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光大永年

EVERBRIGHT GRAND CHINA ASSETS

EVERBRIGHT GRAND CHINA ASSETS LIMITED

光大永年有限公司

*(Incorporated in the British Virgin Islands with limited liability and
transferred by way of continuation into the Cayman Islands)
(Stock code: 3699)*

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2026**

FINANCIAL HIGHLIGHTS

- Revenue was approximately RMB20.6 million, representing a decrease of approximately RMB3.9 million as compared with 2025.
- Profit attributable to equity shareholders was approximately RMB8.0 million, representing a decrease of approximately RMB2.1 million as compared with 2025.
- Gross profit was approximately RMB15.5 million, representing a decrease of approximately RMB2.6 million as compared with 2025.
- Basic earnings per share of the Group was approximately RMB1.82 cents (2025: RMB2.30 cents).
- The Board declared an interim dividend of RMB0.58 cents (equivalent to HK0.67 cents) per ordinary share.

The board (the “**Board**”) of directors (the “**Directors**”) of Everbright Grand China Assets Limited (the “**Company**”) is pleased to announce the unaudited financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2026 together with the comparative figures for the corresponding period in 2025. The interim financial results are unaudited, but the Company has engaged KPMG to review the interim financial results, in accordance with Hong Kong Standard on Review Engagements 2410, “Review of interim financial information performed by the independent auditor of the entity” issued by the Hong Kong Institute of Certified Public Accountants, whose report on review of interim financial information is included in the interim report to be sent to the shareholders of the Company (the “**Shareholders**”). The interim financial results have also been reviewed by the Audit Committee.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026 — unaudited

(Expressed in Renminbi (RMB))

	Note	Six months ended 30 June 2026 RMB'000	2025 RMB'000
Revenue	3	20,601	24,456
Cost of services		<u>(5,118)</u>	<u>(6,368)</u>
Gross profit		15,483	18,088
Valuation gains on investment properties	8	100	880
Other net income	4	2,519	3,216
Distribution costs		(50)	(137)
Administrative expenses		(6,745)	(7,650)
Other operating expenses		<u>(175)</u>	<u>(46)</u>
Profit from operations		11,132	14,351
Finance costs	5	<u>(22)</u>	<u>(23)</u>
Profit before taxation	5	11,110	14,328
Income tax	6	<u>(3,084)</u>	<u>(4,191)</u>
Profit for the period		<u>8,026</u>	<u>10,137</u>
Attributable to:			
Equity shareholders of the Company		<u>8,026</u>	<u>10,137</u>
Earnings per share	7		
Basic and diluted (RMB cents per share)		<u>1.82</u>	<u>2.30</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026 – unaudited

(Expressed in RMB)

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Profit for the period	8,026	10,137
Other comprehensive income for the period (after tax):		
<i>Item that will not be reclassified to profit or loss:</i>		
Exchange differences on translation of financial statements of the Company	(33,542)	(1,461)
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of companies outside Chinese Mainland	28,322	(426)
Other comprehensive income for the period	(5,220)	(1,887)
Total comprehensive income for the period attributable to equity shareholders of the Company	2,806	8,250

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026 — unaudited

(Expressed in RMB)

	<i>Note</i>	At 30 June 2026 <i>RMB'000</i>	At 31 December 2025 <i>RMB'000</i>
Non-current assets			
Investment properties	8	979,100	979,000
Property, plant and equipment	8	1,371	1,307
Right-of-use assets		1,823	2,463
Deferred tax assets		588	552
		<u>982,882</u>	<u>983,322</u>
Current assets			
Trade and other receivables	9	7,444	5,590
Cash and bank balances	10	49,446	130,972
Time deposits and certificates of deposits with original maturity over three months		180,391	104,428
		<u>237,281</u>	<u>240,990</u>
Current liabilities			
Trade and other payables	11	13,375	17,283
Contract liabilities		1,054	757
Lease liabilities		1,006	1,131
Current taxation		657	955
		<u>16,092</u>	<u>20,126</u>
Net current assets		<u>221,189</u>	<u>220,864</u>
Total assets less current liabilities		<u>1,204,071</u>	<u>1,204,186</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

At 30 June 2026 — unaudited

(Expressed in RMB)

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Non-current liabilities		
Lease liabilities	837	1,349
Deferred tax liabilities	206,289	204,107
	207,126	205,456
NET ASSETS	996,945	998,730
CAPITAL AND RESERVES		
Share capital	345,042	345,042
Reserves	651,903	653,688
TOTAL EQUITY	996,945	998,730

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in thousands of RMB unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“**HKAS**”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). It was authorised for issue on 26 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Everbright Grand China Assets Limited (the “**Company**”) and its subsidiaries (the “**Group**”) since the 2025 annual financial statements. The condensed consolidated interim financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates — Lack of exchangeability* issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

The principal activities of the Group are property leasing and provision of property management services.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major service lines is as follows:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Revenue from contracts with customers within the scope of HKFRS 15		
Provision of property management services	6,388	7,490
Revenue from other sources		
Gross rentals from investment properties	14,213	16,966
	20,601	24,456

(b) Segment reporting

The Group manages its businesses as a whole by the most senior executive management for the purposes of resource allocation and performance assessment. The Group's chief operating decision maker is the chief executive officer of the Group who reviews the Group's consolidated results of operations in assessing performance of and making decisions about allocations to this segment.

Accordingly, no reportable segment information is presented.

The Group primarily operates in the PRC and accordingly, no geographical information is presented.

4 OTHER NET INCOME

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Interest income from bank deposits	2,278	2,224
Net foreign exchange gains	225	187
Others	16	805
	2,519	3,216

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

		Six months ended 30 June	
		2026	2025
		RMB'000	RMB'000
(a)	Finance costs		
	Interest expenses on lease liabilities	<u>22</u>	<u>23</u>
(b)	Other items		
	Depreciation		
	— owned property, plant and equipment	104	107
	— right-of-use assets	554	642
	Provision/(Reversal) of impairment losses on trade receivables	<u>143</u>	<u>(153)</u>

6 INCOME TAX

		Six months ended 30 June	
		2026	2025
		RMB'000	RMB'000
	Current tax — PRC CIT	938	1,682
	Current tax — Withholding tax	—	200
	Deferred taxation	<u>2,146</u>	<u>2,309</u>
		<u>3,084</u>	<u>4,191</u>

Effective from January 1, 2008, the PRC statutory income tax rate is 25% under the PRC Corporate Income Tax Law. The Group's subsidiaries in the PRC are subject to PRC income tax at 25% unless otherwise specified.

Pursuant to “Announcement on Further Implementing the Preferential Income Tax Policies for Micro and Small Enterprises (Announcement No. 13 [2022])” and “Announcement on the Preferential Income Tax Policies for Micro and Small Enterprises and Sole Proprietorship Enterprises (Announcement No. 6 [2023])”, Chengdu Everbright Property Management Co., Ltd. and Chengdu Sing Kong City Real Estate Co., Ltd. fall within the eligible industry category and are eligible to enjoy the preferential income tax rate of 5% (a reduced rate of 25% of the taxable income amount, and be subject to corporate income tax at a 20% tax rate for income that does not exceed RMB3,000,000) for the six months ended 30 June 2026 (2025: 5% for taxable income that does not exceed RMB3,000,000).

Tax for other entities of the Group is charged at their respective applicable income tax rates ruling in the relevant jurisdictions.

According to PRC corporate income tax laws and its implementation rules, dividends receivable and interest income by non-PRC corporation residents from PRC enterprise are subject to withholding tax at a rate of 10%, unless reduced by tax treaties or arrangements, for profits earned since January 1, 2008. In addition, under the Mainland-Hong Kong Double Tax Arrangement and its relevant regulations, a qualified Hong Kong tax resident will be liable for withholding tax at the rate 5% for dividend income and interest income derived from the PRC if the Hong Kong tax resident is the “beneficial owner” and holds 25% more of the equity interests of the PRC enterprise.

Since the Group can control the amount and timing of distribution of profits of the Group’s PRC subsidiaries, deferred tax liabilities are only provided to the extent that such profits are expected to be distributed in the foreseeable future.

7 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB8,026 thousand (six months ended 30 June 2025: RMB10,137 thousand) and the weighted average of 441,400,000 ordinary shares (six months ended 30 June 2025: 441,400,000 shares) in issue during the interim period.

No adjustment has been made to the basic earnings per share presented for six months ended 30 June 2026 and 2025 as the Group had no potentially dilutive ordinary shares in issue during those periods.

8 INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT

(a) Acquisitions and disposals of owned assets

During the six months ended 30 June 2026, the Group acquired items of plant and machinery with a cost of RMB181,000 (six months ended 30 June 2025: RMB46,000).

(b) Valuation

The valuations of investment properties carried at fair value were updated at 30 June 2026 by the Group’s independent valuer using the same valuation techniques as were used by this valuer when carrying out the 31 December 2025 valuations.

9 TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade debtors based on the date the relevant trade receivables recognised and net of loss allowance is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade debtors, net of loss allowance		
— Within three months	6,201	3,735
Other receivables	1,243	1,855
	<u>7,444</u>	<u>5,590</u>

10 CASH AND BANK BALANCES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Cash at bank	49,431	130,951
Cash on hand	15	21
	<u>49,446</u>	<u>130,972</u>
Cash and cash equivalents in the consolidated statement of financial position and in the consolidated cash flow statement		
	<u>49,446</u>	<u>130,972</u>

11 TRADE AND OTHER PAYABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade payables (i)	162	285
Other taxes and charges payable	257	1,353
Deposits received	2,470	2,659
Accrued payroll and other benefits	550	3,328
Rental receipts-in-advance	4,342	7,142
Dividend payable (note 12(b))	4,591	—
Other payables	1,003	2,516
	<u>13,375</u>	<u>17,283</u>
Total	<u>13,375</u>	<u>17,283</u>

- (i) As at the end of the reporting period, the ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within three months	6	141
Over three months and within one year	156	144
Total	162	285

12 DIVIDENDS

- (a) Dividends payable to equity shareholders attributable to the interim period

	Six months ended 30 June 2026 RMB'000	2025 RMB'000
Interim dividend declared and paid after the interim period of RMB0.58 cents per share (six months ended 30 June 2025: RMB0.73 cents per share)	2,560	3,222

On 26 August 2026, the board of directors declared an interim dividend of RMB0.58 cents per ordinary share, amounting to a total of approximately RMB2,560,000 (equivalent to approximately HKD2,957,000), for the six months ended 30 June 2026. This interim dividend has not been recognised as a liability in the condensed consolidated interim financial information.

- (b) Dividends payable to equity shareholders attributable to the previous financial year, approved during the interim period:

	Six months ended 30 June 2026 RMB'000	2025 RMB'000
Final dividend declared after the financial year, approved during the following interim period, of RMB1.04 cents per share (six months ended 30 June 2025: RMB1.39 cents per share)	4,591	6,135

13 MATERIAL RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

During the six month period ended 30 June 2026 and 2025, transactions with the following parties are considered as related party transactions:

Name of party	Relationship with the Group
China Everbright Group Limited (“ China Everbright Group ”)	Intermediate holding company
Everbright Securities Company Limited* 光大證券股份有限公司	Company controlled by China Everbright Group, an intermediate holding company
China Everbright Bank Co., Ltd. and its branches* 中國光大銀行股份有限公司及其分行	Company controlled by China Everbright Group, an intermediate holding company
Guangrui Juyao (Beijing) Wealth Asset Management Co., Ltd.* 光瑞聚耀(北京)財富資產管理有限公司	Company controlled by China Everbright Group, an intermediate holding company

* The English translation of the entities’ names is for reference only. The official names of these entities are in Chinese.

(b) The material related party transactions entered by the Group during the interim period are as follows:

	Six months ended 30 June	
	2026 RMB’000	2025 RMB’000
Property leasing income	4,536	4,552
Property management income	153	153
Placement of deposits	3,149	51,764
Withdrawal of deposits	<u>3,180</u>	<u>52,004</u>

(c) Outstanding balances with related parties:

	At 30 June 2026 RMB’000	At 31 December 2025 RMB’000
Cash and cash equivalents placed with a related bank	280	311
Trade and other receivables	4	414
Trade and other payables	4,125	6,458
Contract liabilities	<u>153</u>	<u>—</u>

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the six months ended 30 June 2026, the Group's revenue and profit attributable to equity shareholders of the Company amounted to approximately RMB20.6 million (2025: RMB24.5 million) and approximately RMB8.0 million (2025: RMB10.1 million), respectively.

BUSINESS REVIEW

The Group is principally engaged in the businesses of property leasing and the provision of property management services.

For the six months ended 30 June 2026, the Group recorded a revenue of approximately RMB20.6 million (2025: RMB24.5 million), representing a decrease of approximately RMB3.9 million as compared to the same period last year, mainly due to the decrease in the rental income.

Profit attributable to equity shareholders of the Company amounted to approximately RMB8.0 million (2025: RMB10.1 million), representing a decrease of approximately RMB2.1 million as compared to the same period last year, mainly attributable to the decrease of revenue.

The Group recorded gross profit of approximately RMB15.5 million (2025: RMB18.1 million), representing a decrease of approximately RMB2.6 million as compared to the same period of last year.

The basic earnings per share was approximately RMB1.82 cents (2025: RMB2.30 cents).

A review of the Group's business segments is set out below.

Property Leasing

For the six months ended 30 June 2026, the Group generated rental income of approximately RMB14.2 million (2025: RMB17.0 million), representing a decrease of approximately RMB2.8 million as compared to the same period last year. The average occupancy rate of the properties was approximately 71% (2025: 81%) during the period.

Property Management Service

During the period, revenue from the property management services was approximately RMB6.4 million (2025: RMB7.5 million), representing a decrease of approximately RMB1.1 million as compared to the same period last year.

Sale of Properties

There was no sale of property during the period ended 30 June 2026 (2025: Nil).

Investment Properties

As at 30 June 2026, the fair value of the investment properties was RMB979.1 million (31 December 2025: RMB979.0 million). For the six months ended 30 June 2026, valuation gain on investment properties was approximately RMB0.1 million (2025: RMB0.9 million), representing a decrease of approximately RMB0.8 million as compared to the same period last year.

PROSPECTS

In the first half of 2026, global geopolitical conflicts continued to escalate, energy prices experienced recurring fluctuations, monetary policies of major economies remained in a broadly tightening stance, cross-border capital flows became increasingly volatile, and overall market risk appetite remained subdued. Against the backdrop of mounting external pressures, China introduced a series of coordinated policies involving multiple ministries to support stable growth in the real estate sector, revitalize existing assets and promote urban renewal. These measures accelerated the transformation of growth drivers within the real estate industry, creating structural growth opportunities for ancillary services supporting commercial properties and industrial parks. Driven by three key factors — regulatory policies, cost inflation and existing asset operations — the property management industry will gradually enter a new stage of asset value management characterized by refined operations, quality-oriented growth and sustainable long-term development.

The properties under the Group's management are primarily commercial properties. Affected by factors such as macroeconomic slowdown and intensifying market competition, during the period under review, the rental rates for newly signed and renewed leases came under pressure compared with previous levels. In response to downward pressure on rentals, the Group has leveraged its existing commercial space resources to tap into incremental opportunities, and plans to gradually roll out new business segments such as supporting conference services and advertising services to fully revitalize existing resources including idle on-premises venues and public display spaces. These initiatives have not only enriched the scope of services, but also helped enhance customer loyalty and satisfaction, further consolidating the Group's market competitiveness.

In terms of property portfolio strategy, the Group has actively promoted tenant diversification to mitigate industry volatility risks and adapt to a market environment characterized by accelerated cycles of growth and decline across various sectors. The Group's existing properties are mainly concentrated in the two core cities of Chengdu, Sichuan Province and Kunming, Yunnan Province, comprising three commercial buildings, namely Everbright Financial Center, Everbright International Building and Mingchang Building, with a total gross floor area of approximately 89,507 square meters. To capture opportunities arising from the new economy, the Group has actively introduced new types of tenants with stable cash flows and high space utilization efficiency. During the period under review, we successfully introduced tenants in the live-streaming e-commerce sector and carried out infrastructure and hardware upgrades to flexibly accommodate the operational requirements of new business models, and expect to thereby optimize the tenant mix and enhance overall rental income.

In view of the sharp escalation of geopolitical tensions in the Middle East in the first half of 2026, which has significantly increased uncertainties in global economic growth, the market faces reflation risks. Against this backdrop, the Group will continue to adopt a prudent approach to its overseas investment plans. The Group will prudently reassess the regional and currency risks associated with its overseas asset allocation. We will continue to adhere to the principle of prudence, flexibly seize investment windows, and ensure the safety of capital operations.

Looking ahead to the second half of 2026, although the Group demonstrated strong operational resilience in the first half of the year, no new property management projects have been secured to date. The Group currently maintains ample cash reserves, providing us with significant strategic flexibility and initiative during periods when market valuations are relatively low. At the same time, we will continue to monitor potential investment opportunities that align with the Group's strategic development.

Going forward, the Group will continue to deepen its digital transformation, actively leverage technology to advance smart property management, and enhance operational efficiency and customer experience. Through technology empowerment, the Group will optimize human resource allocation and service processes, enhance the intelligence and refinement of property management, and further improve operational efficiency and customer satisfaction.

In addition, the Group will fully leverage the synergies with its parent company, China Everbright Group Limited, and capitalize on the brand recognition and resource advantages of the "Everbright" name to actively expand diversified value-added services, enrich its revenue structure, and enhance brand influence. In the face of profound industry transformation and upgrading, the Group remains committed to prudent operations, placing risk management and internal controls among its top priorities. It will respond flexibly to macroeconomic and policy changes, continuously optimize its asset portfolio, and enhance its risk resilience.

Overall, despite the challenging external market environment, Everbright Grand China Assets Limited will remain customer-centric and pursue progress amid stability. It will break through existing business bottlenecks via business innovation, achieve cost control and efficiency enhancement through management upgrades, and strive for steady growth in operating performance, continuously creating long-term, stable and sustainable value for shareholders and society.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2026, the Group's total equity was approximately RMB996.9 million (31 December 2025: RMB998.7 million). The Group maintained cash and bank balances of approximately RMB49.4 million (31 December 2025: RMB131.0 million) and time deposits and certificates of deposits with original maturity of more than three months of approximately RMB180.4 million (31 December 2025: RMB104.4 million). The Group's current assets, current liabilities and net current assets were approximately RMB237.3 million, RMB16.1 million and RMB221.2 million (31 December 2025: RMB241.0 million, RMB20.1 million and RMB220.9 million), respectively.

The working capital and long-term funding required by the Group are primarily derived from income generated from the core business operations. The Group's gearing ratio, being measured by the Group's total liabilities over its total assets, was 18.3% (31 December 2025: 18.4%). The Group's liquidity position was well-managed.

To manage the liquidity risk, an adequate level of cash and cash equivalents that the Group considers sufficient to finance its operations and mitigate the effects of fluctuations in cash flow has been maintained.

CHARGES ON GROUP ASSETS

As at 30 June 2026, the Group had no charged assets (31 December 2025: Nil).

FOREIGN EXCHANGE

The Group's transactions, monetary assets and liabilities are principally denominated in Renminbi. The management of the Group is of the opinion that the Group has not experienced any material difficulties or effects on its operations or liquidity as a result of the fluctuations in currency exchange rates during the period. Therefore, the Group did not engage in any hedging activities.

CONTINGENT LIABILITY

As at 30 June 2026, the Group had no contingent liability (31 December 2025: Nil).

USE OF NET PROCEEDS FROM THE LISTING

The net proceeds raised from the global offering on 16 January 2018 (the “**Listing Date**”), after deducting relevant listing expenses, was approximately RMB116.1 million (“**Net Proceeds**”). Up to 30 June 2026, the Group had used approximately RMB18.1 million (31 December 2025: RMB17.8 million) of the Net Proceeds for the purposes as set out in the section headed “Future Plans and Use of Proceeds” in the prospectus of the Company dated 29 December 2017 (“**Prospectus**”).

	Net Proceeds	Amount utilised up to 31 December 2025	Utilised during the period ended 30 June 2026	Amount utilised up to 30 June 2026	Unutilised Net Proceeds as at 30 June 2026	Expected timeline for utilising the remaining Net Proceeds <i>(Note)</i>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	
Acquisition of properties in the major cities of the United Kingdom (“U.K.”)	92,904	3,162	—	3,162	89,742	Expected to be fully utilised on or before 31 December 2027
Upgrade in building facilities and/or renovating the properties of the Group	11,613	10,463	301	10,764	849	Expected to be fully utilised on or before 31 December 2027
Working capital and general corporate purposes	11,613	4,140	—	4,140	7,473	N/A
Total	<u>116,130</u>	<u>17,765</u>	<u>301</u>	<u>18,066</u>	<u>98,064</u>	

Note: The expected timeline for fully utilizing the unutilised Net Proceeds is based on the best estimations of the future market conditions made by the Group and is subject to change based on the current and future development of the market condition.

As at 30 June 2026, the unutilised Net Proceeds was approximately RMB98.1 million (31 December 2025: RMB98.4 million).

Since 2024, the Group has conducted site visits and research and has been liaising with property agents for acquisition of property in London that fit the Group’s selection criteria and development strategy. Considering the fluctuation in the U.K. property prices and the changing demand in the property market in the U.K., the subdued market environment and ambiguous valuation trends precluded viable opportunities. With gradually improving property market conditions in 2025, the Group has been looking for investment opportunities in commercial properties to further broaden its properties portfolio and the time required to complete such acquisition, it is expected that the remaining amount of the unutilised Net Proceeds allocated for acquisition of properties in major cities of the U.K. will be fully utilized by the end of 2027.

During the year, improvements and upgrades have gradually been made to the properties on necessary basis to allow the Group to improve the properties' occupancy rates and further increase their average rent. Considering our development strategies and the time required to undergo upgrades and renovation, it is expected that the remaining amount of the unutilised Net Proceeds allocated for upgrading building facilities and/or renovating the properties of the Group will be fully utilized by the end of 2027.

Going forward, the Directors will closely monitor the current and future market development to evaluate its business objectives and to apply the unutilised Net Proceeds according to the changing market conditions to create greater value for the Shareholders.

The unutilised Net Proceeds will be applied according to the purposes set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus. The Directors considered that it would be in the best interest of the Group to deposit such funds temporarily in the bank accounts to earn interest income and are not aware of any material change to the proposed use of the proceeds as at the date of this announcement.

EMPLOYEES AND EMOLUMENT POLICY

As at 30 June 2026, the Group employed a total of 99 (2025: 105) employees and appointed 8 (2025: 8) Directors. During the reporting period, total staff costs, including Directors' emoluments, of the Group were approximately RMB6.1 million (2025: RMB6.5 million).

The Company recognises that employees are one of the Group's most important assets. The Group remunerates its employees according to their performance, qualifications and industry practices, and conducts regular reviews of its remuneration policy. In addition to a basic monthly salary, discretionary bonuses are offered to employees with outstanding performance. The Group also offers other employees benefits such as medical insurance and retirement benefits scheme.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 15 December 2017 (the "**Share Option Scheme**") for the purpose of providing incentive or rewarding eligible persons ("**Eligible Persons**"). Eligible Persons include director, employee, agent, consultant, business partner, joint venture partner, supplier of goods or services or any director or employee of such supplier, customer or any director or employee of such customer, and person or entity that provides research, development or other technological support or any advisory, consultancy or professional services or any director or employee of such entity, who has contributed or will contribute to the Group on the basis of their contribution to the development and growth of the Group.

The Share Option Scheme became effective on the Listing Date and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of adoption of the Share Option Scheme (i.e. 14 December 2027).

No share options were granted under the Share Option Scheme since its adoption or approval. 44,140,000 share options (representing 10% of the issued shares of the Company) were available for grant at the beginning and the end of the period ended 30 June 2026.

CORPORATE GOVERNANCE

The Board is committed to maintaining statutory and regulatory standards and adherence to the principles of corporate governance with emphasis on transparency, independence, accountability and responsibility. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of Shareholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

The Board has established the Group's purpose, values and strategy, and satisfy itself that these and the Group's culture are aligned. All Directors must act with integrity, lead by example, and promote the desired culture. The Board should instil such culture into the Company and continually reinforce across our Company's values of acting lawfully, ethically and responsibly.

A healthy corporate culture set up by the Group, including integrity and accountability, is vital for the Company to achieve its vision and mission towards sustainable growth. It is the Board's role to foster a corporate culture with core principles to guide the behaviours of its employees, and ensure that the Company's vision, values and business strategies are aligned to it.

The Company has adopted the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as its own code of corporate governance throughout the six months ended 30 June 2026. The Company has complied with all applicable code provisions of the CG Code set out therein, except for CG Code provision C.2.1.

Pursuant to CG Code provision C.2.1, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

The roles of the chairman and the chief executive officer (“**CEO**”) of the Company are not separated and are performed by the same individual. Mr. Liu Jia (“**Mr. Liu**”) has acted as both the chairman and the CEO since the Listing Date. Since Mr. Liu has a wealth of experience in real estate investment, operations and investment projects, taking into account the consistent leadership within the Group and in order to enable more effective and efficient overall strategic planning and continuation of the implementation of such plans, the Directors consider that Mr. Liu is the best candidate for both positions and the present arrangements are beneficial and in the interests of the Group and the Shareholders as a whole.

As the Board currently comprises two Executive Directors (including Mr. Liu), two non-executive Directors and four independent non-executive Directors, therefore the Directors are of the view that there is a fairly strong independence element in its composition and an appropriate delegation of authorities to the management. The Board shall nevertheless review the arrangement from time to time to ensure that it is appropriate to the Group’s circumstances.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding the Directors’ securities transactions. Having made specific enquiry with each of the Directors, the Company has received confirmations from all Directors that they had complied with the required standard of dealings as set out in the Model Code throughout the six months ended 30 June 2026.

INTERIM DIVIDEND

The Board has declared an interim dividend of RMB0.58 cents (equivalent to HK0.67 cents) per ordinary share of the Company for the six months ended 30 June 2026 (2025: RMB0.73 cents (equivalent to HK0.80 cents)) to Shareholders whose names appear on the register of members of the Company on Thursday, 15 October 2026. The interim dividend will be paid on or around Friday, 30 October 2026.

The interim dividend will be paid in Hong Kong dollars. The exchange rate for the dividend to be paid in Hong Kong dollars is the central parity rate of Hong Kong dollars to RMB as announced by the People’s Bank of China on 25 August 2026.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 12 October 2026 to Thursday, 15 October 2026 (both days inclusive), during which no transfer of shares of the Company will be registered. In order to qualify for the interim dividend, all properly completed transfer documents and 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, not later than 4:30 p.m. on Friday, 9 October 2026.

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including sale of treasury shares (as defined under the Listing Rules)) of the Company.

As of 30 June 2026, there were no treasury shares held by the Company.

AUDIT COMMITTEE

The audit committee of the Company together with the management has reviewed the accounting principles and practices adopted by the Group and discussed the financial reporting matters including the review of the Group's unaudited financial results for the six months ended 30 June 2026.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the Company's website at www.ebgca.com.hk. The interim report of the Company for the six months ended 30 June 2026 will be available on both websites and dispatched to the Shareholders who have already provided instructions indicating their preference to receive printed copies in due course.

By Order of the Board
Everbright Grand China Assets Limited
LIU Jia
Chairman

Hong Kong, 26 August 2026

As at the date of this announcement, the Board comprises Mr. Liu Jia and Mr. Jiang Zhiwen as executive Directors; Mr. Zhuang Minrong and Ms. Yin Junyan as non-executive Directors; and Mr. Ho Kwai Ching Mark, Mr. Shek Lai Him Abraham, Mr. Lee Jor Hung and Mr. Wang Cheung Yue as independent non-executive Directors.