day. The refinanced facilities amounted to HK\$3,049.3 million with a tenor of one year with an extension of another year subject to satisfaction of certain conditions; and
- (iv) The Group will continue to implement/contemplate various cost control strategies and resources improvement plans and measures.

The directors of the Company have reviewed the Group’s cash flow projections which cover a period of not less than twelve months from 31 January 2026 and are of the opinion that, in the absence of unforeseeable circumstances, taking into account the successful implementation of the abovementioned plans and measures as well as the reasonably possible downside changes to the cash flow assumptions in the cash flow projections, the Group will have sufficient working capital to finance its operation and to meet its financial obligations as and when they fall due within the next twelve months from 31 January 2026. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

## 2. MATERIAL ACCOUNTING POLICIES

The material accounting policies and basis of preparation adopted in the preparation of the unaudited condensed consolidated interim financial statements for the period under review are consistent with those used in the Group's audited consolidated financial statements for the year ended 31 July 2025. These unaudited condensed consolidated results should be read in conjunction with the Company's annual report for the year ended 31 July 2025.

In addition, the Group has adopted revised HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) which are applicable to the Group for the first time for the current period's unaudited condensed consolidated interim financial statements. The adoption of revised HKFRS Accounting Standards has had no material impact on the reported results or financial position of the Group.

## 3. TURNOVER AND OPERATING SEGMENT INFORMATION

The Group's turnover represents revenue from the sale of properties, investment properties, hotel and serviced apartment operation, building management operation and theme park operation.

An analysis of the Group's turnover is as follows:

	<b>For the six months ended</b>	
	<b>31 January</b>	
	<b>2026</b>	<b>2025</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Turnover from contracts with customers		
Sale of properties	<b>425,380</b>	131,197
Hotel and serviced apartment operation	<b>140,670</b>	146,813
Building management operation	<b>83,958</b>	80,995
Theme park operation	<b>2,036</b>	3,452
	<b>652,044</b>	362,457
Turnover from other sources		
Rental income from investment properties	<b>275,299</b>	285,316
Total turnover	<b>927,343</b>	647,773
Timing of recognition of turnover from contracts with customers		
At a point in time	<b>425,380</b>	131,197
Over time	<b>226,664</b>	231,260
Total	<b>652,044</b>	362,457

### 3. TURNOVER AND OPERATING SEGMENT INFORMATION (CONTINUED)

	For the six months ended 31 January (Unaudited)									
	Property development		Property investment		Hotel and serviced apartment operation		Theme park operation		Consolidated	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue/results:</b>										
Segment revenue										
Sales to external customers	425,380	131,197	359,257	366,311	140,670	146,813	2,036	3,452	927,343	647,773
Other revenue	12,727	19,987	20,771	9,226	—	86	70	97	33,568	29,396
Total	<u>438,107</u>	<u>151,184</u>	<u>380,028</u>	<u>375,537</u>	<u>140,670</u>	<u>146,899</u>	<u>2,106</u>	<u>3,549</u>	<u>960,911</u>	<u>677,169</u>
Segment results	<u>(200,369)</u>	<u>52,781</u>	<u>142,862</u>	<u>169,059</u>	<u>25,746</u>	<u>15,487</u>	<u>(13,276)</u>	<u>(15,906)</u>	<u>(45,037)</u>	221,421
Interest income from bank deposits									5,758	12,415
Unallocated gains									9,091	5,086
Unallocated expenses, net									<u>(46,707)</u>	<u>(53,459)</u>
Profit/(loss) from operating activities									<u>(76,895)</u>	185,463
Finance costs									<u>(256,194)</u>	<u>(259,063)</u>
Share of profits of joint ventures	—	869	—	—	—	—	—	—	—	869
Share of loss of an associate	—	—	(1)	(4)	—	—	—	—	<u>(1)</u>	<u>(4)</u>
Loss before tax									<u>(333,090)</u>	<u>(72,735)</u>
Tax									<u>(65,275)</u>	<u>(109,254)</u>
Loss for the period									<u><u>(398,365)</u></u>	<u><u>(181,989)</u></u>
<b>Other segment information:</b>										
Fair value losses on investment properties	—	—	27,141	5,769	—	—	—	—	27,141	5,769
Gain/(loss) on disposal of investment properties	—	—	(1,366)	4,687	—	—	—	—	(1,366)	4,687
Write-down of properties under development to net realisable value	97,382	—	—	—	—	—	—	—	97,382	—
Write-down of completed properties for sale to net realisable value	43,021	—	—	—	—	—	—	—	43,021	—
Loss on disposal of items of property, plant and equipment	<u>17</u>	<u>8</u>	<u>102</u>	<u>48</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>12</u>	<u>119</u>	<u>68</u>

### 3. TURNOVER AND OPERATING SEGMENT INFORMATION (CONTINUED)

	Property development		Property investment		Hotel and serviced apartment operation		Theme park operation		Consolidated	
	31 January 2026 (Unaudited) HK\$'000	31 July 2025 (Audited) HK\$'000	31 January 2026 (Unaudited) HK\$'000	31 July 2025 (Audited) HK\$'000	31 January 2026 (Unaudited) HK\$'000	31 July 2025 (Audited) HK\$'000	31 January 2026 (Unaudited) HK\$'000	31 July 2025 (Audited) HK\$'000	31 January 2026 (Unaudited) HK\$'000	31 July 2025 (Audited) HK\$'000
<b>Segment assets/liabilities:</b>										
Segment assets	<b>3,841,794</b>	4,194,513	<b>20,516,852</b>	19,874,658	<b>1,647,234</b>	1,628,214	<b>737,408</b>	726,258	<b>26,743,288</b>	26,423,643
Investments in joint ventures	<b>1</b>	1	<b>34</b>	34	—	—	—	—	<b>35</b>	35
Investment in an associate	—	—	<b>75</b>	77	—	—	—	—	<b>75</b>	77
Unallocated assets									<b>2,130,154</b>	2,169,903
Total assets									<b>28,873,552</b>	28,593,658
Segment liabilities	<b>314,169</b>	355,771	<b>440,638</b>	454,943	<b>54,148</b>	50,399	<b>19,729</b>	19,940	<b>828,684</b>	881,053
Unallocated liabilities									<b>15,488,468</b>	15,358,395
Total liabilities									<b>16,317,152</b>	16,239,448

#### 4. PROFIT/(LOSS) FROM OPERATING ACTIVITIES

The Group's profit/(loss) from operating activities is arrived at after charging/(crediting):

	<b>For the six months ended</b>	
	<b>31 January</b>	
	<b>2026</b>	2025
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
Depreciation of property, plant and equipment <sup>#</sup>	<b>32,103</b>	46,114
Depreciation of right-of-use assets <sup>#</sup>	<b>8,789</b>	8,776
Foreign exchange differences, net <sup>##</sup>	<b>24,636</b>	(6,780)
Loss/(gain) on disposal of investment properties <sup>##</sup>	<b>1,366</b>	(4,687)
Write-down of properties under development to net realisable value <sup>^</sup>	<b>97,382</b>	—
Write-down of completed properties for sale to net realisable value <sup>^</sup>	<b>43,021</b>	—
Loss on disposal of items of property, plant and equipment <sup>##</sup>	<b>119</b>	68
	<b><u>119</u></b>	<b><u>68</u></b>

<sup>#</sup> *The depreciation charge for hotels and serviced apartments and related leasehold improvements is HK\$27,258,000 (six months ended 31 January 2025: HK\$40,786,000). The depreciation charge for theme parks is HK\$9,011,000 (six months ended 31 January 2025: HK\$8,908,000). These items are included in "Other operating expenses, net" on the face of the condensed consolidated income statement.*

<sup>##</sup> *These items of expenses/(income) are included in "Other operating expenses, net" on the face of the condensed consolidated income statement.*

<sup>^</sup> *These items of expense are included in "Cost of sales" on the face of the condensed consolidated income statement.*

## 5. FINANCE COSTS

	<b>For the six months ended</b>	
	<b>31 January</b>	
	<b>2026</b>	2025
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
Interest on bank loans	238,932	280,447
Interest on loans from a fellow subsidiary	17,596	5,393
Interest on put option liabilities	2,289	2,260
Interest on other payables	5,168	—
Interest on lease liabilities	28	41
Amortisation of transaction fees for bank loans	10,311	9,670
Bank financing charges and direct costs	13,945	14,525
	<u>288,269</u>	<u>312,336</u>
Less: Capitalised in properties under development	(22,910)	(37,099)
Capitalised in investment properties under construction	(7,328)	(13,887)
Capitalised in construction in progress	(1,837)	(2,287)
	<u>(32,075)</u>	<u>(53,273)</u>
Total finance costs	<u><u>256,194</u></u>	<u><u>259,063</u></u>

## 6. TAX

The statutory rate of Hong Kong profits tax is 16.5% (six months ended 31 January 2025: 16.5%). No provision for Hong Kong profits tax had been made as the Group had no estimated assessable profits arising in Hong Kong during the period (six months ended 31 January 2025: Nil). Taxes on profits assessable elsewhere had been calculated at the tax rates prevailing in the jurisdictions in which the Group operates.

	<b>For the six months ended</b>	
	<b>31 January</b>	
	<b>2026</b>	2025
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
Current — Chinese Mainland		
Corporate income tax	26,502	22,249
Land appreciation tax	20,058	56,177
Deferred	18,715	30,828
	<u>65,275</u>	<u>109,254</u>
Total tax charge for the period	<u><u>65,275</u></u>	<u><u>109,254</u></u>

## 7. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share amount was based on the loss for the period attributable to owners of the Company of HK\$383,967,000 (six months ended 31 January 2025: HK\$163,989,000), and the weighted average number of ordinary shares of 331,033,443 (six months ended 31 January 2025: 331,033,443) outstanding during the period.

As the exercise prices of the share options are higher than the average market price of the shares during the period, the Group had no potentially dilutive ordinary shares outstanding during the periods ended 31 January 2026 and 31 January 2025.

## 8. DEBTORS, DEPOSITS AND PREPAYMENTS

The Group maintains various credit policies for different business operations in accordance with business practices and market conditions in which the respective subsidiaries operate. Sales proceeds receivable from the sale of properties are settled in accordance with the terms of the respective contracts. Rent and related charges in respect of the leasing of properties are receivable from tenants, and are normally payable in advance with rental deposits received in accordance with the terms of the tenancy agreements. Hotel and serviced apartment charges are mainly settled by customers on a cash basis except for those corporate clients who maintain credit accounts with the Group, the settlement of which is in accordance with the respective agreements. The Group's trade receivables relate to a large number of diversified customers and there is no significant concentration of credit risk. Trade receivables of the Group were interest-free. The Group's finance lease receivables related to a creditworthy third party.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the payment due date, is as follows:

	<b>31 January 2026 (Unaudited) HK\$'000</b>	31 July 2025 (Audited) HK\$'000
Trade receivables, net		
Within one month	<b>200,279</b>	128,879
One to three months	<b>8,807</b>	7,871
Over three months	<b>29,605</b>	24,095
	<b>238,691</b>	160,845
Finance lease receivables, not yet due	<b>535,774</b>	513,640
Other receivables, deposits and prepayments	<b>306,808</b>	314,964
	<b>1,081,273</b>	989,449
Amounts classified as current assets	<b>(552,389)</b>	(481,705)
Non-current portion	<b>528,884</b>	507,744

## 9. CREDITORS, ACCRUALS AND OTHER PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the payment due date, is as follows:

	<b>31 January 2026 (Unaudited) HK\$'000</b>	31 July 2025 (Audited) HK\$'000
Trade payables		
Within one month	<b>124,558</b>	118,694
One to three months	<b>36,434</b>	18,698
Over three months	<b>16,057</b>	49,463
	<b>177,049</b>	186,855
Accruals and other payables	<b>489,644</b>	742,572
Put option liabilities	<b>926,710</b>	899,059
	<b>1,593,403</b>	1,828,486
Amounts classified as current liabilities	<b>(666,693)</b>	(929,427)
Non-current portion	<b>926,710</b>	899,059

## **INTERIM DIVIDEND**

The Board has resolved not to pay an interim dividend for the six months ended 31 January 2026 (six months ended 31 January 2025: Nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW AND OUTLOOK**

#### **Global Economic and Geopolitical Landscape**

The global economic outlook was anticipated to remain steady with GDP growth at around 3.3% for 2026, underpinned by resilient technology investment and private sector adaptability in January 2026. This expected resilience is called into question with the outbreak of conflicts in Iran and the disruption to global crude oil supply. This is likely tested further by other persistent downside risks including other geopolitical tensions, geoeconomic confrontation, as well as the potential for a market correction if technology investment expectations are reevaluated. These factors continue to contribute to market volatility and policy uncertainty. The U.S. Federal Reserve maintained the federal funds rate in a target range of 3.5% to 3.75% in January 2026 might signal a pause following its 2025 easing cycle at the time, but this may need to be revisited in the near future.

#### **The Chinese Mainland Economy and Property Market**

Chinese Mainland's economy recorded 5% GDP growth for the full year of 2025, meeting official targets and demonstrating notable resilience amid persistent global headwinds and domestic challenges, according to data released by the National Bureau of Statistics in January 2026. This performance reflects the impact of accommodative policy measures and lower-than-expected tariffs on exports, although subdued household income, uncertain global trade environment and soft labour market continue to constrain domestic demand.

Supportive policy measures - including reduced mortgage rates, lower down payment ratios, eased purchasing restrictions, and the national extension of VAT exemptions on qualifying home sales - have provided marginal support to property transaction volumes. However, the residential market has not achieved stabilisation. By January 2026, new home prices across 70 major cities recorded their steepest year-on-year decline in seven months, falling 3.1%, which indicated that nationwide home prices have not yet shown clear signs of stabilisation.

In response, the Central Government has recalibrated its policy approach for 2026. The National Housing Work Conference in December 2025 outlined a strategic shift toward urban renewal, inventory reduction, and demand-side support. Key measures for 2026 include: authorising local governments to acquire unsold commercial housing for conversion into affordable housing, strengthening the "white list" financing mechanism to support project delivery; and promoting a transition toward completed-unit (post-sale) housing. It is anticipated that the Central Government will maintain its commitment to stabilising the property sector and fostering sustainable long-term economic growth.

#### **Portfolio Performance and Strategy**

While the Group remains confident in the long-term business prospects of the cities where we operate, especially within the dynamic Greater Bay Area ("GBA"), the prolonged economic recovery progress sets a challenging backdrop for the foreseeable future.

The Group's rental portfolio comprises approximately 5.9 million square feet in Shanghai, Guangzhou, Zhongshan, and Hengqin. The Chinese Mainland's office rental market has continued to face significant headwinds, and conditions are anticipated to remain tough throughout 2026. Vacancy rates in major first-tier cities are expected to persist at elevated levels amid sluggish net absorption and ongoing new supply, exerting continued downward pressure on Grade A office rents. Tenants are increasingly prioritising high-quality, well-located assets as safe havens, sustaining demand for prime office space in core urban precincts.

During the period under review, the Group proactively secured renewals from existing tenants early while actively pursuing new tenants to maintain high occupancy rates. The economic conditions remained challenging and resulted a decrease in rental income despite the decline was within expectation. Nonetheless, the two recently completed Grade A office towers - Shanghai Skyline Tower and Guangzhou Lai Fung International Center - continued to improve steadily and delivered incremental income compared to the last financial period.

The Group's Hengqin Novotown project has been established successfully as a dual-core development focusing on "Cross-border E-commerce Industry and Ecosystem" and "Cultural Tourism, Exhibition, and Commerce Trade Industry". These include industries such as cross-border e-commerce, new technology, wellness and health, theme parks, Harrow LiDe School Hengqin, Hyatt Regency Hengqin, shopping mall, multi-functional venues and have been operating seamlessly with cross-border transportation and other facilities.

Phase I of the Novotown project ("**Novotown Phase I**") in Hengqin, the "Hengqin-Macao Cross-border E-Commerce Industrial Park (Novotown)", is enjoying the critical mass afforded by over 420 enterprises working and living there. Our tenants are operating in some of the most exciting and fastest growing segments:

- "Cross-border E-commerce and Internet" represented by entities such as YTO Express GBA Headquarters, inkeverse, TOPTOY, MINISO, TYMO, 360, Be Friends Holdings, Find Macau, KEIZER and Anjun Logistics;
- "High-End Technology Production" represented by Lingyange, Bambu Lab, Amicro, Li Auto, Xwan Test, and several renowned chip design and development companies;
- "Wellness and Health" represented by UNITED LIFE SCIENCE; and
- "Cross-border Financial Services and Innovation" represented by Industrial and Commercial Bank of China Limited ("**ICBC**"), Juzishuke and QFIN.

Hengqin's "Four New Industries" (Technology research and development and High-End Manufacturing, Traditional Chinese Medicine and other Macao-branded Industries, Cultural Tourism, Exhibition, and Commerce Trade, and Modern Finance) converge and collide here, establishing Novotown as a new economic growth engine driving the high-quality, integrated development of Hengqin and Macao.

Notably, one of the key tenants being a leading domestic enterprise which has leased six floors of office space in Novotown Phase I to establish its global cross-border e-commerce headquarters. The enterprise currently employs 1,500 staff. It is expected to expand to over 3,000 employees when fully occupied, thereby creating a nucleus for its ecosystem to locate in Novotown. As at the date of this results announcement, approximately 99% of the office units have been leased with approximately 2,800 people working there. The Group also leased the remaining unsold cultural studio units in Novotown Phase I for employees of the office tenants. This innovative operational model not only effectively boosts foot traffic in the commercial area, but also optimises and upgrades the business structure through attracting targeted enterprises.

As at the date of this results announcement, leasing of the commercial area of Novotown Phase I is underway with approximately 86% being leased and key tenants include “National Geographic Ultimate Explorer Hengqin”, Heytea, Luckin Coffee, McDonald’s, Pokiddo Trampoline Park, Kun Peng Go-Kart Sports Centre, Kun Peng Digital Sports Hall, Snow Alarm, Oyster King, Vanguard Life Superstore and UNITED LIFE SCIENCE. ICBC demonstrated its confidence in the project by their purchase of two retail units in Novotown Phase I from the Group in August 2024. Furthermore, four additional retail units in Novotown Phase I were sold to independent third parties since the end of 2024.

Significant progress has been made on Phase II of the Novotown project (“**Novotown Phase II**”). The Group completed the signing of the agreement for the sale of the two accommodation towers (T1 and T3) in Novotown Phase II in late November 2025. The total consideration for the transaction was RMB625.7 million, covering a combined gross floor area (“**GFA**”) of approximately 49,655 square metre, and comprising around 780 residential units. These apartments will provide accommodation options for talents working in Novotown Phase I and Novotown Phase II, as well as the wider Hengqin Island.

Tower two of Novotown Phase II, which is designated for office use, is scheduled for commencing operation in November 2026 and is expected to attract more cross-border e-commerce tenants. In addition, the Group received approval from the local government to develop towers four to eleven of Novotown Phase II as accommodation for rental purpose, becoming the first project to be awarded the “Hengqin Guangdong-Macao In-Depth Cooperation Zone Rental Accommodation Project Certificate”. This initiative is designed to meet the growing rental accommodation demand from the commercial ecosystem of Hengqin, and provide essential supporting facilities for the area.

The Group stated its intention to dispose assets amounting to approximately HK\$2,000 million over the next two years in the last interim results for the six months ended 31 January 2025. The sale of remaining residential units, retail shops and car parking spaces of Zhongshan Palm Spring, as well as the cultural studios and cultural workshop units of Hengqin Novotown Phase I are progressing. Apart from projects for sale in the ordinary course of business of approximately HK\$300 million achieved since the last interim results up to 28 February 2026, as well as the disposal of the two accommodation towers (T1 and T3) in Novotown Phase II of approximately HK\$688.1 million (RMB625.7 million) as aforementioned, the Group is in discussions with a potential buyer for certain accommodation towers of Novotown Phase II. These will contribute towards the stated disposal targets and the Group will continue to seek out appropriate assets for disposal to improve its financial position.

As at 31 January 2026, the Group has approximately HK\$1,804.3 million of cash on hand (31 July 2025: HK\$1,840.8 million) and undrawn banking facilities of approximately HK\$140.5 million (31 July 2025: HK\$2,591.8 million). As at the date of this results announcement, the undrawn banking facilities increased to HK\$1,381.0 million. Net debt to equity ratio was approximately 72% as at 31 January 2026 (31 July 2025: 70%). Repayment obligations in the next twelve months amount to HK\$4,959.5 million. The Group will continue its prudent and flexible approach in managing its operations and financial position.

2026 will be a testing year again taking into consideration the geopolitical uncertainty globally, market environment, the operational challenges and the financial strength of the Group. The Group will focus on delivering its asset disposals and may consider other means to secure capital to fulfil its obligations to its stakeholders.

## OVERVIEW OF INTERIM RESULTS

For the six months ended 31 January 2026, the Group recorded a turnover of HK\$927.3 million (2025: HK\$647.8 million), representing a significant increase of approximately 43.1% over the same period last year. The average Renminbi (“RMB”) exchange rate appreciated by approximately 1.3% over the same period last year. Excluding the effect of currency translation, the increase in RMB denominated turnover was approximately 41.3%. The increase was primarily driven by the successful sale of two accommodation towers (T1 and T3) in Hengqin Novotown Phase II, with revenue from one of the towers (T1) recognised during the period under review. Revenue from the sale of the other tower (T3) is expected to be recognised in the next financial year.

The gross profit significantly decreased by approximately 73.1% to HK\$88.8 million from that of HK\$330.6 million in the same period last year, which was mainly due to the loss incurred on the sale of an accommodation tower (T1), as well as the write-down of properties under development (T3) and completed properties for sale in Hengqin Novotown Phase II.

Set out below is the turnover by segment:

	For the six months ended 31 January			For the six months ended 31 January		
	2026 <sup>1</sup>	2025 <sup>1</sup>	% change	2026	2025	% change
	(HK\$ million)	(HK\$ million)		(RMB million)	(RMB million)	
Rental income <sup>2</sup>						
– properties held for rental	<b>359.2</b>	366.3	-1.9%	<b>326.6</b>	337.3	-3.2%
– hotel and serviced apartments	<b>140.7</b>	146.8	-4.2%	<b>127.9</b>	135.2	-5.4%
	<b>499.9</b>	513.1	-2.6%	<b>454.5</b>	472.5	-3.8%
Sale of properties	<b>425.4</b>	131.2	+224.2%	<b>386.8</b>	120.8	+220.2%
Theme park operation	<b>2.0</b>	3.5	-42.9%	<b>1.8</b>	3.2	-43.8%
<b>Total</b>	<b>927.3</b>	647.8	+43.1%	<b>843.1</b>	596.5	+41.3%

- The exchange rates adopted for the six months ended 31 January 2026 and 2025 are 0.9093 and 0.9208, respectively*
- Including rental turnover from properties held for rental, turnover from hotel and serviced apartment operation and property management income*

Net loss attributable to owners of the Company was approximately HK\$384.0 million, as compared to net loss attributable to owners of the Company of HK\$164.0 million for the last corresponding period under review. The increase in loss was primarily attributed to the aforementioned loss incurred on the sale of an accommodation tower (T1) and write-down of properties (mainly T3) in Hengqin Novotown Phase II during the period under review.

Net loss per share was HK\$1.160 (2025: HK\$0.495 per share).

## Non-HKFRS Financial Measures

To supplement the Group's consolidated financial statements which are presented under HKFRS Accounting Standards, the Group also use (i) adjusted EBITDA of the Group and (ii) adjusted net loss attributable to owners of the Company (non-HKFRS measures) as the additional financial measures, which are not required by, or presented in accordance with, HKFRS Accounting Standards. The Group believes that these non-HKFRS measures facilitate comparisons of operating performance from year to year and company to company by excluding certain non-cash, one-off and volatile items which are often a function of exogenous factors such as the movement of the property market. The Group believes that these measures provide useful information to investors and others in understanding and evaluating the consolidated results of operations in the same manner as it helps the Group's management.

(i) Reconciliation of adjusted EBITDA of the Group (non-HKFRS measure):

(HK\$ million)	For the six months ended 31 January	
	2026	2025
<b>(Loss)/profit from operating activities of the Group (HKFRS Accounting Standards measure)</b>	<b>(76.9)</b>	185.5
Adjustments for:		
Share of profits of joint ventures	–	0.9
Fair value losses on investment properties <i>(Note 1)</i>	<b>27.1</b>	5.8
Depreciation of property, plant and equipment and right-of-use assets <i>(Note 2)</i>	<b>40.9</b>	54.8
Write-down of properties under development to net realisable value <i>(Note 3)</i>	<b>97.4</b>	–
Write-down of completed properties for sale to net realisable value <i>(Note 3)</i>	<b>43.0</b>	–
<b>Adjusted EBITDA of the Group (non-HKFRS measure)</b>	<b>131.5</b>	247.0

### Notes:

1. Given the sizeable investment properties portfolio held by the Group, the adjustment relates to fair value losses on investment properties, which are non-cash in nature
2. The adjustment arises from depreciation of the Group's property, plant and equipment and right-of-use assets, which is non-cash in nature
3. The adjustments arise from write-down of the Group's properties under development to net realisable value and completed properties for sale to net realisable value, which are non-cash and non-recurring in nature

Excluding the net effect of property revaluations and other non-cash and non-recurring items, adjusted EBITDA of the Group was approximately HK\$131.5 million for the period under review (2025: HK\$247.0 million).

(ii) Reconciliation of adjusted net loss attributable to owners of the Company (non-HKFRS measure):

(HK\$ million)	For the six months ended 31 January	
	2026	2025
<b>Net loss attributable to owners of the Company (HKFRS Accounting Standards measure)</b>	<b>(384.0)</b>	<b>(164.0)</b>
Adjustments for:		
Fair value losses on investment properties <i>(Note 1)</i>	<b>27.1</b>	5.8
Deferred tax on fair value losses on investment properties <i>(Note 1)</i>	<b>(6.7)</b>	(1.5)
Non-controlling interests' share of fair value losses less deferred tax <i>(Note 1)</i>	<b>0.2</b>	(0.8)
Write-down of properties under development to net realisable value <i>(Note 2)</i>	<b>97.4</b>	–
Write-down of completed properties for sale to net realisable value <i>(Note 2)</i>	<b>43.0</b>	–
<b>Adjusted net loss attributable to owners of the Company excluding fair value losses on investment properties and other non-cash and non-recurring items (non-HKFRS measure)</b>	<b>(223.0)</b>	<b>(160.5)</b>

Notes:

1. *Given the sizeable investment properties portfolio held by the Group, the adjustments relate to fair value losses on investment properties, related deferred tax, and impact on non-controlling interests' share, which are non-cash in nature*
2. *The adjustments arise from write-down of the Group's properties under development to net realisable value and completed properties for sale to net realisable value, which are non-cash and non-recurring in nature*

Excluding the net effect of property revaluations and other non-cash and non-recurring items, adjusted net loss attributable to owners of the Company was approximately HK\$223.0 million for the period under review (2025: HK\$160.5 million). Net loss per share excluding the effect of property revaluations and other non-cash and non-recurring items was approximately HK\$0.674 (2025: HK\$0.485).

Net assets attributable to owners of the Company as at 31 January 2026 amounted to HK\$12,125.9 million (31 July 2025: HK\$12,029.0 million). Net asset value per share attributable to owners of the Company slightly increased to HK\$36.63 per share as at 31 January 2026 from HK\$36.34 per share as at 31 July 2025.

## PROPERTY PORTFOLIO COMPOSITION

Approximate GFA (in '000 square feet) and number of car parking spaces as at 31 January 2026:

	Commercial/ Retail	Office	Hotel and Serviced Apartment	Residential	Total (excluding car parking spaces & ancillary facilities)	No. of Car Parking Spaces
Completed Properties Held for Rental <sup>1</sup>	2,666 <sup>2</sup>	2,207	—	—	4,873 <sup>2</sup>	2,984
Completed Hotel Properties and Serviced Apartments <sup>1</sup>	—	—	990	—	990	—
<b>Subtotal</b>	<b>2,666</b>	<b>2,207</b>	<b>990</b>	<b>—</b>	<b>5,863</b>	<b>2,984</b>
Properties under Development <sup>3</sup>	573	274	1,581	—	2,428	1,067
Completed Properties Held for Sale	112 <sup>4</sup>	421	130	29	692	3,408
<b>Total GFA of major properties of the Group</b>	<b>3,351</b>	<b>2,902</b>	<b>2,701</b>	<b>29</b>	<b>8,983</b>	<b>7,459</b>

1. Completed and rental generating properties
2. Including cultural attraction spaces in Novotown Phase I with approximately 307,807 square feet attributable to the Group
3. All properties under construction
4. Including 33,001 square feet of commercial space in Zhongshan Palm Spring which is currently for self-use

## PROPERTY INVESTMENT

### Revenue from Properties Held for Rental

During the period under review, the Group proactively secured renewals from existing tenants early while actively pursuing new tenants to maintain high occupancy rates. The economic conditions remained challenging and resulted a decrease in rental income despite the decline was within expectation. Nonetheless, the two recently completed Grade A office towers - Shanghai Skyline Tower and Guangzhou Lai Fung International Center - continued to improve steadily and delivered incremental income compared to the last financial period.

For the six months ended 31 January 2026, the Group's properties held for rental recorded a turnover of HK\$359.2 million (2025: HK\$366.3 million), representing a decrease of approximately 1.9% over the same period last year. The average RMB exchange rate for the period under review appreciated by approximately 1.3% compared to the same period last year. Excluding the effect of currency translation, the RMB denominated revenue from lease of properties decreased by 3.2% to RMB326.6 million.

Breakdown of rental turnover by major rental properties of the Group is as follows:

	For the six months ended 31 January			For the six months ended 31 January			Period end occupancy (%)	
	2026 <sup>#</sup> (HK\$ million)	2025 <sup>#</sup> (HK\$ million)	% Change	2026 (RMB million)	2025 (RMB million)	% Change	2026	2025
<b>Shanghai</b>								
Shanghai Hong Kong Plaza	119.0	130.6	-8.9%	108.2	120.3	-10.1%	Retail: Office: 96.0% 84.9%	Retail: Office: 92.5% 87.2%
Shanghai May Flower Plaza	17.8	20.4	-12.7%	16.2	18.8	-13.8%	Retail: 96.0%	Retail: 98.2%
Shanghai Regents Park	5.6	5.2	+7.7%	5.1	4.8	+6.3%	100.0%	100.0%
Shanghai Skyline Tower	42.4	28.5	+48.8%	38.6	26.2	+47.3%	Retail: Office: 96.8% 62.7%	Retail: Office: 89.0% 48.1%
<b>Guangzhou</b>								
Guangzhou May Flower Plaza	43.7	47.7	-8.4%	39.7	43.9	-9.6%	Retail: Office: 98.0% 100.0%	Retail: Office: 94.2% 100.0%
Guangzhou West Point	10.7	10.7	0.0%	9.7	9.9	-2.0%	99.0%	96.0%
Guangzhou Lai Fung Tower	50.5	61.3	-17.6%	45.9	56.4	-18.6%	Retail: Office: 100.0% 88.0%*	Retail: Office: 100.0% 89.0%*
Guangzhou Lai Fung International Center	37.4	30.9	+21.0%	34.0	28.5	+19.3%	Retail: Office: 95.4% 76.9%	Retail: Office: 99.0% 64.3%
<b>Zhongshan</b>								
Zhongshan Palm Spring Rainbow Mall	2.3	2.6	-11.5%	2.1	2.4	-12.5%	Retail: 79.0%*	Retail: 94.5%*
<b>Hengqin</b>								
Hengqin Novotown Phase I	8.6	9.2	-6.5%	7.8	8.5	-8.2%	Retail: 85.7%**	Retail: 83.5%**
<b>Others</b>	<b>21.2</b>	<b>19.2</b>	<b>+10.4%</b>	<b>19.3</b>	<b>17.6</b>	<b>+9.7%</b>	<b>N/A</b>	<b>N/A</b>
<b>Total</b>	<b>359.2</b>	<b>366.3</b>	<b>-1.9%</b>	<b>326.6</b>	<b>337.3</b>	<b>-3.2%</b>		

<sup>#</sup> The exchange rates adopted for the six months ended 31 January 2026 and 2025 are 0.9093 and 0.9208, respectively

<sup>\*</sup> Excluding self-use area

<sup>\*\*</sup> Including the cultural attraction spaces

Breakdown of turnover by usage of our major rental properties is as follows:

	For the six months ended 31 January 2026			For the six months ended 31 January 2025		
	Group interest	Turnover (HK\$ million)	Attributable GFA (square feet)	Group interest	Turnover (HK\$ million)	Attributable GFA (square feet)
<b>Shanghai</b>						
Shanghai Hong Kong Plaza	100%			100%		
Retail		75.4	468,434		83.2	468,434
Office		40.6	362,096		44.4	362,096
Car Parking Spaces		3.0	N/A		3.0	N/A
		<b>119.0</b>	<b>830,530</b>		<b>130.6</b>	<b>830,530</b>
Shanghai May Flower Plaza	100%			100%		
Retail		15.7	320,314		18.2	320,314
Car Parking Spaces		2.1	N/A		2.2	N/A
		<b>17.8</b>	<b>320,314</b>		<b>20.4</b>	<b>320,314</b>
Shanghai Regents Park	95%			95%		
Retail		4.8	77,959		4.5	77,959
Car Parking Spaces		0.8	N/A		0.7	N/A
		<b>5.6</b>	<b>77,959</b>		<b>5.2</b>	<b>77,959</b>
Shanghai Skyline Tower	100%			100%		
Retail		4.1	92,226		3.8	92,226
Office		36.9	634,839		23.5	634,839
Car Parking Spaces		1.4	N/A		1.2	N/A
		<b>42.4</b>	<b>727,065</b>		<b>28.5</b>	<b>727,065</b>
<b>Guangzhou</b>						
Guangzhou May Flower Plaza	100%			100%		
Retail		37.8	357,424		41.2	357,424
Office		4.9	79,431		4.9	79,431
Car Parking Spaces		1.0	N/A		1.6	N/A
		<b>43.7</b>	<b>436,855</b>		<b>47.7</b>	<b>436,855</b>
Guangzhou West Point	100%			100%		
Retail		10.7	182,344		10.7	182,344
Guangzhou Lai Fung Tower	100%			100%		
Retail		7.6	112,292		8.6	112,292
Office		41.1	625,821		49.5	625,821
Car Parking Spaces		1.8	N/A		3.2	N/A
		<b>50.5</b>	<b>738,113</b>		<b>61.3</b>	<b>738,113</b>
Guangzhou Lai Fung International Center	100%			100%		
Retail		7.5	109,320		6.4	109,320
Office		27.5	505,301		22.5	505,301
Car Parking Spaces		2.4	N/A		2.0	N/A
		<b>37.4</b>	<b>614,621</b>		<b>30.9</b>	<b>614,621</b>
<b>Zhongshan</b>						
Zhongshan Palm Spring Rainbow Mall	100%			100%		
Retail*		2.3	148,106		2.6	148,106
<b>Hengqin</b>						
Novotown Phase I <sup>†</sup>	80%**			80%**		
Commercial***		8.6	797,230		9.2	798,984
<b>Others</b>		<b>21.2</b>	<b>N/A</b>		<b>19.2</b>	<b>N/A</b>
<b>Total</b>		<b>359.2</b>	<b>4,873,137</b>		<b>366.3</b>	<b>4,874,891</b>

\* Excluding self-use area

\*\* The remaining 20% interest owned by Lai Sun Development Company Limited (“LSD”), the intermediate holding company of the Company

\*\*\* Including the cultural attraction spaces, the attributable GFA of which was approximately 307,807 square feet as at 31 January 2026. Revenue from the cultural attraction spaces is recognised under turnover from theme park operation of the Group

# Excluding office units and cultural workshop units. Office units with total attributable GFA of 420,705 square feet and cultural workshop units with total attributable GFA of 130,034 square feet of Hengqin Novotown Phase I under “Completed properties for sale” have been leased substantially during the six months ended 31 January 2026. Excluding the attributable GFA for self-use units and units with buyers’ deposits in cultural workshop of approximately 18,732 square feet, the occupancy rate was approximately 97% and 95%, respectively, achieving a total of approximately HK\$6.8 million and HK\$1.8 million to “Other income and gains”, respectively

## **Review of Major Rental Properties (100% owned unless specified otherwise)**

### *Shanghai Hong Kong Plaza*

Being the Group's wholly-owned flagship investment property project in Shanghai, Shanghai Hong Kong Plaza is strategically located in the prime district of the city, directly above the Huangpi South Road Metro Station at Huaihaizhong Road in Huangpu District, which is highly accessible by car and well connected to public transportation networks, as well as walking distance from Shanghai Xintiandi.

Connected by an indoor footbridge, the property comprises a 32-storey office building, a 32-storey serviced apartment (managed by the Ascott Group), a shopping mall and a carpark. The property's total GFA is approximately 1,188,500 square feet excluding 350 car parking spaces, comprising approximately 362,100 square feet for office, approximately 358,000 square feet for serviced apartment, and approximately 468,400 square feet for shopping mall. Anchor tenants, as of the date of this results announcement, include The Apple Store, Tiffany, Genesis Motor, Tasaki, Swarovski, etc.

### *Shanghai May Flower Plaza*

Shanghai May Flower Plaza is a mixed-use project located at the junction of Da Tong Road and Zhi Jiang Xi Road in Sujiaxiang in the Jing'an District in Shanghai. This project is situated near the Zhongshan Road North Metro Station.

The Group owns the retail podium which has a total GFA of approximately 320,300 square feet including the basement commercial area. The asset is positioned as a community retail facility.

### *Shanghai Regents Park*

Shanghai Regents Park is a large-scale residential/commercial composite development located in the Zhongshan Park Commercial Area at the Changning District, Shanghai. It is situated within walking distance of the Zhongshan Park Metro Station.

The Group retains a 95% interest in the commercial portion which has a total GFA of approximately 82,100 square feet (GFA attributable to the Group is approximately 78,000 square feet).

### *Shanghai Skyline Tower*

Shanghai Skyline Tower is a mixed-use redevelopment project of Shanghai Northgate Plaza I, Northgate Plaza II and the Hui Gong Building, located at Tian Mu Road West in the Jing'an District of Shanghai near the Shanghai Railway Terminal. This 30-storey office tower, erected upon a 3-level shopping mall and car-parking basement, has a total GFA of approximately 727,100 square feet excluding 443 car parking spaces. The construction was completed in September 2022. This property has been awarded the Leadership in Energy and Environmental Design ("LEED") v4 Gold Certification in October 2023. As at the date of this results announcement, approximately 96% of commercial and 63% of office areas have been secured, respectively.

### *Guangzhou May Flower Plaza*

Guangzhou May Flower Plaza is a prime property situated at Zhongshanwu Road, Yuexiu District directly above the Gongyuanqian Metro Station in Guangzhou, the interchange station of Guangzhou Subway Lines 1 and 2. This 13-storey complex has a total GFA of approximately 436,900 square feet excluding 136 car parking spaces.

The building comprises retail spaces, restaurants, office units and car parking spaces. The property is almost fully leased to tenants comprising well-known corporations, consumer brands and restaurants.

### *Guangzhou West Point*

Guangzhou West Point is located on Zhongshan Qi Road and is within walking distance from the Ximenkou Subway Station. This is a mixed-use property where the Group has sold all the residential and office units.

The Group owns the commercial podium with GFA of approximately 182,300 square feet. Tenants of the retail podium include renowned restaurants and local retail brands.

### *Guangzhou Lai Fung Tower*

Guangzhou Lai Fung Tower is the 38-storey office block of Phase V of Guangzhou Eastern Place, which is a multi-phase project located on Dongfeng East Road, Yuexiu District, Guangzhou. This office building was completed in June 2016. This property with LEED 2009 Gold Certification has a total GFA of approximately 738,100 square feet excluding car parking spaces.

### *Guangzhou Lai Fung International Center*

Guangzhou Lai Fung International Center, formerly known as Guangzhou Haizhu Plaza, is located at 33 Jiefang South Road in Yuexiu District, Guangzhou along the Pearl River. Guangzhou Lai Fung International Center, comprising an 18-storey office tower, erected upon a 4-level commercial facility, has a total GFA of approximately 614,600 square feet excluding 267 car parking spaces. The construction was completed in November 2022. This property has been awarded the LEED v4 Gold Certification in February 2023. As at the date of this results announcement, approximately 95% of commercial and 77% of office areas have been secured, respectively.

### *Zhongshan Palm Spring Rainbow Mall*

Zhongshan Palm Spring Rainbow Mall is the commercial portion of Zhongshan Palm Spring, a multi-phase project located in Caihong Planning Area, Western District of Zhongshan. It is positioned as a community retail facility with a total GFA of approximately 181,100 square feet.

### *Hengqin Novotown*

Novotown is an integrated cultural, entertainment, tourism and hospitality project located in the heart of Hengqin, officially recognised as the Guangdong-Macao In-Depth Cooperation Zone and strategically located within the GBA, directly opposite to Macao and 75 minutes by car from Hong Kong via the Hong Kong-Zhuhai-Macao Bridge. The “Master Plan of the Development of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin” promulgated on 5 September 2021 marks the significant deployment of the Central Government in supporting the moderate economic diversification of Macao and enriching the practices of the “One Country, Two Systems” policy, which is to inject new impetus into the long-term development of Macao.

The Group’s Hengqin Novotown project has been established successfully as a dual-core development focusing on “Cross-border E-commerce Industry and Ecosystem” and “Cultural Tourism, Exhibition, and Commerce Trade Industry”. These include industries such as cross-border e-commerce, new technology, wellness and health, theme parks, Harrow LiDe School Hengqin, Hyatt Regency Hengqin, shopping mall, multi-functional venues and have been operating seamlessly with cross-border transportation and other facilities.

### *Phase I*

Novotown Phase I, the “Hengqin-Macao Cross-border E-Commerce Industrial Park (Novotown)”, is enjoying the critical mass afforded by over 420 enterprises working and living there. Our tenants are operating in some of the most exciting and fastest growing segments:

- “Cross-border E-commerce and Internet” represented by entities such as YTO Express GBA Headquarters, inkeverse, TOPTOY, MINISO, TYMO, 360, Be Friends Holdings, Find Macau, KEIZER and Anjun Logistics;
- “High-End Technology Production” represented by Lingyange, Bambu Lab, Amicro, Li Auto, Xwan Test, and several renowned chip design and development companies;
- “Wellness and Health” represented by UNITED LIFE SCIENCE; and
- “Cross-border Financial Services and Innovation” represented by ICBC, Juzishuke and QFIN.

Hengqin’s “Four New Industries” (Technology research and development and High-End Manufacturing, Traditional Chinese Medicine and other Macao-branded Industries, Cultural Tourism, Exhibition, and Commerce Trade, and Modern Finance) converge and collide here, establishing Novotown as a new economic growth engine driving the high-quality, integrated development of Hengqin and Macao.

Notably, one of the key tenants being a leading domestic enterprise which has leased six floors of office space in Novotown Phase I to establish its global cross-border e-commerce headquarters. The enterprise currently employs 1,500 staff. It is expected to expand to over 3,000 employees when fully occupied, thereby creating a nucleus for its ecosystem to locate in Novotown. As at the date of this results announcement, approximately 99% of the office units have been leased with approximately 2,800 people working there. The Group also leased the remaining unsold cultural studio units in Novotown Phase I for employees of the office tenants. This innovative operational model not only effectively boosts foot traffic in the commercial area, but also optimises and upgrades the business structure through attracting targeted enterprises.

As at the date of this results announcement, leasing of the commercial area of Novotown Phase I is underway with approximately 86% being leased and key tenants include “National Geographic Ultimate Explorer Hengqin”, Heytea, Luckin Coffee, McDonald’s, Pokiddo Trampoline Park, Kun Peng Go-Kart Sports Centre, Kun Peng Digital Sports Hall, Snow Alarm, Oyster King, Vanguard Life Superstore and UNITED LIFE SCIENCE. ICBC demonstrated its confidence in the project by their purchase of two retail units in Novotown Phase I from the Group in August 2024. Furthermore, four additional retail units in Novotown Phase I were sold to independent third parties since the end of 2024.

The Group owns 80% of Novotown Phase I. The remaining 20% is owned by LSD, the intermediate holding company of the Company.

## HOTEL AND SERVICED APARTMENT OPERATION

For the six months ended 31 January 2026, the hotel and serviced apartment operation contributed HK\$140.7 million to the Group's turnover (2025: HK\$146.8 million), representing a decrease of approximately 4.2%. The decline in the Group's hotel revenue was mainly driven by lower revenue from Hyatt Regency Hengqin, primarily attributable to the Chinese New Year holiday occurring in the prior period under review but not in the current period under review.

Breakdown of turnover from hotel and serviced apartment operation for the six months ended 31 January 2026 is as follows:

	Location	No. of Rooms <sup>1</sup>	Total GFA (square feet)	Turnover (HK\$ million)	Period end occupancy rate (%)	Average occupancy rate (%)
Hotel and serviced apartment						
Ascott Huaihai Road						
	Shanghai	307	356,260	52.7	68.6	82.8
	STARR Hotel Shanghai	239	143,846	12.9	60.0	70.9
	Hyatt Regency Hengqin	493	610,540	75.1	80.0	75.0
<b>Total</b>				<b>140.7</b>		

Note 1: On 100% basis

### *Ascott Huaihai Road Shanghai*

Ascott Huaihai Road Shanghai in Shanghai Hong Kong Plaza is managed by the Ascott Group and it is one of a premier collection of the Ascott Limited's serviced residences in over 70 cities in Asia Pacific, Europe and the Gulf region. The residence has a total GFA of approximately 356,260 square feet. It has 307 contemporary apartments of various sizes: studios (640-750 square feet), one-bedroom apartments (915-1,180 square feet), two-bedroom apartments (1,720 square feet), three-bedroom apartments (2,370 square feet) and two luxurious penthouses on the highest two floors (4,520 square feet). An average occupancy rate of 82.8% was achieved during the period under review and the average room tariff was approximately HK\$1,102.

### *STARR Hotel Shanghai*

STARR Hotel Shanghai is a 17-storey hotel located in the Mayflower Lifestyle complex in Jing'an District, within walking distance to Lines 1, 3 and 4 of the Shanghai Metro Station with easy access to major motorways. There are 239 fully furnished and equipped hotel units with stylish separate living room, bedroom, fully-equipped kitchenette and luxurious bathroom amenities for short or extended stays to meet the needs of the business travellers from around the world and the total GFA is approximately 143,800 square feet. An average occupancy rate of 70.9% was achieved during the period under review and the average room tariff was approximately HK\$412.

### *Hyatt Regency Hengqin*

Hyatt Regency Hengqin is located in Novotown Phase I in Hengqin, Zhuhai, the heart of the GBA and is within easy reach of the Hong Kong-Zhuhai-Macao Bridge. Hyatt Regency Hengqin has a total GFA of approximately 610,500 square feet and approximately 488,400 square feet attributable to the Group. It has 493 guest rooms including 55 suites ranging in size from 430 square feet to 2,580 square feet, a wide range of dining options, as well as banqueting and conference facilities of over 40,000 square feet. An average occupancy rate of 75.0% was achieved during the period under review and the average room tariff was approximately HK\$721.

The Group owns 80% interest in Hyatt Regency Hengqin. The remaining 20% is owned by LSD, the intermediate holding company of the Company.

## PROPERTY DEVELOPMENT

### Recognised Sales

For the six months ended 31 January 2026, the Group's property development operations recorded a turnover of HK\$425.4 million (2025: HK\$131.2 million) from sale of properties, representing a significant increase of 224.2% compared to the same period last year. The average RMB exchange rate appreciated by approximately 1.3% compared to the same period last year. Excluding the effect of currency translation, the RMB denominated property sales revenue was RMB386.8 million (2025: RMB120.8 million). The increase in recognised sales during the period under review was primarily driven by the successful sale of two accommodation towers (T1 and T3) in Hengqin Novotown Phase II, with revenue from one of the towers (T1) recognised during the period under review. Revenue from the sale of the other tower (T3) is expected to be recognised in the next financial year.

Breakdown of turnover for the six months ended 31 January 2026 from properties sales is as follows:

Recognised Basis	No. of Units	Approximate GFA (square feet)	Average Selling Price# (HK\$/square foot)	Turnover** (HK\$ million*)	(RMB million)
Hengqin Novotown Phase I					
Cultural Studios	2	6,231	3,794	22.5	20.5
Cultural Workshop Units	14	10,731	1,741	17.1	15.5
Hengqin Novotown Phase II					
Accommodation Tower (T1)	418	249,280	1,287	294.4	267.7
Zhongshan Palm Spring					
Commercial Units	51	51,929	1,276	60.8	55.3
Residential High-rise Units	4	5,762	1,702	9.0	8.2
Residential House Units	2	4,183	2,430	9.7	8.8
<b>Subtotal</b>	<b>491</b>	<b>328,116</b>	<b>1,370</b>	<b>413.5</b>	<b>376.0</b>
Shanghai Regents Park					
Car Parking Space	1			0.6	0.5
Guangzhou Eastern Place					
Car Parking Space	1			0.5	0.5
Zhongshan Palm Spring					
Car Parking Spaces	121			10.8	9.8
<b>Subtotal</b>	<b>123</b>			<b>11.9</b>	<b>10.8</b>
<b>Total</b>				<b>425.4</b>	<b>386.8</b>

# Value-added tax inclusive

\*\* Value-added tax exclusive

\* The exchange rate adopted for the six months ended 31 January 2026 is 0.9093

## Contracted Sales

As at 31 January 2026, the Group's property development operations have contracted but not yet recognised sales of HK\$557.6 million, primarily driven by the sale of an accommodation tower (T3) in Hengqin Novotown Phase II, which is expected to be recognised in the next financial year, as well as the sale of properties being occupied by Harrow LiDe School Hengqin in Novotown Phase II. Excluding the effect of currency translation, the RMB denominated contracted but not yet recognised sales as at 31 January 2026 amounted to RMB507.0 million (31 July 2025: RMB 156.6 million).

Breakdown of contracted but not yet recognised sales as at 31 January 2026 is as follows:

Contracted Basis	No. of Units	Approximate GFA (square feet)	Average Selling Price# (HK\$/square foot)	Turnover# (HK\$ million##)	Turnover# (RMB million)
Hengqin Novotown Phase I					
Cultural Workshop Unit	1	654	1,835	1.2	1.1
Hengqin Novotown Phase II					
Accommodation Tower (T3)	361	285,204	1,287	367.2	333.9
Harrow LiDe School Hengqin Buildings*	N/A	149,078	1,093	162.9**	148.1
Zhongshan Palm Spring					
Commercial Units	8	9,059	1,247	11.3	10.3
Residential High-rise Unit	1	1,244	1,447	1.8	1.6
Residential House Units	2	4,250	2,447	10.4	9.5
<b>Subtotal</b>	<b>373</b>	<b>449,489</b>	<b>1,234</b>	<b>554.8</b>	<b>504.5</b>
Zhongshan Palm Spring					
Car Parking Spaces	30			2.8	2.5
<b>Subtotal</b>	<b>30</b>			<b>2.8</b>	<b>2.5</b>
<b>Total</b>				<b>557.6</b>	<b>507.0</b>

# Value-added tax inclusive

## The exchange rate adopted for the six months ended 31 January 2026 is 0.9093

\* Will be recognised as income from finance lease under turnover

\*\* Estimated amount based on contract with Harrow LiDe School Hengqin in relation to the subsequent portions of the Harrow campus. No material construction has taken place and the exact timing and amount to be agreed with Harrow LiDe School Hengqin mutually

## **Review of Major Properties Completed for Sale and under Development (100% owned unless specified otherwise)**

### *Hengqin Novotown*

#### *Phase I*

Sales of the cultural studios and cultural workshop units of Hengqin Novotown Phase I are in progress. During the period under review, sales of 6,231 square feet of cultural studios and 10,731 square feet of cultural workshop units were recognised at an average selling price of HK\$3,794 per square foot and HK\$1,741 per square foot, respectively, which contributed a total of HK\$39.6 million to the Group's turnover.

As at 31 January 2026, contracted but not yet recognised sales for cultural workshop unit amounted to approximately HK\$1.2 million, at an average selling price of HK\$1,835 per square foot.

As at 31 January 2026, completed properties held for sale in Novotown Phase I, including cultural studios, cultural workshop units and office units, amounted to approximately 701,000 square feet with a total carrying amount of approximately HK\$1,340.0 million.

In light of the recent sale of certain retail units which was originally classified as properties held for rental, the Group is considering other elements of Hengqin Novotown Phase I which may be available for sale should the opportunities arise.

The Group owns 80% of Novotown Phase I. The remaining 20% is owned by LSD, the intermediate holding company of the Company.

#### *Phase II*

Novotown Phase II is situated adjacent to Novotown Phase I with a total site area of approximately 143,800 square meters and a maximum plot ratio of two times. The Group succeeded in bidding for the land use rights of the land offered for sale by The Land and Resources Bureau of Zhuhai through the listing-for-sale process in December 2018.

Significant progress has been made on Novotown Phase II. The Group completed the signing of the agreement for the sale of the two accommodation towers (T1 and T3) in Novotown Phase II in late November 2025. The total consideration for the transaction was RMB625.7 million, covering a combined GFA of approximately 49,655 square metre, and comprising around 780 residential units. These apartments will provide accommodation options for talents working in Novotown Phase I and Novotown Phase II, as well as the wider Hengqin Island.

During the period under review, the sale of one of the towers (T1) was recognised at an average selling price of HK\$1,287 per square foot, which contributed a total of HK\$294.4 million to the Group's turnover. Revenue from the sale of the other tower (T3), amounting to approximately HK\$367.2 million at an average selling price of HK\$1,287 per square foot, is expected to be recognised in the next financial year and has been recorded in contracted but not yet recognised sales as at 31 January 2026.

Tower two of Novotown Phase II, which is designated for office use, is scheduled for commencing operation in November 2026 and is expected to attract more cross-border e-commerce tenants. In addition, the Group received approval from the local government to develop towers four to eleven of Novotown Phase II as accommodation for rental purpose, becoming the first project to be awarded the “Hengqin Guangdong-Macao In-Depth Cooperation Zone Rental Accommodation Project Certificate”. This initiative is designed to meet the growing rental accommodation demand from the commercial ecosystem of Hengqin, and provide essential supporting facilities for the area.

As at 31 January 2026, completed properties held for sale in Novotown Phase II comprise 285 car parking spaces, which remained unsold with a carrying amount of approximately HK\$58.7 million.

Novotown Phase II also included Harrow LiDe School Hengqin, managed and operated by Asia International School Limited (“AISL”). Harrow LiDe School Hengqin began operation in February 2021. In accordance with the agreement with AISL, the school has been sold, in turn, this will enable the Group to crystallise the value of its investment in Novotown Phase II and gradually recoup funding to improve the project’s working capital position.

The Group owns 100% of Novotown Phase II, except for the properties occupied by Harrow LiDe School Hengqin which have been sold to the school operator.

#### *Zhongshan Palm Spring*

Zhongshan Palm Spring is located in Caihong Planning Area, Western District of Zhongshan. The overall development has a total planned GFA of approximately 6.1 million square feet. The project comprises high-rise residential towers, townhouses and commercial blocks totalling 4.5 million square feet. All construction of this project has been completed and the sale of remaining phases is in progress with satisfactory result.

During the period under review, 51,929 square feet of commercial units, 5,762 square feet of residential high-rise units and 4,183 square feet of residential house units were recognised at an average selling price of HK\$1,276 per square foot, HK\$1,702 per square foot and HK\$2,430 per square foot, respectively, which contributed a total of approximately HK\$79.5 million to the sales turnover. Also, the sales of 121 car parking spaces contributed approximately HK\$10.8 million to the sales turnover.

As at 31 January 2026, contracted but not yet recognised sales for commercial units, residential high-rise unit and residential house units amounted to approximately HK\$11.3 million, HK\$1.8 million and HK\$10.4 million, respectively, at an average selling price of HK\$1,247 per square foot, HK\$1,447 per square foot and HK\$2,447 per square foot, respectively.

As at 31 January 2026, completed units held for sale in this development, including commercial units and residential units, amounted to approximately 98,200 square feet with a total carrying amount of approximately HK\$69.8 million. The carrying amount of the 2,396 unsold car parking spaces of this development as at 31 January 2026 was approximately HK\$196.8 million.

## **Review of Other Properties Completed for Sale (100% owned unless specified otherwise)**

### *Shanghai Wuli Bridge Project*

Shanghai Wuli Bridge Project is a high-end luxury residential project located by Huangpu River in Huangpu District in Shanghai. This project providing 28 residential units with an attributable GFA of approximately 77,900 square feet and 43 car parking spaces was launched for sale in September 2020 and has received an enthusiastic response from the market. As at 31 January 2026, all residential units and 30 car parking spaces have been sold. The total carrying amount of remaining 13 unsold car parking spaces of this development was approximately HK\$8.8 million as at 31 January 2026.

### *Shanghai May Flower Plaza*

Shanghai May Flower Plaza is a completed mixed-use project located at the junction of Da Tong Road and Zhi Jiang Xi Road in Sujiaxiang in the Jing'an District in Shanghai and situated near the Zhongshan Road North Metro Station. As at 31 January 2026, 458 car parking spaces of this development remained unsold with a carrying amount of approximately HK\$100.7 million.

### *Shanghai Regents Park*

Shanghai Regents Park is a large-scale residential/commercial composite development located in the Zhongshan Park Commercial Area at the Changning District, Shanghai. It is situated within walking distance of the Zhongshan Park Metro Station. During the period under review, the sales of one car parking space contributed HK\$0.6 million to the turnover. As at 31 January 2026, a total of 182 car parking spaces of this development remained unsold with a carrying amount of approximately HK\$43.6 million.

The Group owns 95% interest in the unsold car parking spaces of this project.

### *Guangzhou King's Park*

This is a high-end residential development located on Donghua Dong Road in Yuexiu District. The attributable GFA is approximately 98,300 square feet excluding 57 car parking spaces and ancillary facilities. As at 31 January 2026, one unsold car parking space had a total carrying amount of approximately HK\$0.3 million.

### *Guangzhou West Point*

Guangzhou West Point is located on Zhongshan Qi Road and is within walking distance from the Ximenkou Subway Station. This is a mixed-use property where the Group has sold all the residential and office units. As at 31 January 2026, 80 unsold car parking spaces had a total carrying amount of approximately HK\$8.1 million.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group's sources of funding comprise mainly internal funds generated from the Group's business operations and loan facilities provided by banks.

As at 31 January 2026, the Group's financial resources were summarised below:

	<b>As at 31 January 2026 (HK\$ million)</b>
<b>Total financial resources</b>	<b>1,944.8</b>
<i>Breakdown:</i>	
— Cash and cash equivalents	1,189.1
— Pledged and restricted time deposits and bank balances	615.2
— Undrawn banking facilities <sup>(Note 1)</sup>	140.5
<b>Total borrowings</b>	<b>10,483.2</b>
<i>Breakdown:</i>	
— Repayable within one year <sup>(Note 2)</sup>	4,959.5
— Repayable in the second year	1,066.6
— Repayable in the third to fifth years	1,611.8
— Repayable beyond the fifth year	2,845.3

### Notes:

1. As at the date of this results announcement, the undrawn banking facilities increased to HK\$1,381.0 million. The increase was due to the successful extension of a project loan's availability period.
2. Subsequent to the end of the reporting period, on 12 March 2026, the Group successfully refinanced one of its banking facilities with the refinanced amount of HK\$3,049.3 million equivalent with a tenor of one year with an extension of another year subject to satisfaction of certain conditions.

## **Currency denomination, interest rates and hedging arrangements**

The Group's monetary assets, liabilities and transactions are principally denominated in Renminbi ("RMB") and Hong Kong dollars ("HKD"). The Group, with HKD as its presentation currency, is exposed to foreign currency risk arising from the exposure of HKD against RMB. The Group has a net exchange exposure to RMB as the Group's assets are principally located in Chinese Mainland and the revenues are predominantly in RMB.

The Group's total borrowings of HK\$10,483.2 million were 65% denominated in RMB, 32% in HKD and 3% in United States dollars ("USD"). Approximately 99% and 1% of the Group's borrowings were interest bearing on a floating rate basis and interest-free, respectively.

The Group's total cash and bank balances of HK\$1,804.3 million were 85% denominated in RMB, 14% in HKD and 1% in USD.

The Group does not have any derivative financial instruments or hedging instruments outstanding.

## **Gearing ratio**

The gearing ratio, expressed as a percentage of the consolidated net debt (being the total outstanding borrowings less cash and bank balances) to consolidated net assets attributable to owners of the Company, was approximately 72% (as at 31 July 2025: 70%).

## **Pledge of assets**

As at 31 January 2026, certain assets of the Group have been pledged to secure borrowings and bank facilities of the Group, including investment properties with a total carrying amount of approximately HK\$18,520.6 million, properties under development with a total carrying amount of approximately HK\$1,285.4 million, property, plant and equipment and the related right-of-use assets with a total carrying amount of approximately HK\$2,443.1 million, completed properties for sale with a total carrying amount of approximately HK\$1,163.7 million and time deposits and bank balances of approximately HK\$143.1 million.

## **Liquidity and maturity management**

Substantially most of the Group's banking facilities are supported by the assets of the Group's investment properties and development projects. Due to the Group's proactive efforts in liquidity management and asset sale, the management of the Company believes that the Group will be able to refinance most of its bank borrowings when they become due and obtain new bank facilities as needed based on the Group's relationship with the banks and its historical record of successfully refinancing loans.

Taking into account the amount of cash being held as at the end of the reporting period, the available banking facilities and the recurring cash flows from the Group's operating activities, the Group believes that it would have sufficient liquidity to finance its existing property development and investment projects. Proceeds achieved from any disposals will improve the Group's financial position further.

## **CONTINGENT LIABILITIES**

There has been no material change in contingent liabilities of the Group since 31 July 2025.

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

During the six months ended 31 January 2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any).

## **CORPORATE GOVERNANCE**

The Company has complied with all the code provisions set out in the Corporate Governance Code contained in Part 2 of Appendix C1 to the Listing Rules throughout the six months ended 31 January 2026 save for the deviation from code provision F.1.3.

*Under code provision F.1.3, the chairman of the board should attend the annual general meeting.*

Due to other pre-arranged business commitments which must be attended to by Dr. Lam Kin Ngok, Peter, the Chairman, he was not present at the annual general meeting of the Company (“AGM”) held on 19 December 2025. Mr. Cheung Sum, Sam, an executive director of the Company (“**Executive Director**”) and the Group Chief Financial Officer, who was present at that AGM, was elected chairman of the AGM pursuant to Article 78 of the second amended and restated articles of association of the Company to ensure effective communication with the shareholders of the Company thereat.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 January 2026, the Group employed a total of around 1,350 full-time employees and around 20 part-time employees. The Group recognises the importance of maintaining a stable staff force in its continued success. Under the Group's existing policies, employee pay rates are maintained at competitive levels whilst promotion and salary increments are assessed on a performance-related basis. Discretionary bonuses are granted to employees based on their merit and in accordance with industry practice. Other benefits including share option scheme, mandatory provident fund scheme, free hospitalisation insurance plan, subsidised medical care, and sponsorship for external education and training programmes are offered to eligible employees.

## **INVESTOR RELATIONS**

To ensure our investors have a better understanding of the Company, our management engages with investors on a regular basis. Our Executive Directors and Investor Relations Department communicate with research analysts and institutional investors throughout the year.

The Group maintains dialogues with the investment community and provides them with updates on the Group's operations, financial performance and outlook. During the period under review, the Company has engaged with a range of stakeholders via physical/online meetings and conference calls.

The Company welcomes suggestions from investors, stakeholders and the public who may contact the Investor Relations Department by phone on (852) 2853 6106, by fax at (852) 2853 6651 or by e-mail at [ir@laifung.com](mailto:ir@laifung.com).

## REVIEW OF INTERIM RESULTS

The audit committee of the Company (“**Audit Committee**”) currently comprises four independent non-executive directors, namely Messrs. Law Kin Ho, Lam Bing Kwan, Ku Moon Lun, and Mak Wing Sum, Alvin. The Audit Committee has reviewed the unaudited interim results (including the unaudited condensed consolidated financial statements) of the Company for the six months ended 31 January 2026.

By order of the Board  
**Lam Kin Ngok, Peter**  
*Chairman*

Hong Kong, 24 March 2026

*As at the date of this announcement, the Board comprises seven Executive Directors, namely Dr. Lam Kin Ngok, Peter (Chairman), Mr. Lam Kin Hong, Matthew (Executive Deputy Chairman), Mr. Lam Hau Yin, Lester (Chief Executive Officer) (also alternate to Madam U Po Chu), Madam U Po Chu and Messrs. Cheng Shin How, Lee Tze Yan, Ernest and Cheung Sum, Sam; and six Independent Non-executive Directors, namely Messrs. Lam Bing Kwan, Ku Moon Lun, Law Kin Ho, Mak Wing Sum, Alvin, Shek Lai Him, Abraham and Au Hoi Fung.*